



Ashoka Buildcon Limited

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

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

Scrip Code: 533271

Scrip Symbol: ASHOKA EQ.

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Debt NCD Code: 976190 / 976191 / 976192

August 16, 2025

Sub: Call Transcript

Please find enclosed herewith the copy of transcript of the Earnings Call held on August 12, 2025 in respect of unaudited Standalone and Consolidated financial results (Limited Review) for the quarter ended June 30, 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

**“Ashoka Buildcon Limited
Q1 FY'26 Earnings Conference Call”**

August 12, 2025

E&OE - This transcript is edited for factual errors. In case of discrepancy, the audio recordings uploaded on the stock exchange on 12th August 2025 will prevail.



MANAGEMENT:

- Mr. Satish Parakh – Managing Director – Ashoka Buildcon Limited
- Mr. Paresh Mehta – Chief Financial Officer – Ashoka Buildcon Limited

MODERATOR:

- Mr. Bhavin Modi – Anand Rathi Institutional Equities

Moderator: Ladies and gentlemen, good day, and welcome to Ashoka Buildcon Q1 FY '26 Earnings Conference Call hosted by Anand Rathi Share and Stock Brokers 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 this conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is now being recorded.

I now hand the conference over to Mr. Bhavin Modi from Anand Rathi Share and Stock Brokers Limited. Thank you, and over to you, sir.

Bhavin Modi: Hello, everyone. Good afternoon. So on behalf of Anand Rathi Institutional Equities, I extend a warm welcome to the Ashoka Buildcon Limited Q1 FY '26 earnings conference call. We are pleased to have with us today Mr. Satish Parakh, Managing Director; and Mr. Paresh Mehta, Chief Financial Officer.

So without any further delay, I invite Mr. Satish Parakh to share his opening remarks, following which we will open the floor for a Q&A session. Over to you, sir.

Satish Parakh: Yes. Thank you, Bhavin. Good afternoon, everyone. I welcome you all to the Q1 FY '26 earnings call of Ashoka Buildcon Limited. Thank you for taking the time to join us today as we share our business and financial updates for quarter ended 30th June 2025. I'm joined by our CFO, Mr. Paresh Mehta; and our Investor Relations partners from SGA. Let me begin by giving an industry overview.

The start of FY '26 has been marked by renewed momentum in India's infrastructure sector, especially roads and highways. The National Highways Authority of India has outlined an aggressive plan to build around 124 highway and expressway projects this year, spanning around 6,400 kilometers with an investment outlay of INR1.5 lakh crores.

These projects will leverage a mix of HAM, BOT and EPC models, including landmark corridors like Gorakhpur- Kishanganj-Siliguri HAM, Tharad-Ahmedabad on BOT and Surat-Nashik-Nagar-Solapur, which is part of Surat Chennai. This is also coming on BOT. This push underscores the government's focus on scaling up private participation while accelerating the pace of highway development.

On the operations side, traffic and toll collections have seen a strong growth. Toll revenue surged nearly 20% year-on-year to INR20,682 crores in Q1 with 1.17 billion vehicle trips recorded during the period. The sustained rise in vehicle movement coupled with revised toll rate positions the sector on track to exceed around INR80,000 crores in toll revenues for FY '26. This growth not only reflects stronger asset utilization but also reinforces the resilience of highway concessions in India.

The power transmission and distribution space is also expanding steadily, driven by urban demand and ongoing integration of renewable energy into the grid. With investments flowing into substations, feeder modernizations, smart monitoring systems, this segment offers a consistent pipeline for EPC opportunities.

Coming to the company updates. We achieved a significant milestone on international front in Guyana. On June 18, 2025, we signed and executed a contract with the government of Guyana Republic (Guyana's Public Works Department) for Phase 2 of East Bank-East Coast Road Linkage Project. The project is valued at USD 67 million and comes with an 18-month execution time line. This win is particularly meaningful as it strengthens our global footprint and demonstrates our capability to deliver complex infrastructure projects outside India.

Additionally, on the Railway segment, we received LOA from Central Railway for an EPC project involving the gauge conversion from Pachora to Jamner in Maharashtra, covering approximately 53 kilometers. The scope of work includes earthworks, bridges, pathways, other civil works. This project valued at INR568 crores, including GST, fortifies our footprint in the railway EPC space and diversifies our infrastructure portfolio beyond roads.

