



Date: 14-08-2025

To, The General Manager, Department of Corporate Services, BSE Limited Phiroze Jeejeebhoy Towers Dalal Street, Mumbai- 400001 Scrip Code: 544223 ISIN: INE0AG901020	To, Manager-Listing Compliance, National Stock Exchange of India Limited, Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra East, Mumbai – 400051 Symbol: CEIGALL ISIN: INE0AG901020
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Sub: Transcript of the Earnings Discussion/Conference call

Dear Sir/Madam,

Pursuant to Regulation 30 read with Para A of Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and further to our letter dated August 01, 2025 we are enclosing herewith the transcript of the earnings/conference call for the Quarter ended June 30, 2025, conducted after the meeting of Board of Directors held on August 08, 2025.

The same is also available on the website of the company at www.ceigall.com.

You are requested to take the above information on your record.

Thanking you,

Yours faithfully,

FOR CEIGALL INDIA LIMITED

MEGHA KAINTH
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MEGHA KAINTH
Date: 2025.08.14
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“Ceigall India Limited Q1 FY 2026 Earnings Conference Call”

August 08, 2025



MANAGEMENT: **MR. RAMNEEK SEHGAL – CHAIRMAN, MANAGING
DIRECTOR, CEIGALL INDIA LIMITED**
**MR. BHAGAT SINGH – GROUP CHIEF FINANCIAL
OFFICER, CEIGALL INDIA LIMITED**
**MR. KAPIL AGARWAL – CHIEF FINANCIAL OFFICER,
CEIGALL INDIA LIMITED**

MODERATOR: **MR. ARYAN SUMRA – MUFG INTIME**

Moderator: Ladies and gentlemen, good day, and welcome to Ceigall India Limited Q1 FY '26 Earnings Conference Call.

As a reminder, all participant lines will be in the listen-only mode. And there will be an opportunity for you to ask questions once the presentation concludes. Should you need assistance during this conference call, please signal an operator by pressing “*”, then “0” on your touch-tone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Aryan Sumra from MUFG Intime. Thank you, and over to you, sir.

Aryan Sumra: Thank you. Good evening, ladies and gentlemen. I welcome you all to the Q1 FY '26 Earnings Conference Call for Ceigall India Limited.

To discuss this quarter's business performance, we have from the Management, Mr. Ramneek Sehgal – Chairman, Managing Director, Mr. Bhagat Singh – Group CFO, Mr. Kapil Agarwal – CFO.

Before we proceed with this call, I would like to mention that some of the statements made in today's call may be forward-looking and may involve risks and uncertainties. For more details, kindly refer to the investor presentation and other filings that can be found on the Company's website.

Without further ado, I would like to hand the call over to the management for their opening comments, and then we will open the floor for Q&A. Thank you, and over to you, sir.

Ramneek Sehgal: Good evening, everyone. This is Ramneek Sehgal. I am pleased to welcome you to the Q1 Financial Year '26 Earnings Call for Ceigall India Limited.

Our Financial Results and Investor Presentation have been uploaded on the stock exchanges. I trust you had a chance to review them. I am joined by today by Bhagat Singh – our Group CFO; and Kapil Agarwal – our CFO.

Starting with the macroeconomic backdrop:

The Indian economy continues to demonstrate strong resilience despite global headwinds, including the ongoing geopolitical tension and recently imposed tariffs by US. India's GDP is expected to grow by approximately 6.3% in Financial Year '26, supported by robust infrastructure spending growth across key sectors. As per the recent report by Fitch Rating, the 1st Quarter of the financial year brought some initial headwinds, particularly due to the early monsoon activity in some states, which temporarily slowed construction activity. However, this

space provided an opportunity to reinforce our operational foundation and enhance preparedness for the coming quarters. We are optimistic about business momentum improving as the year progresses.

The Government continued emphasis on urban and rural development, metro expansion, transport infrastructure, transmission and distribution, a strong way to growth in the renewable business. The NHAI, for instance, is expected to bid out 124 road projects worth Rs. 3.4 lakh crores in Financial Year '26 across HAM, BOT and EPC model. We are well positioned to leverage these opportunities. The recent 50 basis point rate cut by RBI is another positive development, making project financing more cost effective, thereby improving margins and further supporting the sector's growth.

Coming to our performance:

We maintained stable momentum in Q1, supported by the diversified mix of EPC and HAM projects. In line with our long-term strategy, we continue to expand our portfolio across segments and geographies. Our dependence on highway projects is steadily decreasing as we strengthen our presence in railways, metros, tunneling, T&D renewable business and other underground infrastructure.

I am pleased to share some exciting updates on our ongoing and upcoming projects. First, I am happy to announce that both of our Ayodhya projects, Southern and Northern Ayodhya, valued at Rs. 23,160 million have now started. These projects mark another important step in strengthening our presence in this region. I am confident they will set a new benchmark execution qualities and time line.

