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National Stock Exchange of India Ltd

Exchange Plaza, C-1, Block G

Bandra – Kurla Complex, Bandra (E)

Mumbai - 400 051

Symbol: NCC

BSE Limited

Phiroze Jeejeebhoy Towers

Dalal Street, Fort

Mumbai – 400 001

Code: 500294

Dear Sir,

Sub: Submission of Transcript of the audio conference call held on August 6, 2025

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the transcript of the earnings audio conference call held on August 6, 2025, with analysts discussing the performance & financial results of Q1 of the FY 2025-26. The transcript is also available on the Company's website at <https://www.ncclimited.com/analyst-column.html>

Kindly take the above on record.

Thanking you,

Yours faithfully

For NCC Limited

Sisir K Mishra

Company Secretary

Encl: as above



“NCC Limited
Q1 FY26 Earnings Conference Call”
August 06, 2025



MANAGEMENT: **MR. R.S. RAJU – DIRECTOR OF PROJECTS – NCC LIMITED**
MR. SANJAY PUSARLA – EXECUTIVE VICE PRESIDENT – FINANCE AND ACCOUNTS AND CHIEF FINANCIAL OFFICER – NCC LIMITED
MR. NEERAD SHARMA – HEAD STRATEGY AND INVESTOR RELATIONS – NCC LIMITED

MODERATOR: **MR. VAIBHAV SHAH – JM FINANCIAL**

Moderator: Ladies and gentlemen, good day, and welcome to the NCC Limited Q1 FY '26 Earnings Conference Call hosted by JM Financial Institutional Securities 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 star then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Vaibhav Shah. Thank you, and over to you, sir.

Vaibhav Shah: On behalf of JM Financial, I welcome everybody to 1Q FY '26 Earnings Conference Call of NCC Limited. We have from the management today, Shri. R.S. Raju, Director of Projects; Shri. Sanjay Pusarla, Executive Vice President, Finance and Accounts and Shri. Neerad Sharma, Head Strategy and Investor Relations.

Now I hand over the call to the management for their opening remarks and then we can have the Q&A session. Over to you, sir.

Neerad Sharma: Thank you very much, Vaibhav. Good morning, everyone. This is Neerad. At the very outset, I thank each of you for taking time to attend this interactive meeting. I have with me my colleagues, Mr. R.S. Raju, Director of Projects; and Mr. Sanjay Pusarla, CFO. Yesterday, we have declared our audited -- unaudited financial results for the first quarter of the financial year FY '26. Hope you had an opportunity to download and study the results and investors presentation uploaded on our website and shared with the stock exchanges.

Before I begin this interactive meeting, I will read a brief disclaimer. You may read the detailed disclaimer in our investors presentation. The presentation may contain certain forward-looking statements concerning NCC's future business prospects and business profitability, which are subject to a number of risks and uncertainties, and the actual results could materially differ from those in such forward-looking statements.

This interaction is broadly divided into three parts. In the first part, I will briefly talk about the business environment and the prospects for our company. In the second part, CFO will give a brief about the financial performance of the company for the first quarter of the financial year. In the third part, we will attempt to answer all your questions and clarifications.

As you are aware, we're sitting at a strong order book of INR70,087 crores. And in the first quarter of FY '26, we have booked orders worth INR3,658 crores. If we take into account all the projects back till today, this value is INR6,719 crores, which is about 31% of the lower band of the guidance shared with the Street.

In the first quarter of FY '26, the company has reported a turnover of INR4,430 crores as against INR4,747 crores in the corresponding quarter of the previous year. EBITDA margin is 9% on a standalone basis, which is in line with our guidance for the current financial year. For FY '26, we are seeing a healthy prospective pipeline of projects of about INR2.5 lakh crores. In our buildings and transportation division, we continue to see good traction and healthy pipeline of projects.

We have an order book of INR23,577 crores, which is about 34% of our total order book in buildings and INR17,957 crores, which is about 26% of our total order book in the transportation division. In our electrical T&D division, the order book is INR15,737 crores as of end of June, which is about 22% of our order book. The order book in the irrigation division is INR3,863 crores as of end June, which is 6% of our order book.

Our water division has an order book of INR4,215 crores, which is about 6% of our total order book. The order book of the mining division is INR4,733 crores as of end of June, which is 7% of our order book. Now I will hand over to CFO with a request to cover the detailed financial performance of the company.

Sanjay Pusarla:

Good morning, ladies and gentlemen. This is Sanjay Pusarla, CFO of NCC Limited. I am pleased to announce the financial results of Q1 of FY '26 of NCC Limited. My announcement will cover order book, revenue, profitability, debt movement and some of the important balance sheet items in the same order.

So coming to the order book. Our order book, you know that it stands at INR71,568 crores at the beginning of the year, and we secured orders of INR3,658 crores in the first quarter. After eliminating the execution, we are standing at an order book of INR70,087 crores as of the end of June.

