Date: 05-06-2025
To,

Compliance Department
BSE Limited.
25th Floor, P.J. Towers
Dalal Street, Mumbai - 400001

Compliance Department
National Stock Exchange of India Ltd.
5th Floor, Exchange Plaza,
Bandra Kurla Complex,
Bandra (East) Mumbai- 400051

Compliance Department
Calcutta Stock Exchange Ltd
7, Lyons Range, Dalhousie,
Murgighata, B B D Bagh,
Kolkata, West Bengal – 700001

Sub: Transcript of Conference call under Regulation 46(2) of the SEBI (LODR) Regulations, 2015 held on 02-06-2025 at 4.00 p.m.

Dear Sir/Madam,

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Please find enclosed Transcript of Analyst /Institutional Investor Meetings held on 02-06-2025 at 4.00 p.m. Q4 FY 2024-25.

The above details are also being made available on the Company's website at www.acilnet.com

This is for your information and record please.

For Ahluwalia Contracts (India) Ltd

VIPIN KUMAR TIWARI

Digitally signed by VIPIN KUMAR TIWARI
Date: 2025.06.05 18:09:27 +05'30'

(Vipin Kumar Tiwari)
Company Secretary
Encl.: **As Above**

"Ahluwalia Contracts India Limited 4Q & FY2025 Earnings Conference Call"

June 02, 2025

MANAGEMENT:	**MR. SHOBHIT UPPAL – DEPUTY MANAGING DIRECTOR, AHLUWALIA CONTRACTS INDIA LIMITED** **MR. VIKAS AHLUWALIA – DIRECTOR, AHLUWALIA CONTRACTS INDIA LIMITED** **MR. SATBEER SINGH – CHIEF FINANCIAL OFFICER, AHLUWALIA CONTRACTS INDIA LIMITED**
MODERATOR:	**MR. SAMEER THAKUR – AMBIT CAPITAL PRIVATE LIMITED**

Moderator: Ladies and gentlemen, good day, and welcome to the Ahluwalia Contracts India Limited 4QFY25 Earnings Conference Call hosted by Ambit Capital Private Limited.

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

I now hand the conference over to Mr. Sameer Thakur. Thank you, and over to you, sir.

Sameer Thakur: Good evening. On behalf of Ambit Capital, I thank the management of Ahluwalia Contracts India Limited for the opportunity to host your 4QFY25 earnings call.

We have the following members of Management with us today; Mr. Shobhit Uppal – Deputy Managing Director; Mr. Vikas Ahluwalia – Director; and Mr. Satbeer Singh – Chief Financial Officer.

I now hand over the call to the Management, Mr. Shobhit Uppal – Deputy Managing Director, to walk us through the quarter. Thank you all, and over to you, sir.

Shobhit Uppal: Thank you so much. Good evening, everybody. Ahluwalia Contracts India Limited has announced its Financial Results for 4QFY25.

During 4QFY25, the company has achieved a turnover of Rs. 1,215.84 crores and a PAT of Rs. 83.16 crores in comparison to a turnover of Rs. 1,163.66 crores; and PAT, excluding exceptional items, of Rs. 54.91 crores during 4QFY24. The company has registered growth of 4.48% in turnover and 51.44% in PAT, excluding exceptional items during 4QFY25 in comparison to 4QFY24.

EPS of the company for 4QFY25 is Rs. 12.41 as compared to the EPS of Rs. 8.20, excluding exceptional items in 4QFY24. During 4QFY25, the company's EBITDA margin is 10.17% as compared to 8.96% in 4QFY24 and a PAT margin of 6.74% as compared to PAT margin, excluding exceptional items, of 4.67% in 4QFY24. During FY25, the company has achieved a turnover of Rs. 4,098.62 crores and a PAT of Rs. 201.51 crores, in comparison to a turnover of Rs. 3,855.29 crores and a PAT excluding exceptional items of Rs. 230.61 crores during FY24.

During FY25, EPS of the company is Rs. 30.08 as compared to an EPS of Rs. 34.42 excluding exceptional items in FY24. During FY25, the company's EBITDA margin is 8.34% as compared to 10.08%. And the PAT margin is 4.85% as compared to 5.93% in FY24. The net order book of the company as on 31st March 2025 is Rs. 15,775.08 crores to be executed over the next two to two and a half years. Total order inflow during FY25 stood at Rs. 8,436.69 crores and the order inflow during FY26 thus far is Rs. 396.50 crores; sorry, this order inflow is till 31st March. At present, we are L1 in two projects aggregating Rs. 1,796 crores.

Thank you. We are ready to 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: Thank you, sir. A couple of questions. So, sir, first on the execution front, so now how one can look at the execution growth for this year FY26? And also, if you can specify this Rs. 1,796 crores L1 orders, which are this? And how much order inflow are we looking at for the entire year of FY26?