In Punjab, out of two HAM projects, the appointment date for one is scheduled before October, while the other is planned again before October. The Company also infused Rs. 4,198.41 million of the equity into HAM projects up to June 2025, an addition of Rs. 759.6 million in July 2025, taking the total equity infusion to date to Rs. 5,129.2 million. Post IPO, equity of Rs. 2,592.5 million has been infused. This steady progress keeps us well on track with our commitment in the state.

On VRK 11 and 12 front:

We have positive development to report. We are now expecting the Stage 1 clearance as early as possible, which will be a significant milestone moving these projects forward. Adding to our momentum, the recent NHAI MORTH circular dated 11th July, 2025, introducing the new qualifying criteria is a great and a welcome change. We have received four entities till date for Ceigall Malout Abohar Sadhuwali project amounting to Rs. 1,771.23 million from NHAI. This

development aligns well with our capabilities and will further escalate our growth in the infrastructure sector.

I am also delighted to share that we have now entered into transmission and distribution and renewable energy businesses. As a first win in this new vertical, we have emerged as L1 in Velgaon 400 kV substation tender worth Rs. 4,900 million. This is a clear sign of our ability to diversify and complete strongly in emerging sectors. These achievements are not just milestones, they are stepping stones towards our vision of becoming a leader across the multiple infrastructure domains. Let's continue to work with the same passion, precision and purpose that have brought us this far.

On the legal front:

The arbitral tribunal ruled in our favor in the matter of the Himachal Pradesh Works Department regarding the winding improvement of NH88. The award was of Rs. 19.36 crores along with the future interest. Additionally, in the ongoing matter with Punjab Small-scale Industry and Export Corporation, we received an alternative reward of approximately Rs. 3.17 crores, along with the applicable interest.

Our order book is well diversified across eight states, minimizing both regional and project concentration risk. We are currently executing multiple mid- to large-sized projects across different sectors, which supports more balanced cash flow and faster execution time lines.

Now, turning to the financials:

Our standalone revenue from the operation, excluding the bonus and royalty rose to Rs. 8,183 million in Q1 Financial Year '26 at 8.7% increase from Rs. 7,530 million in Q1 Financial Year '25. EBITDA for the quarter stood at Rs. 935 million, reflecting a margin of 11.42%, while the profit after the tax came at Rs. 559 million with a PAT margin of 6.83%.

On June 30, 2025, order book stood at Rs. 1,03,374 million, comprising 36.87% from EPC project, 61.75% from HAM project, 1.38% from BOT project. In terms of the verticals, 83.42% comes from elevated highways, structures and flyovers, 2.05% from tunnels, 13.15% from the railway and metro projects, and remaining 1.3% from emerging segments like airport runway and bus terminals.

Now I would like to hand over the call to Group CFO – Bhagat Singh, who will take you through the Company's financial performance. Thank you.

Bhagat Singh:

Thank you, Ramneek, sir. Good evening, everyone.

I will now take you through the financial highlights for the 1st Quarter FY '26, beginning with the standalone performance:

For Q1 FY '26, revenue from operations, excluding bonus and royalty, stood at Rs. 8,183 million, representing 8.7% Y-o-Y growth from Rs. 7,530 million in Q1 FY '25. EBITDA, again, excluding the bonus and royalty stood at Rs. 935 million compared to Rs. 961 million in the same quarter last year. This translates into an EBITDA margin of 11.42%, which is within the guidance which we have given in the earnings call. Profit after tax came at Rs. 559 million compared to Rs. 691 million in Q1 FY '25.

On the debt side:

Our standalone gross debt stood at Rs. 6,848 million, comprising of Rs. 160.85 million in equipment loan, Rs. 3,370.90 million in term loans and Rs. 3,316.42 million in the working capital loans.

Moving on to the consol number for Q1 FY '26:

Revenue from operations, excluding bonus and royalty, reached at Rs. 8,382 million, marking a 4.3% increase from Rs. 8,038 million in the corresponding quarter last year. EBITDA for the quarter stood at Rs. 1,091 million compared to Rs. 1,225 million in Q1 FY '25 with an EBITDA margin of 13.02%. PAT for the quarter came at Rs. 513 million, resulting in a net margin of 6.12%.

On a consol basis, gross debt stood at Rs. 14,247 million, including Rs. 652.12 million in equipment term loan, Rs. 3,558.40 million in term loan, Rs. 6,720.06 million in the HAM term loan, and Rs. 3,316.42 million in the working capital loan.

On net debt-to-equity ratio:

It remained healthy for the Company on a consol basis. We stood at 0.5 as on Q1 FY '26. In terms of working capital, our net working capital days stood at 75 days as of 30th June, 2025. This figure factors in inventory days, WIP days, receivable days and vendor payments.