ABL, along with its subsidiary, Ashoka Purestudy Technologies, secured contracts from Motor Vehicles Department, Maharashtra worth INR1,387 crores, including GST, to implement intelligent traffic management system across 5 major circles, Nagpur, Mumbai, Pune, Marathwada and Kokan & Western Maharashtra.

I'm also pleased to share that our wholly owned subsidiary, Ashoka Bowaichandi Guskara Road Private Limited successfully achieved financial closure on June 02, 2025. This HAM project involves the development of a four-lane economic corridor from Bowaichandi to Guskara-Katwa Road, covering approximately 43 kilometers on NH-116A, reflecting our strong execution credentials and financial discipline as we are now fully geared to move into the construction phase.

On asset monetization, the proposed sale of entire shareholding in five subsidiaries of Ashok Concessions Limited to Maple Infrastructure Trust is progressing, though the time line has been extended. Both parties have mutually agreed to move the closure date to September 30, 2025, to allow for the completion of pending condition precedent and this remains our strategic priority. We also expect to close 5 BOT and 5 HAM projects by September end.

Coming to the ratings of the company. Acuite Ratings & Research reaffirmed our ratings for long-term bank facilities at AA and short term at A1+ as of June 3, 2025. These reaffirmations by leading rating agencies highlight our continued ability to manage growth while maintaining financial discipline.

Alongside this, discussions with Macquarie SBI Infrastructure Investments and SBI Macquarie Infrastructure Trust are ongoing. This discussion pertains to the purchase of their securities in Ashoka Concessions Limited and Jarora Nayagaon Toll Road Company by Ashoka Buildcon and subsidiary, Viva Highways. Although the earlier long stop date was June 30, both parties are working constructively towards closure under the agreed securities purchase agreement.

Coming to the order book status. The company has received three new project orders as discussed above from the following: Central Railway Authority, Motor Vehicles Department, Maharashtra and Government of Guyana's Public Works Department. These orders further strengthen our position in both domestic and international geographies.

As on 30th June 2025, our balance order book stands at INR15,886 crores. The breakup of the order book is roads and railway projects comprise of INR10,433 crores, which is 65.7% of the total order book. Among the road project order book, HAM projects are to the tune of INR1,841 crores and EPC segment is INR7,811 crores. The Railways is around INR781 crores. Power T&D accounts for INR4,995 crores, which is approximately 31.4% of our total order book.

The total EPC Building segment is INR458 crores, which is 2.9% of the total order book. Our primary focus remains on maintaining a sustainable EPC business in segments encompassing Roads, Highways, Railways, Power Transmission and Distribution as well as Buildings.

I would now request Mr. Paresh Mehta, CFO, to present the financial performance. Thank you.

Paresh Mehta:

Thank you, sir. Good afternoon, everyone. Starting with the stand-alone numbers of Q1 FY '26. The total income for Q1 FY '26 stood at INR1,339 crores as compared to INR1,901 crores in Q1 FY '25, a degrowth of 30%. EBITDA for the quarter stood at INR151 crores, up 4% with EBITDA margin of 11.3%, an improvement of 370 bps (incorrectly stated as 3.7 bps during the call) year-on-year. PAT stood at INR31 crores for the quarter, down by 25% with PAT margins of 2.3% and an improvement of 20 bps year-on-year.

Our revenue contribution for each segment for Q1 FY '26 is Road EPC contributed 52.4%, Road HAM contributed 11.6%, Power T&D contributed 19.7%, Railways stood at 6.7% and other segments like Building EPC and Others contributed 19.6%.

Coming to the consolidated results. The total income for Q1 FY '26 stood at INR1,937 crores as compared to INR2,495 crores in Q1 FY '25, registering a 22% degrowth. EBITDA for the quarter stood at INR649 crores, up 3% (incorrectly stated at 33% during the call) year-on-year with EBITDA margin of 33.5%, an improvement of 830 bps year-on-year. PAT stood at INR227 crores, up 44% and PAT margin stood at 11.7%, an improvement of 540 bps year-on-year.