Coming to the revenue. First, I'll cover on the stand-alone. Turnover reported in Q1 FY '26 is INR4,430 crores against a turnover of INR4,747 crores in the corresponding quarter of the previous year, which is almost like 7% lower than what we reported in the same quarter of the last year. At consolidated, the turnover reported is INR5,208 crores as against turnover of INR5,558 crores in the corresponding quarter of the previous year, which is about 6% lower.

Coming to profitability. At stand-alone level, we achieved EBITDA of 9.02% for Q1 as against 9.33% of the corresponding quarter of the previous year, which is in line with the indications given to the market. PBT is 5.44% and PAT is at 4.29% in the current quarter that is ending June '26 as against PBT of 5.63% and PAT of 4.3% of the corresponding quarter of the last year.

At consolidated level, we achieved an EBITDA of 8.81% and PBT of 5.15% and PAT of 3.69% in the current quarter, as against EBITDA of 8.65%, PBT of 5.39% and PAT of 3.78% reported in the last year. Coming to the debt movement. The debt at the beginning of the year stands at INR1,484 crores and net debt after cash and cash equivalent is INR695 crores.

At the end of Q1 '26, it is standing at INR1,852 crores and net debt of INR1,497 crores. And at the end of Q1 '25 -- FY '25, that is the corresponding period of the last year, the same is at INR1,820 crores and net debt is INR1,680 crores. There is an increase in debt by INR368 crores compared to March.

The debt-to-equity ratio stands at 0.21 at the end of the quarter 1 of FY '26, as against 0.26 at the end of quarter 1 of FY '25. The same is at 0.20 at the end of March '25. Coming to the working capital. So working capital, I will be covering excluding cash and margin money

deposits. So at the end of Q1 FY '26, it stands at INR5,314 crores, which is 30% of the turnover. And in terms of number of days, it is 102 days.

So coming to the debtors, receivables position. Debtors outstanding at the end of Q1 has increased from INR3,098 crores to INR3,296 crores. And the number of days has also increased from 65 to 77 days in the current quarter. And 85 days -- it was 85 days for the corresponding quarter of the previous year.

Coming to the unbilled revenue. Unbilled revenue stands at INR6,442 crores, which is 37% of the revenue, as against INR5,937 crores, which is 31% at Q4, that is March '25. Retention money stands at INR2,008 crores, which is 11% for Q1, as against INR1,870 crores, which is 10% at Q4, at the end of March '25.

Coming to the mobilized advances. Mobilized advances stands at INR2,944 crores as at the end of June '25, as against INR2,098 crores as of March '25, increased by INR846 crores. Of these mobilized advances, interest-bearing advances are 62% and average interest comes to around 9.24%. Interest-bearing advances decreased from 79% to 62% during this quarter.

Coming to the cash and cash equivalents. Cash and cash equivalents are INR355 crores as at the end of June 2025, against INR789 crores at the end of March '25. Same is the case with margin money deposits, INR671 crores as at the end of June '25 and INR639 crores at March '25.

Coming to the capex. We have budgeted a capex of INR750 crores for the regular projects, against which we have spent INR92 crores in the quarter 1 of FY '26. So investor-related ratios. ROCE stands at 12.62%, as against 14.61% at the end of -- at February -- sorry, at March '25. Return on net worth against PBT is 13.14% as against 14.23%. EPC stands at INR3.03 as at the end of quarter 1 of FY '26, as against INR3.2 in Q1 of FY '25.

With this, I conclude the presentation on the financial numbers. Thank you, all. Mr. Vaibhav, we can take questions now.

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.

Shravan Shah: Sir, first on the -- our guidance front. So this quarter, 7%, 7.1% revenue degrowth, and we were looking at 10% growth for FY '26. So the -- for balance three quarters, the ask rate is 15.5% odd. So what's the revised guidance? And in terms of margin also, will it be a kind of a lower end of 9% or still we can have a 9%, 9.25%?

Sanjay Pusarla: Yes. Coming to the guidance. So I think you are aware that whatever orders we have received, we have received at the end of March, major orders, okay? And in generally, what happens when the new orders are received, you need to mobilize the site, you need to have the work front availability. The designs and trying stage, clearances, everything will be there.

They are all in place now. Probably by end of September or September onwards, the new works will also start producing the results now. They will have the revenue. We expect to

maintain the guidance in the coming quarters. Probably in the quarter 3 and quarter 4, we will be looking at numbers -- achieving these numbers.

Shravan Shah: Okay. Great. And then margin also -- will it be 9% or 9.25% is also possible?

Sanjay Pusarla: 9% is definitely we are expecting that we'll be reaching that 9%. We'll be maintaining sustaining that level. And there is a possibility once the growth is there in the revenue, there is a possibility of adding some more basis points.