On the execution front:

We currently have 22 ongoing projects with a total order book of Rs. 1,03,374 million. This includes 13 EPC projects, 8 HAM projects, 1 BOT project, covering a wide range of sectors, including roads, highways, tunnels, railways, metros, airports, runways and bus terminals. Importantly, NHAI projects contribute at 80.47% of our total order book with a diverse portfolio,

strong order pipeline and continued focus of the Government on the infrastructure development, we are very well positioned to sustain momentum and drive long-term growth.

With this, I conclude my opening remarks and open the floor for question and answers. Thank you.

Moderator: Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Vaibhav Shah from JM Financial. Please go ahead.

Vaibhav Shah: Hi, sir. Sir, firstly, we have not removed the Bhubaneswar Metro from the order book. So, there were some news that the project has been canceled, so what is the status on that?

Ramneek Sehgal: So, that happened in July. And yes, we have removed it in our grant thing. Yes, that project got terminated by Delhi Metro because they were unable to start. From our side, we mobilized, we started the initial diversion and the piling work. So, the Government of Odisha wants to change the project into underground with double decker, and they want to get a fresh contract for that. So, yes, it has been terminated. We have already uploaded that on SEBI.

Vaibhav Shah: So, will we be interested in the newer tender which comes out?

Ramneek Sehgal: Yes, why not? We already bid everywhere for metro. And we have already won a new vertical project, which is a T&D in Maharashtra, Velgaon, which is closer to Rs. 500 crores. And in that, we have to build it in Velgaon and their annuity for next 35 years, annuity of about Rs. 58.5 crores every year.

Vaibhav Shah: Okay. And sir, what work have been already done in the project Bhubaneswar? And what are the receivables? Have we received any mobilization advance from the client?

Ramneek Sehgal: Yes, we have received one shot of mobilization advance, but other we have not received it. And in fact, the department has to return our bank guarantees also. But they want to settle it. The discussion has already started. Yes, there would be a claim. We have already put one claim. The second claim is ongoing, and it should be submitted very soon.

Vaibhav Shah: So, what are our net receivables as of now from the client?

Ramneek Sehgal: From this Bhubaneswar?

Vaibhav Shah: Yes.

Ramneek Sehgal: So, we have already spent close to Rs. 30 crores on this project and the claims are underway besides the machinery. Machinery, we have sent a lot of new machinery for this project, and we

have established the camp also. So, the team is already on the job to evaluate and submit a claim. And receivables, yes, as I said before, they have given us one part of the mobilization advance, the second was never given. And the mobilization advance BG is also to be returned. And we are going to submit a fresh bill where diversion was done or other works were done. So, it will be submitted very soon.

- Vaibhav Shah:** Okay. Sir, so mobilization advance would have been somewhere around Rs. 30-odd crores, assuming it would be 5%?
- Ramneek Sehgal:** No, Rs. 22.5 crores.
- Vaibhav Shah:** Rs. 22.5 crores, okay. Sir, secondly, on the equity infusion front, so what our pending equity to be infused? And how much will be putting in '26, '27 and '28?
- Ramneek Sehgal:** So, I think it should be around Rs. 800 crores. Exact number, Bhagat will tell.
- Bhagat Singh:** Rs. 872 crores.
- Ramneek Sehgal:** Rs. 872 crores. So, typically, these large projects of 30 months, and we are targeting to put in the next 2.5 years. And the equity which we have already infused, we have already shared in the call.
- Vaibhav Shah:** So, can you give guidance for the entire year for '26, '27 and '28?
- Ramneek Sehgal:** So, only VRK 11 and 12 have not started. Otherwise, equity for Ludhiana, Bathinda and Ludhiana Southern bypass as per the requirement of the sanction letter, we will be putting our equity in next, say, about 24 months.
- Vaibhav Shah:** Okay. Sir, when do we expect to receive the appointed dates for VRK 11 and VRK 12?
- Ramneek Sehgal:** So, VRK 11 and 12, we have been getting a positive response from the Government of Jharkhand, where we are expecting to get the Stage 1 approval any time. Once the Stage 1 approval is there, I think we should get a appointed date.
- Vaibhav Shah:** So, any guidance per se in 2Q or 3Q, are we targeting?
- Ramneek Sehgal:** So, we are targeting that we should get it in Q3.
- Vaibhav Shah:** For both the projects?
- Ramneek Sehgal:** Yes. We should. They are at the same stage. And for Punjab, we should get it one by next month.