Total consolidated debt as on 30th June 2025 stood at INR6,826 crores. The stand-alone debt is at INR1,652 crores, which comprises of INR95 crores of equipment loans, NCDs of INR300 crores and INR1,257 crores of working capital loan. In Q1 FY '26 in our BOT division, the company recorded a gross toll revenue of INR362 crores as against INR322 crores in Q1 FY '25, recording a growth of 13% year-on-year.

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

Moderator:

The first question is from the line of Mohit Kumar from ICICI Securities.

Mohit Kumar:

My first question is on execution. Execution in this quarter has been lagging. I think the revenue declined by 30% and the order book has grown by 15%. My question is what is leading to this muted order execution?

Satish Parakh:

Basically, there has been 2, 3 reasons. One of the major reasons is early monsoon. Second is the orders which we got in last season are still in mobilization stage. So out of 7 projects which we got only 3 have moved ahead and 4 are yet to start. So these are really reflected in the Q1 turnover degrowth.

- Mohit Kumar:** So how do you see the...
- Satish Parakh:** Going ahead now Q3, Q4 we'll be catching up. Q2 again we'll be a little similar pattern. But Q3, Q4, we'll be catching up and all these projects will be at full swing.
- Mohit Kumar:** So what is the expectation for the entire fiscal? What kind of growth we can see in the execution?
- Satish Parakh:** Could you come back?
- Mohit Kumar:** What kind of growth we are expecting on the revenue for fiscal year '26?
- Satish Parakh:** Yes. We're expecting around 10% growth. And this Q1, Q2 will be a little negative. So we'll have to catch up in Q3, Q4. Overall, we'll be around 10% to 12% up.
- Mohit Kumar:** Understood, sir. My second question on the NHAI pipeline. How do you see that developing? I think we heard that the government is trying to roll out INR1.5 lakh crore. Are you seeing the building up of the tender pipeline accordingly? Or do you think this is too ambitious?
- Satish Parakh:** Yes. Tender pipeline-wise, like currently, we have around INR75,000 crores is the visibility in the pipeline of NHAI and MoRTH, which they want to ramp up to around INR1.5 lakh crores to INR1.8 lakh crores. And which NHAI has consistently shown if that they announce, at least 80%, 90% of the announcement is always achieved.
- So we are very hopeful, but only the mix of projects will be EPC, HAM and BOT. So we'll have to see how the really outcome comes in BOT. Otherwise, HAM and EPC are very much proven. BOT on greenfield expressways, how successful it will be that we need to see.
- Mohit Kumar:** Understood, sir. But there are couple of large BOT projects which are up for bidding. Am I right in Maharashtra?
- Satish Parakh:** Yes.
- Moderator:** The next question is from the line of Bhavin Modi from Anand Rathi.
- Bhavin Modi:** Yes, sir. Sir, can you just give us a broad guidance for FY '26 with respect to the revenue, margins, what are the order inflow that we are taking in the capex?
- Satish Parakh:** So orders, as we say now in Q1, we could do INR2,000 crores. But going ahead, we should be able to do INR3,000 crores per quarter and around INR10,000 crores to INR12,000 crores is still we expect overall. So we see large opportunities in NHAI as well as states are also coming up with good amount of ordering. Railways will throw up a good opportunity again.
- Bhavin Modi:** Okay. And what are the revenue guidance and the EBITDA margin guidance?
- Satish Parakh:** So revenue, I said we'll see around 10% to 12% and EBITDA we'll be able to maintain what we have achieved in Q1.