Shravan Shah: Okay. And just a clarification, though in terms of order inflow, we are INR22,000 crores, INR25,000-odd crores. And till now, we have received INR6,719-odd crores. So the L1 status, if you can help us currently how much value of projects are L1? And including this L1, are we looking at total INR22,000 crores to INR25,000-odd crores kind of order inflow for this year?

Neerad Sharma: Yes. Vaibhav ji, the L1 value would be between INR5,000 crores to INR6,000 crores. And as we speak, we reiterate that we are quite convinced that we should be able to achieve the guidance that we have shared with the Street. And the number that you quoted, INR6,700-odd crores number, which is already about 30% of the lower band of the guidance that we have shared with the Street. So we are reasonably confident of achieving that target.

Shravan Shah: Okay. Got it. And lastly, in terms of the finance cost, last time we said it would be 3% to 4% can be higher. So that number is likely to remain the same?

Sanjay Pusarla: It's likely to remain same. And probably, we are also having discussions with the bankers are also exploring some alternative means of finance also, alternative products. It may be a little bit of lower side when compared to the previous year. Yes.

Shravan Shah: Lastly, sir, two, three data points on balance sheet, trade payable, inventory, loans and sir, total investment in subsidiaries and associate, and also if you can break it up in loans and investment?

Sanjay Pusarla: One second. Investments is INR1,052 crores. Inventories is INR1,476 crores. These two numbers. And coming to the payables...

Shravan Shah: 1,400 -- sorry. Inventory...

Sanjay Pusarla: 472.

Shravan Shah: Okay. 472, okay, 1-4-7-2. Yes. Trade payable, sir?

Sanjay Pusarla: Trade payables is INR6,062 crores.

Shravan Shah: INR6,062 crores?

Sanjay Pusarla: Yes.

Moderator: The next question is from the line of Mohit Kumar from ICICI Securities.

- Mohit Kumar:** Sir, my questions are related on institution. The first question is smart meter. We believe the smart meter has picked up in general in Maharashtra and UP. For us, are you seeing the pick up in institution? And has the institution normalized now?
- Sanjay Pusarla:** Yes. In the case of smart meters for both Maharashtra projects, we have got the go-live and the pace is picked up and is expected to be doing well in the quarter 2 and quarter 3.
- Neerad Sharma:** Mr. Mohit, we have made reasonably good progress on the installation of these smart meters. We have already installed close to three orders close to 15 lakh meters.
- Mohit Kumar:** Second question is on the Ken-Betwa, river interlinking project. How is the execution going right now? And are you seeing more order inflow, more inquiry from the company side for the balance of the year?
- Neerad Sharma:** Mr. Mohit, firstly, this Ken-Betwa project, this project is required to be executed in 6 years' time. So for a project like this, there are a lot of processes involved, design, permissions in place. So the project is currently at this stage. But we are hopeful that more projects should come for bidding for interlinking of rivers, but we have to wait and watch.
- Mohit Kumar:** Are you seeing more tenders, sir, at this point of time it is more status quo as of now?
- Neerad Sharma:** We expect to see because if we were to go by the different media reports, there are different interlinking of river projects are being talked about in a few states. So we have to just wait and watch how these developments finally pan out.
- Mohit Kumar:** Yes, sir. My last question, sir, on the order book. Are there slow-moving order books which has inched up compared to, let's say, last fiscal?
- Neerad Sharma:** We cannot -- I mean, most of the projects that we have currently in our order book, Mr. Mohit, are moving at a good pace. And whenever we take a view that these projects are not moving, they are not expected to make progress, generally, we try to remove those projects from our order book. This is an exercise that we have done in the past. So as we speak, I mean, we have taken a view that these projects should make reasonably good progress in quarters to come.
- Moderator:** The next question is from the line of Parikshit Kandpal from HDFC Securities.
- Parikshit Kandpal:** Yes. Sir, my first question is out of the total order book of INR 70,000 crores, what quantum of the order book the work hasn't -- has not started until now?
- Sanjay Pusarla:** It was almost like whatever projects we have got in the month of March. All those projects are in the initial phase of designing and getting clearances and also having the work available -- for work build availability. So those are the projects which are taking up now. And there are no projects which have been stalled in the order book.
- Parikshit Kandpal:** So if you can quantify? I mean...
- Sanjay Pusarla:** So Parikshit, I would like to answer that a little different. The -- in the FY '25, we have bagged projects about close to INR33,000 crores. The projects that we have bagged in the month of

March, they are expected to take some few more months to really get started. So whenever we bag a project, there are a lot of -- there is a process involved, the taking over the site, mobilization, completing the documentation, having all the ROWs in place.

So it will take some time for the projects that we have recently bagged. Otherwise, all the projects that we have in our book are making good progress.

Parikshit Kandpal: So what will be the order inflow in March, sir?

Neerad Sharma: It would be about a little less than INR20,000 crores.

Parikshit Kandpal: So INR20,000 crores was bagged in March. So that is where -- the work will start by second half of this financial year?