- Vaibhav Shah:** Southern Ludhiana?
- Ramneek Sehgal:** Southern Ludhiana, October.
- Vaibhav Shah:** October. Moga-Barnala?
- Ramneek Sehgal:** Moga-Barnala is the same Ludhiana-Bathinda? That we should get it next month. We have already started the mobilization and the preconstruction activities there at the site.
- Vaibhav Shah:** Okay. And sir, last question from my end. In terms of guidance, so given the delay in ADs for VRK 11 and 12, and you are factoring a good amount of execution in '26 itself. So, are you revising the guidance for FY '26?
- Ramneek Sehgal:** No. So, since certain approvals are delayed by the Government, so there we are helpless. Otherwise, we are on track. We already started two projects in UP, that's Ayodhya. And as per the earlier guidance, we are trying our level best to achieve that.
- Vaibhav Shah:** Sir, metro project also canceled, so revenue from that also has been --
- Ramneek Sehgal:** Yes. So, the 1st Quarter only got affected because of the metro project and the monsoon season, which started early because three of our sites have got affected due to the monsoon.
- Vaibhav Shah:** So, we maintain our revenue guidance of 10% to 15%?
- Ramneek Sehgal:** Yes, yes, yes.
- Vaibhav Shah:** And margins of 11% to 12%, pure EPC?
- Ramneek Sehgal:** Yes.
- Moderator:** Than you. The next question is from the line of Mohit Kumar from ICICI Securities. Please go ahead.
- Mohit Kumar:** Good evening, sir. Thanks for the opportunity. Is it fair to assume that all six projects where the work has not started, especially on HAM, we expect the date to be in place by this fiscal year, is that a fair assumption?
- Ramneek Sehgal:** So, thank you for the question. We have already started two projects, which is Southern Ayodhya and Northern Ayodhya bypass. Third one is getting started next month. Fourth one is getting started in October. And we are targeting Q3 for VRK 11 and 12. So, we are really expecting all these projects will be started this fiscal year.

- Mohit Kumar:** Understood. Sir, my second question is, can you help us understand your entry in T&D, especially on TVCB side? What is your aspiration for this segment in medium term?
- Ramneek Sehgal:** So, there are a lot of works, and a few days back also there was a news that Government is going to spend in Rs. 100 billion on T&D business. And as you know, we have acquired CNC, which has some machinery expertise and PQ, and in fact the team also has joined us. We are really looking forward to growing this business as a lot of projects are available in the market in terms of the tariff-based plan. We already are successful in one project, and we are waiting for the LOI. And we have quoted for other transmission line business also in the same department. And we are looking forward to add a good order book from this particular division. We have already quoted for a renewable business also, that is the KUSUM scheme in Madhya Pradesh.
- Mohit Kumar:** Understood, sir. My last question, sir, are you seeing the tenders' pipeline from NHAI building up since NHAI is Rs. 3.8 trillion? Or do you think this will most likely will happen in the second half of the fiscal?
- Ramneek Sehgal:** So, good question. NHAI have done cleanup in the last one and a half years, where they were not going for tendering till the time land is available, like in the cases of our where the tenders are allotted and land was not available. Now till the time, the availability of the land is not bidding out. Now NHAI has announced 20- 25 days back that they are coming up with a lot of tenders worth Rs. 3.4 crores or something, in which about 70% is HAM, 20% is BOT and 10% is EPC. My figures might vary 10% - 15%. This is what we have understood, and we have got the list.
- So, these tenders, we are targeting to launch in this year. And good thing about NHAI and MORTH, NHIDCL is, they have changed the qualifying criteria, which happened on 11th of July last month, with which I really feel they would be a great tutor in our industry. Because earlier the competition level was crazy and now it will be a healthy competition because larger the net worth, you can get more contracts. The prequalification, which was earlier diluted during the COVID, has been reinstated and made a better one for large companies and companies like us. And we really look forward to it. And I think there will be no dearth of getting worse in NHAI as well. And in HAM also, so people have to plan and have to pick and choosy for these large projects from NHAI and MORTH.
- Mohit Kumar:** Understood, sir. Thank you. These were all my questions. Thank you.
- Moderator:** Than you. The next question is from the line of Darshil Jhaveri from Crown Capital. Please go ahead.
- Darshil Jhaveri:** Good evening, sir. Thank you so much for taking my questions. So, sir, just wanted to know like I think since the last few quarters, our order book has been in the range of around Rs. 10,500

crores. So, now how do we see that going forward? And I just wanted to know like I think we have around Rs. 5,000 crores of EPC contracts, right, so what is the execution period for same? And why the guidance for revenue is around 10%, 15% when we have such a decently big order book?

Ramneek Sehgal: So, good question. Thank you. So, we have a mix order book of HAM, BOT and EPC. So, typically when we get a HAM tender, it takes about one and a half years to two years to start the project. And EPC, it takes almost five to six months to start a project. Whereas these projects, the tenure of the projects ranges from two years to even five years. So, typically for our projects, because we are doing specialized structure projects, we are doing country's longest elevated, one of the longest elevated, which is Danapur-Bihta. So, these projects are typically for 30 months, which goes up to 40 months also. And the revenue is divided into all 30 months, so it's typically it's like two and a half years. So, the order book which we have guided before, which is about Rs. 10,000 crores. So, if we have to do it, it will be spread into two and a half years.