- Bhavin Modi:** Sir, the next question is with respect to the monetization, sir. So if you can help us when will this monetization of the HAM and BOT assets and the exit to the SBI Macquarie, so what are the time lines that we are looking at? And what are the number of tranches in which this monetization will happen? If you can provide us a time line and the cash flow?
- Paresh Mehta:** Yes. So on the monetization, as we have already disclosed, we have two transactions in pipeline. One is for the 5 BOT projects, which we are selling to Maple inbuilt run by CDPQ and the HAM 11 projects, which we are selling to Edelweiss run AMC Sekura. On the 5 BOT projects, as already indicated in Mr. Parakh's speech, we expect to close it by 30th September. We have achieved all external CPs have been cleared and internal CPs will be done in a week's time and then we expect the investor to draw their money and close the transaction by 30th September.
- On the HAM side, for the first 5 set of projects, we expect the closure to happen by somewhere last week August or initial couple of weeks of September. So again, by September end definitely, these 5 projects also, closing will happen. So 5 BOT and 5 HAM projects will be closed by September. Based on the receipts from these, the Macquarie SBI commitment of INR1,526 crores plus buying out the JN stake of INR150 crores will be achieved.
- Post that, there will be 6 more HAM projects to be monetized, which will happen as: 4 projects will happen by December and the last 2 projects will happen by June '26, where CODs are expected. So this is how the projects will be monetized and SBI Macquarie will be given exit to.
- Bhavin Modi:** So sir, we will be giving the exit to the SBI Macquarie by September itself, right?
- Paresh Mehta:** Yes, yes.
- Bhavin Modi:** And sir, what is the process we are expecting from BOT and HAM assets? If you can help with the first 5 BOT...
- Paresh Mehta:** The first 5 BOT, we are expecting around INR2,800 crores to INR3,000 crores, roughly INR3,000 crores. And balance of the 6 projects by June of around INR1,000 crores. And certain monies to be received from the toll BOT projects, which are linked to extension, which will happen later on in a couple of years' time. So that is approximately INR700-odd crores.
- Bhavin Modi:** And sir, what about the Jarora Nayagaon and the Chennai ORR project?
- Paresh Mehta:** So on both, we are working with interested investors. Chennai ORR, there is keen interest. Jarora Nayagaon definitely, there is interest, but we are also working out with the authority for giving us permission to transfer the 26% share. But on both the projects, we are on the process of exiting.
- Moderator:** The next question is from the line of Dr. Amit Vora, HNI.
- Amit Vora:** Sir, I wanted to know about this traffic management system. What will be our source of revenues and how would we be able to monetize that?
- Satish Parakh:** Yes. So this is intelligent traffic management, where we will be paid on capturing of incidents. So incidents could be over speeding, it could be seat belt, it could be helmet, lane cutting,

anything. So these are all cameras, which will be put up on the highways and revenue will be from the incident management. For incident we will be paid.

Amit Vora: For incident will be paid and then they would also be sharing with the government?

Satish Parakh: Yes. So these projects are basically kind of PPP projects where 18% IRR is capped. So above 18% IRR, we'll be sharing with the government.

Amit Vora: Up to 18%, we would not be sharing anything.

Satish Parakh: That's right.

Amit Vora: Above 18%, if there is anything, then we will have to share with the government.

Satish Parakh: Right.

Amit Vora: Okay. And sir, one more thing. Recently, I read in the MoneyControl about Ashoka Buildcon planning to bid for infrastructure in Croatia. So can you tell us something more about that? Is there anything project going on?

Satish Parakh: Yes, we did participate in bids in Croatia. These were roads and railways.

Amit Vora: Okay. And sir, one more thing about our consol has component of EPC, BOT and HAM annuity?

Paresh Mehta: Yes.

Amit Vora: So can I know the percentage of EPC is clear from the stand-alone. I think the stand-alone is EPC, if I'm not mistaken.

Paresh Mehta: Right.

Amit Vora: So what is the percentage of BOT and HAM annuity in the consol, if you can net of it or...?

Paresh Mehta: So out of the total revenue of INR1,887 crores, construction is INR1,194 crores and BOT and annuity projects put together is INR635 crores. Of INR635 crores, approximately INR320 crores is pertaining to tolling and balance is annuity revenue.

Amit Vora: Okay. And the remaining is HAM?

Paresh Mehta: Yes.

Amit Vora: So once this sale of 5 BOT and 6 HAM is done, we will also have some reduction in the BOT collection in HAM the annuity will be not reflected in the next profits, Q2 or Q3.

Paresh Mehta: Correct. So of all -- I mean, the revenues also of BOT projects will get deleted. And along with that, all the debt, the cost of interest, everything will be off the balance sheet.

Amit Vora: So vis-a-vis comparison, the amount of profit that we are losing on BOT or HAM and the savings of interest cost, the savings will be more better?