Sanjay Pusarla: Right. You're right.

Neerad Sharma: Depending on the site, depending on the -- I mean, different sites will have different conditions. But by and large, we could say that.

Parikshit Kandpal: Okay. Got it. Second question is on the JJM. So what's the progress on JJM? And what are the debtors currently outstanding and revenue for Q1 and order book?

Sanjay Pusarla: So as far as JJM are concerned, the total order book is about INR16,000 crores. Out of that, we have already executed about INR12,000 crores. INR4,000 crores is the balance order book that needs to be executed. And this year also, we are expecting to execute a major portion of that. And coming to the receivables, it was somewhere around -- one second, I'll just give you the receivables number.

Parikshit Kandpal: Okay. And just another question on this Versova, NCC Urban has won a redevelopment project of 0.4 million square feet. So this is under the listed entity, right? And if yes, then what is the plan for real estate now beyond the current land parcel? How are you looking at this business?

Neerad Sharma: Could you please repeat your question?

Parikshit Kandpal: Sir, NCC Urban has won a redevelopment mandate for 0.4 million square feet in Versova in Mumbai. So I just wanted to check, is this the part of the listed entity? And if yes, then what are the plans for the real estate development in the listed entity beyond the current land banks?

Neerad Sharma: For the -- our real estate business, we have a subsidiary company called NCC Urban. And this company has bagged that project, the project that you are talking about.

Parikshit Kandpal: Right. Yes, that I understand, sir. But I was asking, are we looking at more projects like this for development within NCC. So that was my question, sir. How are you looking at the real estate development now from here on?

Sanjay Pusarla: It was not at the NCC level. It was at the urban level only, and they are looking for these kind of projects also in the near future.

- Parikshit Kandpal:** And this will be part of the listed entity, right?
- Neerad Sharma:** This is a subsidiary company of the listed entity. The parent company listed entity is NCC Limited. Our subsidiary company's name is NCC Urban. That company is not listed. It's an unlisted entity, but it's a subsidiary company of the parent company, listed company, NCC Limited.
- Parikshit Kandpal:** Okay. That I understand, sir. But I'm saying the revenues, and the profit will accrue to the listed entity NCC, the parent holdco company, right?
- Neerad Sharma:** In the consolidation, it will come.
- Parikshit Kandpal:** Yes. So as a business -- so I was asking as a strategy, how is the parent now -- if the business is done under subsidiary, the capital requirement and everything as we have been supporting our entities in the past. So I wanted to know how are we looking at this business and outside our existing land parcels? How are you looking at the real estate opportunity from mid- to long-term? So what is our strategy there?
- Neerad Sharma:** Yes. If you could repeat your question, Mr. Parikshit? You are asking about the long-term strategy for this kind.
- Parikshit Kandpal:** Yes.
- Neerad Sharma:** See, this unlisted subsidiary company of NCC, they are always in lookout for all kinds of opportunities, including redevelopment projects. As and when they are able to identify a good project, they will evaluate and then decide the next course of action.
- Parikshit Kandpal:** Okay. Sure, sir. And just last that JJM, the receivables.
- Sanjay Pusarla:** That was around INR300 crores is the receivables, INR286 crores precisely, yes, SWSM projects. Yes.
- Moderator:** The next question is from the line of Nishit Jain from S&J Investments.
- Nishit Jain:** I would like to know regarding your projects in MMR region. So if I'm not wrong, some two BMC projects company is executing with -- in JV with J Kumar, right?
- Neerad Sharma:** Yes. You're talking about GMLR project, Mr. Jain?
- Nishit Jain:** Yes. One is GMLR and I guess the other one is Versova-Dahisar coastal road also, right?
- Sanjay Pusarla:** Yes, the VDCR, right.
- Neerad Sharma:** That's right.
- Nishit Jain:** So have we received this -- the clearances and is the on-ground work started in this?
- Sanjay Pusarla:** So as far as the GMLR tunnel project is concerned, we have received all the clearances. Only we are just waiting for the tree cutting permissions, which is expected very shortly. Once it

comes, then the project progress will also happen. And whatever equipment that is required for this project is also reaching India, which is actually an imported equipment, which is coming from outside. It is reaching now.

And as far as VDCR is concerned, we are just waiting for some clearances to come. Once that comes, that project also will take off. And as far as GMLR is concerned, we already started all the approach roads and everything, and also the casting yard also for the purpose of tunnel lining.

Nishit Jain: Okay. In this follow-up, so for this Versova-Dahisar project, so is -- for that, is the -- is there will be a requirement of casting yard? And if yes, is it finalized?

Sanjay Pusarla: No. No. It is not for Versova, this Dahisar coastal road. It is for the tunnel project, GMLR tunnel project.

Nishit Jain: So for they -- Versova, they said, you won't require any casting yard. Is it like that?

Sanjay Pusarla: No, no. There, we don't require anything.