Darshil Jhaveri: Okay. Fair enough, sir. So, based on that also, I think per year we should be crossing Rs. 4,000 crores, right, given that base. I do not know if we will be able to reach that this year. Is that a fair assumption, sir?

Ramneek Sehgal: So, we have a target to reach there. And since we have got this new T&D business also, we are trying to get more orders also. And gradually, the order book value will also be increasing with the coming months in progress.

Darshil Jhaveri: Okay. Fair enough, sir. And sir, the new NHAI order that you are speaking about that can come in, so what will be our targeted order inflow for this year?

Ramneek Sehgal: So, our target is Rs. 5,000 crores.

Darshil Jhaveri: Okay. Rs. 5,000 crores is our target. And I just wanted to know like how is the competition intensity that you feel? Like is there very high? Will there be pricing pressure that can lead to some kind of margin issues? Or how do we see it, sir?

Ramneek Sehgal: So, it was there before earlier. But now since the qualification criteria has been changed, so I think now the position will be changed, and we really look forward for doing healthy competition.

Darshil Jhaveri: So, there would not be a situation of undercutting or something, everyone can enjoy healthy margins?

Ramneek Sehgal: Yes, yes, yes. So, the large companies can only bid. More the network you have, you can get more contracts if you see this qualification.

- Darshil Jhaveri:** Okay. Fair enough, sir. And sir, just wanted to know, just like I think pre-IPO we were able to grow at 40% plus. So, when do we be able to reach at least more than 25% growth target? Like how do we see ability to reach that, sir, again?
- Ramneek Sehgal:** We always try our level best, best of the team. They are putting the best ability and trying to execute at the level best. And this team has done before, and we as a Board always try and management always try to push them for the best results and best. But as I said before, whatever we guide, we really want to achieve and maintain our stability there, organically growing always helping companies becoming larger companies.
- Darshil Jhaveri:** Okay. Fair enough, sir. I just wanted to know like this Bhubaneswar project, like do we see any other kind of risk of some projects getting hampered down or some pause coming in or delay, any sort of that on ground do we see, sir?
- Ramneek Sehgal:** So, not really at this moment. And otherwise also let me tell you one thing, wherever the project gets terminated, Government always pay for the termination payment. And as I said before, we have already put a claim, and we are going to put another claim very soon for Delhi Metro. And eventually, yes, order book is the loss, but it might take two, three years in getting the award. If you see, we have already got one award payment in our account in 1st Quarter and an award of Rs. 19.36 crores from one of the NH projects in Himachal, and another from Kamada in December. So, that way the Company is very well in the contract division matter. So, eventually, there will be no loss. It might take some time till the time the award money comes into the account.
- Darshil Jhaveri:** Okay, fair. And just last question from my end, sir. Sir, overall on a consolidated basis, what kind of EBITDA margin is sustainable, sir?
- Bhagat Singh:** Well, on a standalone basis, we have guided an EBITDA of 11% to 11.5% pure EPC EBITDA margin, excluding bonus and royalty. And we are targeting that whatever turnover guidance of 10% to 15% growth and EBITDA margin of 11% to 11.5%, pure EPC. We believe that we would be able to maintain the same in the future to come.
- Yes. As Ramneek sir mentioned that we are entering into new domain, so Company is trying its level best to generate value engineering in new verticals, and we are trying to generate delta over and above the guidance number. But that will depend upon the performance. And on a conservative note, we feel that whatever guidance we have given for turnover and EBITDA, we would be able to achieve the same.
- Darshil Jhaveri:** Okay. So, just wanted to know, sir, previously we have done 15% and our pure EPC is around 11%, 11.5%. So, what's the difference of delta? Like how are we able to achieve the extra 3%?

Like could you just explain that, sir? I am new to the industry, that's the only reason I am asking that, sir.

Bhagat Singh:

No problem, I will give you more clarity. If you see our last earnings call, we have guided that our pure EPC EBITDA is 11% to 11.5%, that is by executing the EPC work. Over and above it, if you see the ladder to 15%, now what are the components which leads to 15%? One is royalty, which depends upon situation to situation. Another is a bonus that is for early completion. Again, it depends whenever the project will be early completed and authority issue us the letter of abort or bonus, we will book it. Lastly is a claim that is again dependent on the situation.

So, what we can say is, as an investor or as a Company, which we feel that we should take into consideration the pure EPC margin because over and above the journey from pure EPC to 15% depends upon situation, depends upon the facts and depends upon the contract, which may or may not arise. But yes, we are trying to maintain the consistency of pure EPC margin over a period of time.

Darshil Jhaveri:

Okay. Fair sir. Thank you so much for helping me with that, sir. All the best, sir.