- Paresh Mehta:** So today, we are in surplus. So there will be a reduction in surplus of PBT and PAT also.
- Moderator:** The next question is from the line of Mehul Gandhi from HPMG Shares and Securities Limited.
- Mehul Gandhi:** Congratulations on a decent set of numbers. Just wanted to know a few things. First, being that recently one of our contracts was kept on hold by the honorable High Court, which is for approximately INR1,600 crores. So where are we on that? And is that project completely gone out of our hands? Or is it just a temporary thing? What is the progress on that front?
- Satish Parakh:** Yes. So our share of this project was INR850 crores, which is off our books now.
- Mehul Gandhi:** Okay. So that has been permanently cancelled or...
- Satish Parakh:** That anyway has been withdrawn by the -- it has been withdrawn by the...
- Mehul Gandhi:** So we don't do rebidding?
- Satish Parakh:** Yes, we expect rebidding. So it is as of now, it is withdrawn. So this is not part of our order book anywhere now.
- Mehul Gandhi:** What is the capex that we have done in Q1? And what are we planning for the full year?
- Paresh Mehta:** So capex for Q1 was around INR23 crores and we expect to do a capex of approximately INR125 crores for the whole year.
- Mehul Gandhi:** Okay, sir. And can you give me the pending equity requirement for the HAM projects? And how much are we expecting to infuse in FY '26 and FY '27?
- Paresh Mehta:** So total capex outstanding is INR230 crores, which is largely for our large project, Bowaichandi Guskara, of which for '25-'26, the investment will be INR123 crores and INR55 crores each for '26-'27, '27-'28.
- Mehul Gandhi:** Okay. And lastly, sir, you said we are looking for INR35,000 crores of projects from NHAI and MoRTH and there is also some opportunities in state government and railways. So could you quantify that, the kind of bid pipeline we are looking in state government, railways and even in the power segment?
- Satish Parakh:** So as I said, we are looking around INR10,000 crores of order book totally. Out of INR2,000 crores we have bagged. Out of INR8,000 crores, it will be mix of roads, railways, power and buildings. So, we will do around INR8,000 crores to INR12,000 crores in the whole year. I'm taking average INR10,000 crores.
- Mehul Gandhi:** Okay. Sir, my question was on the bid pipeline that we're looking. So you said about INR35,000 crores we are looking on the NHAI and MoRTH front. So possible to quantify the bid pipeline in other segments?
- Satish Parakh:** Yes. So NHAI is coming around INR75,000 crores is visibility immediately. And states, if you see Gujarat, Bihar and UP are also coming up with around INR70,000 crores to INR80,000

crores. So all this we are participating. The success ratio is going down now. So bidding versus getting projects the competition still remains in the market. Therefore, visibility I'm showing is very pessimistic that INR10,000 to INR12,000 is what we should achieve.

Moderator: The next question is from the line of Sushant Verma, who is an individual investor.

Sushant Verma: My question was related to the monetization part of it, although you have explained in details as to what we can expect over the next couple of weeks. But what I wanted to check was what's the probability that this 30th September date would remain, I mean, more or less achievable?

Because even last time, you had mentioned 30th June is when the closure would happen. And then you updated all of us saying it has been extended to 30th September. So what's the probability that 30th September won't become 31st December, say?

Paresh Mehta: Largely the CPs, which are generally out of the control of the companies, NOCs from NHAI and lenders, which fortunately are all completed at this moment of time. So now whatever CPs are left out are internal CPs, which definitely are our under control. And then that's the reason and comfort that definitely we'll achieve closure by 30th September.

Sushant Verma: So you are saying definitely, we can achieve closure by 30th September, right.

Paresh Mehta: All CPs of external CPs are over.

Sushant Verma: Okay. Okay. That is what I wanted to check because it has been a moving target. So hopefully, this time around, we will stick to the deadline.

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

Abhinav: My question is on the guidance of 10% revenue growth for the FY '26, given we've clocked about INR1,300 crores for this quarter and we are looking at similar for this quarter as well, Q2. This leaves with about INR5,000 crores to be executed in the second half. So my question is what gives us confidence? I mean, which orders will be executed in the second half? Are you bringing in any new order inflows, which would be crucial to achieve this growth guidance?