Nishit Jain: Okay. And second thing is on the Virar-Alibaug MSRDC project. I think now they are going to do it on BOT model. So company will be participating in this BOT model tenders?

Sanjay Pusarla: Which project you were mentioning about?

Nishit Jain: Virar-Alibaug multi-model, which they have cancelled and now they will issue in BOT model, I think so?

Neerad Sharma: We will evaluate. We'll evaluate. But our focus always is on EPC kind of projects. But whenever these projects comes up for bidding, we will evaluate and then decide. It is really premature to really commit whether we will participate or not. It would depend on the project, the various terms and conditions, and our decision would depend on that.

Nishit Jain: The only idea was, does the company participate in the BOT model that is...

Neerad Sharma: Generally -- I think I have already answered that question. Generally, our focus currently is on the EPC kind of projects.

Moderator: The next question is from the line of Prithvi Raj from Unifi Capital.

Prithvi Raj: I just have a couple of questions on balance sheet. We saw increase in the working capital and debt numbers on a sequential basis. Could you please explain this? Are we facing any delays with respect to payments or has the situation improved? Could you throw some colour on this?

Sanjay Pusarla: Generally, the debt position at the end of the first quarter will be a little higher when compared to your March, okay? So the reason being in the end of the year, as we more concentrate on the government projects, the government project, generally, they tend to release all the payments because of the expiry of their budgets and other things. So you have your debt position will be low at the end of year-end.

At the end of the first quarter, the debt position, I think, were comparatively better than what we were there in the last year. And we are not expecting any delay in the receivables, except for the few projects where the central funds are expected to be released sooner.

Prithvi Raj: Okay. And on the Maharashtra, I think last year, you had a certain delay with respect to execution. Has the things improved after the elections? Now is Maharashtra execution and payments seems to be normal?

Sanjay Pusarla: Yes, definitely. Because after the elections, we even started getting all the clearances. We got the go-live for all the smart meter projects, and we started executing the projects and the payments are also flowing in now.

Prithvi Raj: How should we look at the debt number by the end of the year? Do you have any number saying by March '26, you would like to reach certain level?

Neerad Sharma: Mr. Prithvi Raj, we do not really give any guidance for the debt number. I think we have shared three set of guidance numbers for the current financial year FY '26, which you already know. So we do -- really don't share any specific number for the debt.

Prithvi Raj: So one final question on the execution front. I mean in addition to high base last year, has there been anything else that impacted the execution specifically in this quarter, early monsoon, something of that sort?

Sanjay Pusarla: So this quarter, the execution impact is not on that account. Actually, the execution impacted in certain category of projects like SWSM projects. As you know that the -- there were delays in the release of payment from these government. So that is the reason there was a dip in the turnover. Otherwise, there is no other impact. And we expect these things will also set in right in the quarter 2 and expect that we'll be meeting the market expectations as the guidance given by us.

Moderator: The next question is from the line of Vaibhav Shah from JM Financial.

Vaibhav Shah: How much have we invested in the smart meter projects as equity?

Sanjay Pusarla: As of now, it is INR70 crores.

Vaibhav Shah: And what would be the total investment in the time period?

Sanjay Pusarla: It is like INR430 crores is the total equity that is required over a period of 1.5 year. And this year, it is expected that we may have to invest another INR150 crores to INR200 crores.

Vaibhav Shah: Incrementally?

Sanjay Pusarla: Yes.

Vaibhav Shah: Okay. And any thoughts on bringing some partner? We were earlier looking for a partner to share the equity burden. So any thoughts on that?

Sanjay Pusarla: Still, we have not shelved that proposal. We are still active on that. And we are also looking for someone who will come to us at our terms. If someone is coming up, then definitely, we will look for that opportunity.

Vaibhav Shah: But otherwise, we are open to put the entire equity?

Sanjay Pusarla: Obviously.

Vaibhav Shah: Okay. Sir, secondly, on the Vizag deal. So there was an outstanding loan of INR375 crores. So what is our plan to recover that? And how much have we recovered in this year so far?

Sanjay Pusarla: This year, we have not recovered anything. The -- actually, there was launching of the project happened by them in the current year. And there was a little restructuring done. Starting September '25, they will start releasing the funds. This year, they have not released anything so far. But end of September, they will start releasing as per the agreed schedule.

Vaibhav Shah: So you are earlier targeting INR120 crores in '26. So we maintain the target?

Sanjay Pusarla: Yes. That was the agreed target with them.

Vaibhav Shah: Okay. Sir, secondly, on the AP side, sir, what would be the outstanding receivables?

Sanjay Pusarla: And as AP Capital City, the outstanding is INR104 crores as of now. And we started getting some money from there. And we are expecting this money also to get realized by end of second quarter.

Vaibhav Shah: And sir, in the running projects?