Bhagat Singh:

One more thing I would like to clarify. Whatever we are talking about, it is an EPC margin of Ceigall India Limited. But whatever investments we have made in the HAM assets in the SPV, so whatever delta they are generating, that is being passed in the SPV. So, that is also a profit of the Company. But that will be earning will be booking or recognizing it in the books once the assets are monetized, either in the form of InVIT or in the form of asset sale.

Darshil Jhaveri:

Okay, fair enough. That's it from my side. Thank you.

Moderator:

Than you. The next question is from the line of Jainam Jain from ICICI Securities. Please go ahead.

Jainam Jain:

Good evening, sir. Thanks for the opportunity. Sir, as you said earlier that we will be retendering for new Bhubaneswar in Metro project. Sir, will we be given any preference within that project?

Ramneek Sehgal:

Thank you. But there is no preference as such. There is no right to this. But yes, since we established there, we will try a level base to get the tender. But as such, there is no preference in the tender. We have already constructed the casting yard.

Jainam Jain:

Sir, my second question is, what is the plan for asset monetization given the fact that has been already operational, Bathinda-Dhamali is also at the stage of completion and also Jalbehra Shahbad?

Ramneek Sehgal: So, we are always open to discussion. We do it also. So, we always wait for the right multiples. And whenever we get it and we get best price, we are ready to sell it. We are very open.

Jainam Jain: So, are we looking to sell it out in this fiscal?

Ramneek Sehgal: So, as I said before, it depends upon the right price. If we get it, why not? We are ready to sell it anytime.

Jainam Jain: Okay, sir. Sir, I wanted a couple of data points pertaining to working capital. Sir, can you help me with the inventory, trade receivables and trade payables number? Also, if you have any distribution money?

Bhagat Singh: Yes, sure. So, as far as the working capital is concerned, so as on Q1 FY '26, we have an inventory of 13 days. We have debtors of 65 days. We have a creditors of 102 days, and we have a WIP of 99 days. So, in effect, my net working capital is 75 days.

Jainam Jain: Sir, can you give those in the value terms?

Bhagat Singh: Come again, please?

Jainam Jain: Yes. Can you give the numbers in value terms?

Bhagat Singh: Yes. So, on a standalone basis, my debtors stood at Rs. 841 crores. And on a consol basis, my debtors stood at Rs. 529 crores. And apart from debtors, and my inventory value is Rs. 96 crores. My unbilled contract value is Rs. 1,014 crores and my vendors are Rs. 818 crores.

Jainam Jain: Rs. 818 crores. Okay, sir. Sir, my last question is, what was the bonus and royalty income in the base quarter and in this quarter?

Bhagat Singh: What is the bonus?

Jainam Jain: Bonus and royalty income, which we have booked in Q1 FY '25 and in this quarter?

Bhagat Singh: There is no bonus or royalty income in this quarter. Whatever EBITDA we have quoted, what we have achieved in this quarter, that is a pure EPC EBITDA. What we have quoted in the press release that you see, so we have EBITDA of 11.42%, that is a purely EPC margin that we have generated.

Jainam Jain: And sir, in base quarter?

- Bhagat Singh:** See we won't give any futuristic statement. But as I mentioned that as we are completing the Bathinda-Dhamali HAM project, so once the COD has been issued, it is likely, depending upon the issuer date, which is likely to be getting the bonus for the Bathinda-Dhamali HAM project.
- Jainam Jain:** Okay, sir. That answers the question. Thank you very much.
- Moderator:** Thank you. The next question is from the line of Lokesh Kashikar from SMIFS Institutional Equities. Please go ahead.
- Lokesh Kashikar:** Thank you very much. Sir, a couple of questions from my side. Firstly, just wanted to get a sense on the NHAI pipeline. You have mentioned that it is around Rs. 3.4 lakh crores. But what do you think what would be the realistic number for FY '26, considering that there has been projects in the pipeline, but tendering was very muted in the past couple of years. So, just wanted your sense, what would be the realistic number for awarding?
- Ramneek Sehgal:** So, thank you so much for the question. This NHAI only got it published, I think I was there in ET, as these are the projects they are looking forward to bid out very soon. And a few of them have been approved by the cabinet also. And the only and only thing where NHAI did not bid out was, they were waiting for the land acquisition to happen. So, that what has happened before that the projects were allotted, and they were not started for two years. They do not want to repeat that kind of instance.
- So, that's the reason NHAI allotments or projects got delayed. But now they are on right track and they have done a lot of homework. So, they are ready to bid out these tenders and majority of the tenders are available, and a few have got the cabinet approval also. So, we are really looking forward to these tenders. And yes, you know it very well that NHAI has done it before also, it is just a matter of time.
- And a good thing is, the relaxation which everyone had in NHAI bidding process has been tightened. And where earlier a person can bid at, say, 15% to 20% net worth, now it has gone to minimum 20% net worth. And then second, there is a kind of bid capacity requirement, which is mandatory for all good companies, including us. And then the third one is the minimum single work requirement of 20% has gone to 30%. So, only good large companies who have executed large projects will be only qualified for these large projects.
- Lokesh Kashikar:** Okay. But is it fair to assume that for this Rs. 3.4 lakh crores of projects that the NHAI has mentioned, the land acquisition might be at the advanced stage. So, the bidding would be happened very soon. Is it fair to assume?
- Ramneek Sehgal:** Yes, the tenders which are already out, they have been doing a lot of working on that. And I really feel they have a constraint that they have to get the cabinet approval and a few of the

projects they have started getting the cabinet approval also. We are very positive on these projects and fingers crossed that we will try and get maximum.