Satish Parakh: No. See, this growth guidance is on the current order book what we have in hand. So as you predicted, it's correct. Q3, Q4 will be INR4,500 crores to INR5,000 crores. So definitely, this can be achieved by the order book we have in hand. Whatever new order book flow, this either some part may get executed in Q3, Q4 or it may move to next year.

Abhinav: Okay. So historically, we have not touched above INR2,500 crores of revenue for a quarter. So I mean, will there be an execution ramp-up or which orders we are expecting to be executed in Q3, Q4?

Satish Parakh: So these projects are basically of the nature where entire mobilization would have been done and work will pick up in all the orders. Even in power segment, a lot of hold is there for action. This all gets released in Q3, Q4. So we are very much confident of particularly Q4 will be crossing INR2,600 crores, INR2,700 crores, and INR2,200 crores, INR2,300 crores will be around Q3.

- Moderator:** The next question is from the line of Vaibhav Jain from Omkara Capital.
- Vaibhav Jain:** Sir, I want to ask, you mentioned that getting projects is difficult as competition still remains in the market. Other companies have been suggesting that it is getting easier and the competition is reducing. Can you talk more about this, please?
- Satish Parakh:** So at NHAI level, if you see the competition is still there. We have not seen any easing off. We see 20, 25 players in most of the projects. Now they have changed a little criteria for bidding with the reducing from the linking to the net worth and reducing 20% of your balance order book from the net worth and balance order net worth would only be considered for bidding.
- So suppose if I have an order book of INR15,000 crores in my hand, then 20% of INR15,000 crores is INR3,000 crores is what will be reduced from my net worth. So Ashoka, if it has INR44,000 crores of order book, INR3,000 crores will be reduced, and I'll be left with INR1,000 crores. So INR1,000 crores will be multiplied by 5x for me to bid a single project. So that way, Ashoka will qualify for INR5,000 crores single project. So that will really help to build larger projects where we see a little limited competition. Otherwise, all the projects, the competition is continued as it is in EPC.
- Vaibhav Jain:** So we're expecting more conversion...
- Satish Parakh:** I beg your pardon?
- Vaibhav Jain:** So we're expecting more conversion in terms of the orders that we are bidding for?
- Satish Parakh:** It depend upon what size of projects come and which companies qualifies for what.
- Vaibhav Jain:** Sir, you suggested that orders of NHAI will be bigger now.
- Satish Parakh:** Orders of NHAI would be bigger in HAM projects and BOT projects, but may not be in EPC.
- Vaibhav Jain:** So that should also lead to more order win?
- Satish Parakh:** How it pans out, we'll have to see. Yes.
- Moderator:** The next question is from the line of Ankita Shah from Elara Capital.
- Ankita Shah:** Sir, this year, given that most of the projects except the two will be monetized. So what is the total net proceeds adjusting for the SBI Macquarie adjustment? Also how much is the net proceeds that are expected to be received? And how is it planning to be utilized for this year?
- Paresh Mehta:** So in this year, the first tranche, which we are speaking by 30th September, we expect to monetize approximately INR2,900 crores of monies from the sale of which INR1,600 crores or rather INR1,700 crores would be appropriated to giving exit to Macquarie. So we'll be left with approximately INR1,200 crores.
- This will be largely utilized for initially reducing our working capital debt. And then future plans will be taken up post September. Post that the next tranche of proceeds will be approximately

by December-end, approximately INR600 crores, and by March, another INR500 crores. So that's the plan how cash will be realized.

Ankita Shah: So sorry, sir, INR600 crores, second tranche by December and then another.

Paresh Mehta: By June, another INR500 crores.

Ankita Shah: By June, another INR500-odd crores. So all this -- I mean, this INR600 crores and INR500 crores could be utilized for picking up new projects?

Paresh Mehta: New projects, internal restructure on debt, capital. I mean there could be various plans, which will come and we are very close to getting the money here.

Ankita Shah: Got it. And sir, what are the focus areas right now for new projects even in roads as well as outside of roads? And what is the prospect pipeline that we are looking at in India as well as overseas?