Sanjay Pusarla: Running projects, it is good, absolutely no problem. Even the new projects which have been awarded to us in the last quarter, they have already started mobilizing, and we have already started working on those projects and initial bills were also raised in some of the projects because all the projects were not taken off immediately. Some projects have taken up, and we started billing them and we are getting the money.

Vaibhav Shah: And what would be the amount, sir, outstanding from running projects?

Sanjay Pusarla: New projects, as of now, there is no outstanding, whatever bills that have been raised that have been -- those have been paid off.

Vaibhav Shah: Okay. And sir, lastly, what would be the share of AP in the consol order book?

Sanjay Pusarla: Around 13%, 14%. Yes. It will be around 13% to 14%.

Vaibhav Shah: Okay. And sir, lastly, what would be the capex for FY '26?

Sanjay Pusarla: FY '26, INR750 crores we have put the capex for the normal projects. Out of that, INR92 crores we have already procured in quarter 1.

Vaibhav Shah: Okay. Sir, one clarification. You mentioned that the JJM receivables is around INR286 crores. As of March, it was around INR1,500 crores, right?

Sanjay Pusarla: No, that is including all your unbilled revenue also and other JJM projects also in addition to SWSM.

Vaibhav Shah: Okay. So the number corresponding to March INR1,500 crores would be what number right now?

Sanjay Pusarla: It will be INR1,700 crores.

Moderator: Next question is from the line of Deepak Poddar from Sapphire Capital.

Deepak Poddar: Sir, just wanted to understand this first quarter, our net debt was around INR1,500 crores, right?

Sanjay Pusarla: Yes.

Deepak Poddar: Okay. And what's the target for FY '26 end? I mean, in the past, we had some target of debt reduction. So now the debt has increased. So what sort of target we can have for FY '26 end debt levels at the gross level maybe?

Neerad Sharma: Mr. Poddar, we don't really share any target for the debt. But we expect that we may end up at around INR1,400 crores to INR1,500 crores.

Deepak Poddar: INR1,400 crores to INR1,500 crores. Okay. Similar to what we have -- we had at the end of FY '25?

Sanjay Pusarla: Yes.

Deepak Poddar: And so -- and interest cost also, I mean, do you expect the interest cost on a Y-o-Y basis because debt levels have increased right now to kind of remain flattish or we can see some increase?

Sanjay Pusarla: No, it was like -- similarly like last year only. There will not be any significant change in that.

Deepak Poddar: Okay. And just -- I mean, if I have to see, I mean, last four, five quarters, I mean, consistently, we have seen a degrowth on a Y-o-Y basis in terms of our quarterly revenue. So -- and we do have a very healthy strong order book. So just wanted to understand where we are -- I mean, we are finding it difficult to grow our business. I mean, is it the execution part? So some understanding on that would be very helpful, sir?

Sanjay Pusarla: Yes. It's like this. If you see the year 24 -25, half 23 -24, the growth rate is very high. If you see that it was around 35% is the growth rate, okay? And coming to '25 here, we have given, I think, a guidance of 15% at that point of time. And midterm, we revised it to 10%, okay? So the actual growth that happened is around 5%, okay?

And the projects which have come in the last year, okay, those have come in the latter part of the year. Because in the beginning of the year, because of the political -- the elections and other things, there was no order book that was building up in the beginning of the year. The order book was built only at the end of the year.

That is the reason you have a -- comparatively, if you compare with the previous year, there is a reduction in quarter-on-quarter. But these orders which have come in the month of February and March of this current year, they will result in producing your revenues maybe from the quarter 2 ending or quarter 3 of the current year.

Moderator: We take the next question from the line of Bhavin Modi from Anand Rathi.

Bhavin Modi: So when I was looking to the execution part, so I see the execution is being like lagged from the transportation business and from the electricals business. So sir, what is the reason for that? Why is a slow execution? So like the conversion is around 4% to 5% of the opening order book of this quarter?

Neerad Sharma: See, Mr. Modi, about this T&D, I think we are on record. We have already shared in the previous con calls that execution got a little impacted in the state of Maharashtra for rolling out the smart meter projects. So whenever a delay of this kind takes place, naturally, it will have some implication on the project progress. But we are quite hopeful. As we have shared in this call earlier, we have the go live, and we are making reasonably good progress for the electrical T&D.

Bhavin Modi: Okay. And sir, second question, can we expect a good amount of execution from our BSNL order, which we won in the first part of the last financial year? And can we also expect a good amount of execution for GMLR projects? So can we expect execution to ramp up because of these two major orders?

Sanjay Pusarla: So as far as the BSNL is concerned, now that groundwork is happening, that design clearances, approvals are in place, probably from Q3 onwards, we'll start billing and executing. And by end of the year, maybe Q4, it will pick up. As far as the GMLR is concerned, the preparations are happening for launching these TBMs. That is a very complex job.