Lokesh Kashikar: And sir, secondly, on the bid pipeline in other segment where we are targeting, let's say, in the T&D segment or in the tunnel or in the metro segment. So, can you just highlight some bid pipeline on this segment as well?

Ramneek Sehgal: So, there are a lot of cities which are coming up with metro. Some are coming underground, some are coming via ducts or elevated. We are keen to bid both types of projects. In fact, we were L2 in this Kolkata Metro. It was cut and covered underground metro. So, for us, the state doesn't matter, the region doesn't matter. We have been bidding across the country. And you have seen us, we have already 11 states. So, we worked everywhere. So, that's one point.

Second, we are working with the railway also. Today also, we have quoted one of the railway projects. And going forward, we have NHAI, we have 10, 11 departments. So, we have a few projects. We are trying to get projects in renewable also and T&D business also. So, T&D business is going to be a very big business. For us T&D, the good thing is it's not only India, it's international business also you can grow well. So, T&D is going to be a very, very good vertical for us.

Lokesh Kashikar: Okay. So, out of the targeted order inflow of Rs. 5,000 crores, so what is our internal target to back projects from the other than road segment, around 20%, 25%?

Ramneek Sehgal: So, if you ask me, we do not have any such target. We keep on bidding. Right now also, we have quoted tenders worth Rs. 16,000 crores. The HAM duty, we always target and plan in such a way that our project IRR should not be less than 25%. And for our EPC business, as we are getting the PAT and EBITDA about 11.5% to 12%. So, we always target to bid on these things. It doesn't matter we get highway business, we get elevated, we get structure, we get airport, we get tunneling business. So, it does not matter because we have all kind of verticals, we have all kind of people with us. So, we only and only target that we should get projects .

Lokesh Kashikar: Okay. And just last few questions. Sir, what is the land status in the Varanasi-Ranchi Expressway project?

Ramneek Sehgal: So, it is at an early stage where I think we should get the Stage 1 approval soon. Fingers are crossed. Once it is there, then we have already mobilized for these projects. The financial closure is already done. So, we are very positive about these projects that these projects should start early.

- Lokesh Kashikar:** But sir, is there a possibility that the project will get canceled or something because we have secured the project two years back and we have not yet received appointed date. So, is there a possibility that the project will get canceled or something like that?
- Ramneek Sehgal:** There are about three listed companies who are already having projects, two, two projects each on this Expressway. And there are total 13 packages out of, I think, one is not bid out, 12 packages are already allotted. See, it's difficult for NHAI also to terminate all these projects. Terminating, they have to pay a lot of payment, and they have already paid a lot of land acquisition. And these projects are almost two, two and a half years old. So, we have not heard anything negative about these projects. So, department is also really pushing hard to start these projects. And we have been getting only positivity about these projects.
- Lokesh Kashikar:** Okay. And sir, last one only. Out of this total order book of around Rs. 10,300 crores, if you look at present, one has to exclude Bhubaneswar project of around Rs. 900 crores?
- Ramneek Sehgal:** We have added also one project that is T&D project.
- Lokesh Kashikar:** Okay. So, on Rs. 10,300 crores minus Rs. 900 crores, that comes to around Rs. 9,400 crores plus around Rs. 400 crores. So, you are saying at present, it would be around Rs. 9,800 crores, correct, closer to that?
- Ramneek Sehgal:** Something like that, yes.
- Lokesh Kashikar:** Okay. That's it from me. Thank you.
- Moderator:** Than you. The next question is from the line of Hitanshi Agarwal from AB Investments. Please go ahead.
- Hitanshi Agarwal:** Hi. Thank you for the opportunity. Sir, my first question is, our standalone and consolidated EBITDA margins have contracted on a year-on-year basis despite the revenue growth. So, like what were the key drivers of this margin pressure? And do you see this on a temporary basis or like structural basis?
- Bhagat Singh:** So, ma'am, if you see my EBITDA margins, first of all, I will let you know my standalone. So, my standalone EBITDA margin, if you see from FY '24 itself, so we are between 11% to 12% to 12.5%. So, how we need to understand how we derive the EBITDA margin. It depends what sort of construction activity executed in the respective year or a quarter.
- If the contract involves a lot of structural work, the EBITDA margin would be on a very higher side. It is a normal work without structural work, then it will be range between 11% to 11.5%. And I just want to quote the number. My FY '24 EBITDA margin, excluding bonus and royalty

was 13.64%. FY '25, it is 12.24%. Q1 FY '25 last year, it was 12.76%. And this quarter, it is 11.42%. So, what we need to see is the Company is generating the pure EPC margin, what they have given a guidance, that is 11% to 11.5%, number one.