Satish Parakh: So as I explained, roads is our major focus, roads and highways, where we see more than the 50%, like INR5,000 crores to INR7,000 crores is what we should bag going ahead. And overseas also, focus is there and we'll be building overseas opportunities. Immediate visibility is not there in overseas. But India, we see visibility in NHAI, MoRTH and various states.

Other than this, railways is throwing up a good opportunity. So railways is one area where we have complete control on all the value chain. We do right from track link to signaling. So railways is another opportunity which we are seeing overseas as well as India.

Third is building segment and water segment, where we keep participating. So we expect to slowly move ahead in this segment also.

Ankita Shah: Sir, just one clarification on roads, would we prefer EPC, HAM or BOT projects?

Satish Parakh: So our whole idea is to bid selectively for BOT. HAM, we are bidding almost everything. And EPC, we are participating almost everything. Specialized structures is of late what is our forte. We are well qualified with all these specialized structures. So wherever specialized structures are there, we have an edge. So this helps us select proper projects for bidding.

Moderator: The next question is from the line of Mehul Gandhi from HPMG Shares and Securities.

Mehul Gandhi: Just 2 things. Given such a high influx of cash, what would be our debt to equity? Or how much of debt are we planning to reduce, at least there must be a target internally?

Paresh Mehta: So today, we are almost at INR1,600 crores of debt on the stand-alone. On the project side, it is approximately INR5,200 crores, of which hardly INR275 crores will continue on the books for Jarora Nayagaon and Chennai ORR. But otherwise, most of the debt will go along with the projects. So we'll be basically addressing the INR1,650 crores of stand-alone debt, which will be brought to the typical levels of around, say, INR500 crores to INR600 crores max.

- Mehul Gandhi:** Okay. So we are planning within a year's time, a debt reduction of INR1,000 crores. Is that understanding correct?
- Paresh Mehta:** Yes, yes. Definitely.
- Mehul Gandhi:** Okay. And the second question is that there was a GST raid conducted at the office. Any conclusion on that front?
- Paresh Mehta:** Largely, nothing very significant no demand has been made on the company. And I think so things are all in order. Closures will take their own time, but there's no significant claim.
- Mehul Gandhi:** Understood. And just one last question that we had a significant jump in our operating margins for this quarter. So just wanted to know was this a one-off thing? Or can we see our operating margins going in the similar trajectory going forward?
- Paresh Mehta:** So as we have given guidance, we expect that our margins of around 9.5% to 10% will continue in the next coming quarters and that should help keep the EBITDAs better. These are based on the new projects, the old projects, most of them have got over. New projects will keep on giving this kind of margins.
- Mehul Gandhi:** Okay. So all the new projects have a higher margin compared to the old one?
- Paresh Mehta:** Right.
- Mehul Gandhi:** Understood. And for the execution time line that we took a good chunk of projects which are executable within 18-month period, right? So if given that this year, we are maintaining a trajectory of 10% growth, so for the next year, are we anticipating a higher growth rate than 10% because then a good chunk of the projects which we have taken now of our order book will be executed or finished in the next year?
- Paresh Mehta:** Definitely, we'll be targeting for a higher growth rate for '26-'27. And these order books which are existing will be executed over 18 to 24 months' time, some maybe slightly more, depending on the size of projects and type of project.
- Mehul Gandhi:** Understood. And just one last question. I saw there was a significant jump in the order book of power transmission and distribution segment. So is that a conscious effort? Because I'm seeing there's a lot of traction in this segment as a whole. So are we focusing on that? Are we trying to increase that chunk in the market share? Or was this just a thing which we had to do on the side?
- Paresh Mehta:** So one of the jump in the power sector is the order book of the transport monitoring mechanism. That order book is part of this. But otherwise, we continue to see continuous order book coming in, in this Power T&D division, and we keep our options open to take.
- Moderator:** The next question is from the line of Vaibhav Shah from JM Financial.
- Vaibhav Shah:** Clarification from my end. So we had indicated that the equity valuation of the BOT assets was around INR2,500 crores and same for HAM was INR2,300 crores. So total inflow is INR4,800 crores, net of SBI would be around INR3,300 crores. So is this correct?