Once the TBMs are launched, then only the increase in the revenue is expected. Till such time, you will have approach roads, you will have box tunnels, cut and cover tunnels, all these things, they will be doing it. So you will not expect higher revenue in respect of GMLR now until the TBM starts working.

Bhavin Modi: Okay, sir. And last question, sir, how do you see the impact of monsoon till date? How have we seen the execution impact?

Sanjay Pusarla: Generally, the execution in Q2 because of the monsoon, we even expect to do moderately. So that is going to be there.

Moderator: The next question is from the line of Vishal Periwal from Antique Stock Broking.

- Vishal Periwal:** Sir, in terms of order book, can you give some colour like in terms of state-wise top 5, 6 states and also central state, how the fit is for us?
- Neerad Sharma:** Mr. Periwal, these projects will have a very good mix from all the leading states. So all the large states that are rolling out this infrastructure projects, we have a very good mix from all these states.
- Vishal Periwal:** Okay. And maybe in central state private, will that be handy, sir, with you?
- Sanjay Pusarla:** Yes. Out of the order book, you have a composition of like 20% is from the central government, about 15% from the state government and other entities like PSU state government entities, ADB, AIB banks and all. That's about 60%, 65%.
- Vishal Periwal:** Okay. So private is clubbed in that last part. Is that what?
- Sanjay Pusarla:** Yes. Private is not very substantial. It is somewhere around 5%.
- Vishal Periwal:** Okay. And maybe one last thing. So order inflow, you mentioned a number of INR6,000 crores plus. So that is till July, INR6,700 crores.
- Neerad Sharma:** Yes, that's an L1 number, Mr. Periwal. Yes.
- Vishal Periwal:** No, you are mentioned two things sir?
- Neerad Sharma:** The order inflows, right, in July. This is INR6,792 crores. INR6,792 crores.
- Moderator:** The next question is from the line of Vasudev from Nuvama.
- Vasudev:** Are we seeing any slowdown in the state government payments from any state?
- Sanjay Pusarla:** Right now, not. We are expecting the payments to come. As usual, as we discussed earlier also, the payments from Telangana government was a little slower. But otherwise, rest of the places, we are not facing any serious issues.
- Vasudev:** Okay. And sir, just one data-related question. We had cash and cash equivalents last quarter end was about INR1,300 crores. So can you just give a like-to-like number for this quarter as well?
- Sanjay Pusarla:** Yes. So it is cash and cash equivalents, including the MM deposits, margin money deposits. As at the end of March -- so cash and cash equivalents, you want on the pure cash and cash equivalents, you want including margin money deposits. If it is including margin money deposits as at the end of June '25, it is INR826 crores. And as at the end of March, it is somewhere around INR1,400 crores.
- Vasudev:** Okay. And sir, just last one, how much investment are we anticipating in the smart meter project?

- Sanjay Pusarla:** So the total investment required is INR430 crores. We have answered this question earlier, about INR150 crores, we need to invest more in the current year -- expecting to invest more in the current year.
- Moderator:** The next question is from the line of Lokesh Kashikar from SMIFS Institutional Equities. Please proceed.
- Lokesh Kashikar:** Most of the questions have been asked. Just a question from my side. What is the labour situation for us considering that we are sitting on one of the highest order book position? And also there has been the impact in Q1 as well considering that there has been a marriage season and festivals also there. So that's the question from my side?
- Sanjay Pusarla:** Marriage season, festival season, it is always factored, okay? It is there every year. So that is always factored. But as far as the labour is concerned, as you said, it is very, very important for our industry. And as you know that everywhere the infrastructure boom is there and a lot of scarcity is there, but still we are managing and trying to retain the people.
- Lokesh Kashikar:** But do you see that our order book position of around INR70,000 crores, we have enough labour to ramp-up the execution pace at it?
- Sanjay Pusarla:** We do not see any problem in terms of availability of the labour for executing these projects.
- Neerad Sharma:** See, the fact of the matter is the situation keeps changing from city to city, place to place. There would be places in which it is not as challenging as in some cities. But we are able to manage. There are various things that we are trying to do on the ground to make sure that people are comfortable, labour force is able to come, do their job to take care of their requirements. So we are trying to do all these things on the ground so that we are able to execute the orders that we already have in our hand.
- Moderator:** The next question is from the line of Jainam Jain from ICICI Securities.
- Jainam Jain:** Sir, my first question is we have been hearing from the peers that there has been a labour shortage issue in the construction space, especially within the building segment, whereas we have been -- we had a -- we see a potential decline in labour expenses. Can you throw some light on that part?
- Neerad Sharma:** I think we have already answered that question. This is a reality. This is a reality. But just saying that this is a challenge doesn't improve the situation. So as I have already shared in a -- trying to answer a question previous to your question, the situation is not uniform. In some places, this would be more challenging than the other places. But we are a company that has been in this business for more than 47 years.
- So we have what it takes to make sure that the labour force is available for the sites. But you are absolutely right when you make this observation that this is a systemic issue and this is a challenge.