Number two, can you talk about the consol numbers? So, I just want to restate how we derive the consol. Consol depends upon standalone plus whatever profitability you derive upon from the HAM project. In HAM, in the case of HAM project, the profit arises when a contract is completed and you start the annuity. In the present case, as we have mentioned in the press release, that one contract has already been completed.

We have already received amounting to Rs. 177 crores, which has been duly accounted for. And accordingly, the EBITDA is increasing in the consol. This year, we are expecting that we are completing two more projects, that is Bathinda-Dhamali and Jalbehra. So, we feel that consol number, this number could be on a higher side as compared to a standalone number.

Hitanshi Agarwal: Okay. Got it. And sir, one question on the HAM project, the equity infusion, which we have done for this HAM project. So, do you see our finance cost increasing in the future?

Bhagat Singh: No. See, whatever need to infuse, it will be infused in the SPV. And the source of equity is the cash accruals, which we are generating in the Ceigall India Limited. So, there is no question of increasing the finance cost purely because of equity infusion. Because equity is infused from the sources, all equity sources rather than taking the borrowing from the bank.

Hitanshi Agarwal: Okay. And sir, just a follow-up on HAM. So, what annuity visits are expected from the operational HAM assets in FY '26 and '27?

Ramneek Sehgal: Yes, of course.

Bhagat Singh: So, as we said that in case of Malout we are already receiving an annualized annuity of Rs. 100 crores to Rs. 177 crores. And we are also expecting that COD, we are expecting the COD of the contracts precisely maximum by the end of the second quarter or the early part of the third quarter. So, once the COD is issued, we will be likely to receive the annuity amount from these two projects also.

Hitanshi Agarwal: Okay. Great. And sir, just one last question. How do you see the equity requirement profile over the next 12 months? And is internal accrual sufficient or we will raise fresh debt or equity?

Bhagat Singh: Yes. So, as we mentioned to the reply to another query, the total equity which is pending to be infused is Rs. 872 crores. This is the equity which we need to infuse over the remaining. Now as per the bank sanction, we get a sanction structure in a way that at the time and issued, we need to infuse only 30% of the equity. Remaining will be issued in line with the progress of the report.

So, considering this 30% level, we believe that Rs. 872 crores would be infused over next two half years. This is the #1 point. This I am giving you a bifurcation of the equity.

#2, which is very important to understand. What are the sources of equity? Number one is cash accruals, which the Company is getting. Number two is the unencumbered FDR, which we are having with us as we speak, which we normally keep on a month-to-month basis just to support the equity requirement of HAM, number two.

#3, Malout HAM project was completed. Now we are in the process of getting it refinanced. Once it is refinanced, we would be getting a top-up amount ranging from Rs. 120 crores to Rs. 140 crores. This is from only pure Malout. Since we are expecting the COD of the remaining two projects in the third quarter this year, we will be getting it refinanced, and I am expecting a top-up of close to Rs. 200 crores from these two HAM projects.

So, considering a top-up of Rs. 200 crores from two HAM projects, Rs. 125 crores to Rs. 140 crores from Malout, I believe we would be having an independent source of Rs. 340 crores in the parent Company, which we derive in the SPV Company to support the equity requirement. And this equity will not be for the existing HAM. Yes, it will enable me these 3 top-up amount, unencumbered FDR, independent cash accrual from Ceigall.

These three sources put together will provide me a very strong cash flow support for meeting the equity requirement of existing projects as well as the future HAM projects, which we feel, which we have already bidded, we feel, as Ramneek sir mentioned that we are expecting an order inflow of Rs. 5,000 crores. So, out of which whatever will be the proportion of equity, we feel that this total capital inflow will enable us to meet the equity requirement.

Hitanshi Agarwal:

Okay. Got it, sir. Thanks a lot.

Moderator:

Thank you. Ladies and gentlemen, in the interest of time, we will take this as the last question for today. I would now like to hand the conference over to Mr. Aryan Sumra from MUFG Intime for closing comments. Please go ahead.

Aryan Sumra:

I would like to thank the management for taking your time out for this conference call today. And also, I would like to thank all the participants for joining. If you have any further queries, feel free to reach us, we are MUFG Intime India Private Limited, Investor Relations Advisers for Ceigall India Limited. Thank you so much.

Moderator:

Thank you. On behalf of Ceigall India Limited, that concludes this conference. Thank you for joining us. And you may now disconnect your lines.