- Paresh Mehta:** Yes. But one of the component of the INR2,500 crores is approximately INR700 crores in the BOT project, which is to be received over a period of time after confirmation of extension of time for our toll-based projects. So presently, we are not keeping that in the visibility of immediate cash inflows.
- Vaibhav Shah:** Okay. So for BOT, it would be INR1,800 crores that should come in September, right?
- Paresh Mehta:** Immediate, yes.
- Vaibhav Shah:** Okay. And for 5 HAMs, what is the value in September?
- Paresh Mehta:** Approximately INR1,100 crores.
- Moderator:** The next question is from the line of Vaibhav Jain from Omkara Capital.
- Vaibhav Jain:** Just trying to understand this cash influx that we get after monetizing our assets. So you said we'll get INR2,800 crores around September, then INR600 crores and INR500 crores. And as you mentioned, I think net of SBI, let's say, we have INR3,300 crores on our books. After that, we will reduce debt on the stand-alone balance sheet by around INR1,000 crores. So that will leave us with about INR500 crores debt and 2,300 crores of cash.
- Paresh Mehta:** Can you be a bit louder, slightly not gathering fully.
- Vaibhav Jain:** Sir, can you hear me now?
- Paresh Mehta:** Still very bad. Anyway please continue.
- Vaibhav Jain:** One second. I was saying that we will be left with after net of SBI, left with INR3,300 crores of cash. Then if we repay debt by INR1,000 crores by the end of the year or by sometime next year, we are left with INR500 crores of debt and about INR2,300 crores of cash. Am I right to understand that?
- Paresh Mehta:** Approximately, yes.
- Moderator:** The next question is from the line of Mukesh Gupta, who is an Individual Investor.
- Mukesh Gupta:** Sir, just to ask about the status of green hydrogen project. You signed the MoU with Bihar government.
- Satish Parakh:** So there is no further development in this. We've signed an MOU, but there's no further development.
- Moderator:** The next question is from the line of Mehul Gandhi from HPMG Shares and Securities.
- Mehul Gandhi:** Sorry for coming back into the queue. Just I forgot this one question that for our project level debt, so last balance sheet I saw, we had a long-term borrowing of approximately INR2,000 crores. And then in our other liabilities, which is like a short-term borrowing, we had a liability of INR13,000 crores.

So even if we reduce our long-term borrowing, which is a stand-alone debt by INR1,000 crores after monetization, the project level debt that will also be transferred. Is that correct?

Paresh Mehta: Yes.

Mehul Gandhi: So how much of debt will we have on the book going forward post monetization on the project front, not on the stand-alone basis?

Paresh Mehta: So see, on the project front, we have approximately the total debt is around INR6,800 crores, of which INR1,600 crores is working capital debt. If we reduce that, we have INR5,200 crores as total debt, of which hardly INR300 crores will be left on the books of ABL post monetization of all the 5 BOT and 11 HAM projects.

And there will be some addition of debt on the Bowaichandi project and maybe new projects will come in. But based on existing project, we'll be around INR300 crores plus another INR600 crores of Bowaichandi project.

Mehul Gandhi: Okay. So on a stand-alone basis, we'll have a INR600 crore debt. And on a project level basis, we'll have approximately how much?

Paresh Mehta: At today's date, around INR284 crores.

Mehul Gandhi: Okay. Post monetization.

Paresh Mehta: Post monetization.

Mehul Gandhi: So are we saying to double check, but are we saying that we will reduce from currently INR6,800 crores to approximately INR1,500 crores debt. Is that understanding?

Paresh Mehta: Yes, substantially lower than that, approximately in the range of, touch INR1,000 crores, including project loan.

Mehul Gandhi: Including project loan. Understood. That is within a period of a year.

Paresh Mehta: Yes.

Moderator: As there are no further questions from the participants, I now hand the conference over to Mr. Paresh Mehta for closing comments.

Paresh Mehta: We thank you and everybody for joining this call. We hope we were able to answer all your questions. If you need any more information, please feel free to contact us or Mr. Deven Dhruva from SGA Investor Relationship Advisors. Thank you. Good day.

Satish Parakh: Thank you. Thank you.

Moderator: On behalf of Anand Rathi Share and Stock Brokers Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.