- Jainam Jain:** And then sir, the way we have a very good orders from AP Capital project, are we eying for any similar good opportunities just like...
- Neerad Sharma:** You are not audible. Could you speak a bit louder, please?
- Jainam Jain:** Sir, the way we have bagged good orders from AP Capital project, are we eying any similar good opportunity which we expect to be tendered out in this fiscal?
- Neerad Sharma:** That is very difficult to say. What do you mean by similar projects like capital city?
- Jainam Jain:** I mean projects with similar size of projects?
- Neerad Sharma:** It depends. As and when if the real big projects come, we are always in lookout for interesting projects. But that's a new capital city that is getting constructed in Amravati. So -- but whenever similar projects come up for other places, we will definitely evaluate and then decide the next course of action.
- Jainam Jain:** Okay. And sir, have we started the execution of AP Capital project, which we have received in last fiscal and when do we expect to...
- Neerad Sharma:** Your voice is not very clear. At times you are audible, at times you are not.
- Jainam Jain:** Hello. Am I audible right now?
- Neerad Sharma:** Yes.
- Jainam Jain:** Sir, have we started the execution of AP Capital projects, which we had received in FY '25?
- Neerad Sharma:** We have already answered that question earlier that the projects that we have bagged for the capital city, it has -- it is in the stage of design, engineering, the predevelopment stage of the project. Once the project crosses these milestones, the construction would start.
- Jainam Jain:** So sir, when do we expect that thing to happen like when do we expect the execution to start on the full pace?
- Sanjay Pusarla:** It is going to happen maybe in the couple of weeks. Already in those some of the projects, we started billing also because it is not one single project, it is a composition of many packages. It is not one single project, the entire order. It is different packages and it is a different projects like building up roads, infrastructure, constructing drainage system and hostel, buildings and high court.
- There are several packages which have come in. So each package is at a different stage. But some of the package, we have already started working on them, and we started even the initial billing also.
- Moderator:** The next question is from the line of Saket from Kapoor Co. Please proceed.

- Saket:** Sir, firstly, if you could just correct me here. Sir, some of the slides we have removed from our presentation for this quarter, especially about the coal mining aspect and the urban part. So any particular reason why we chose to do so? And what is the update firstly from the contribution from our mining MDO work and what are the targets we have set out for ourselves for this year?
- Sanjay Pusarla:** For mining, we have set a target of about INR2,600 crores for the current year. And we have achieved about INR720 crores, I think, in the first quarter. And we expect to reach the target whatever we have fixed for that. And there is no specific reason why we have taken...
- Neerad Sharma:** It is not this pattern, Saket ji, because as per the improvement quarter-to-quarter, we try to share what information that we think best describes our business in that quarter. So that's the reason. There is no other reason.
- Saket:** Sir, secondly, on the real estate part of the business and some inventories in terms of the real estate that is being held as inventory. What should we expect going ahead in terms of monetization of those assets?
- Sanjay Pusarla:** It's like this, in the case of real estate, the inventory will become -- we can monetize only when the OC comes in. But as far as the order booking is concerned, there will be a payment -- presale booking will be there. The bookings are good. Only we are not able to show the orders because of the occupancy certificate because the revenue recognition under that particular standard calls for OC, then only we can book the orders, we can book the revenue.
- So presales are going on, and they are at a good number. We expect them once the OCs are coming, we expect the revenue also to come into the books. And as on date, what we are seeing is that there is a delay in giving the clearances occupancy certificate, and there were a lot of procedures that have been coming in between. Earlier, it was taking only 3 to 4 months. Now it is taking 4 to 6 months for getting the OC.
- Saket:** And what would be the number we can expect for this year, sir, in terms of the contribution to the top-line and bottom-line from this segment?
- Sanjay Pusarla:** INR350 crores we are expecting.
- Neerad Sharma:** It is there in the segmental results.
- Moderator:** The next question is from the line of Tejas Shah from Unique Stock.
- Tejas Shah:** Sir, how do you go about for order? Because I think in infrastructure companies, your major is taking orders. Now what is the order intake we are looking for this year or next year?
- Neerad Sharma:** The order inflow guidance that we have shared with the Street is a band INR22,000 crores to INR25,000 crores for FY '26. For FY '27, after the completion of this financial year, we will start working on the budget of FY '27, and then we should be in a position to share that number with you.
- Tejas Shah:** Okay. Thank you.

Neerad Sharma: Thank you very much.

Moderator: Due to time constraints, we take this as the last question, and I would now like to hand the conference over to the management for closing.

Neerad Sharma: Thank you very much for your time and questions. Hope we have been able to answer all your questions. Should you have any more questions, clarification, you may get in touch with us at the e-mail mentioned in the investors presentation. Thank you very much.

Sanjay Pusarla: Thank you so much.

Moderator: On behalf of JM Financial Institutional Securities Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.