Shobhit Uppal: Hi, Shravan. Your second question first. Rs. 1,796 crores, these are two orders. One is a university in Bhubaneshwar, Odisha with the state government, this is about Rs. 1,000 crores. And the other is the MIDC project in Mumbai, which is about Rs. 700-odd crores. As regards to your third question, the targeted order inflow should be on the similar lines, about Rs. 7,000 crores to Rs. 8,000 crores in this financial year. As regards the revenue guidance, about 15%. Shravan, I have answered your question. Anything else?

Shravan Shah: Yes. Sir, in terms of the EBITDA margin, so this quarter definitely we have done 10% plus. How one can now look at for FY --

Shobhit Uppal: As I said in my last con call, our slow-moving orders are behind us. Almost all projects have taken off, and we have a healthy order book. So, there will be a double-digit margin in this financial year.

Shravan Shah: Okay. Got it. And also a couple of data points. First, mobilization advance, retention money and unbilled revenue?

Satbeer Singh: Yes. Mobilization advance is Rs. 639 crores and retention is Rs. 387 crores and debtors are Rs. 812 crores.

Shravan Shah: Unbilled revenue?

Satbeer Singh: Rs. 390 crores.

Shravan Shah: Rs. 390 crores unbilled revenue?

Satbeer Singh: Yes, yes, yes.

Shravan Shah: Okay. And capex for FY26 is?

Shobhit Uppal: About Rs. 200 crores.

Shravan Shah: Okay. Okay. So, any specific projects where we are likely to see a higher CAPEX, and that's why we are saying a Rs. 200-odd crores?

Shobhit Uppal: So, we have signed recently a lot of orders for high-rise building. So, there is this aluminum or specialized system shuttering, that will involve a CAPEX. And plus, there's going to be a large CAPEX on the projects, these such high res like the ones we have signed for DLF, the specialized machinery like cranes are going to be deployed. That is why a higher CAPEX. In this year also we have done a CAPEX of about Rs. 190 crores, so it will be on similar lines.

Shravan Shah: And lastly, the Gems and Jewellery Park and the CSMT railway station, so last time you said we are looking close to Rs. 500 crores in FY '26. And particularly the Gems and Jewellery where have we started work and how one can look at the revenue in FY '26?

Shobhit Uppal: No. In CSMT, we are looking at a target of about Rs. 400 crores to Rs. 500 crores in this year. As far as Gems and Jewellery Park is concerned, we are still awaiting clearances from the department to break ground.

Shravan Shah: So, when it will start?

Shobhit Uppal: We are still not clear. Probably it will be in Q3 FY '26.

Shravan Shah: Then the revenue should be on the lower side, and despite that so if I remove this then we have to do a significant uptake in terms of execution for other projects to reach a 15% kind of a growth.

Shobhit Uppal: As it is in our projection of revenue, we have taken just about Rs. 150 crores from Gems and Jewellery Park, which even if it begins in Q3, in H2 we should be able to meet that.

Shravan Shah: Thank you and all the best, sir.

Shobhit Uppal: Thank you. Thank you so much.

Moderator: Thank you. The next question is from the line of Jainam Jain from ICICI Securities. Please proceed.

Jainam Jain: Thank you sir for the opportunity. Sir, my first question is on the update, is there any update on Delhi NGT issues?

Shobhit Uppal: No, there is no specific update. But we are hoping that with the same ruling party, both at the state and the center, this time the pain should be considerably lesser, more so because the state government has already started taking steps to curb pollution. So, we are hoping that unlike last year when we lost approximately two to three months, two months in Q3 and nearly a month in Q4 of FY '25, this year the pain will be considerably lesser. So, the impact on our production should be much lesser.

Jainam Jain: Okay, sir. And sir, my second question is, what is sort of bid pipeline which we are seeing in FY '26? Like are there any major opportunity in terms of projects which is sort of going to help us in increasing our backlog?

Shobhit Uppal: So, the bid profile and pipeline is similar to what it was in the second half of last year. We are seeing a substantial growth in residential projects, high-rise residential projects in various parts of the country, especially metros, even in Tier 2 cities like, say, Bhubaneshwar, Patna, etc. So, that is one area. Secondly, airports is another area for us. And then housing also on the government side and educational projects, both on the government side and the private sector side.

Jainam Jain: Okay, sir. And sir, my last question is, despite having a strong book-to-bill ratio of 3.8x, like we are still looking at a revenue growth of 15%. Sir, what is actually stopping us from achieving a higher number at that end?

Shobhit Uppal: Two things. One, we are being cautious, as we always are, primarily because labor is an issue. And it's just becoming more and more of an issue, especially in and around the festive season, which traditionally is the best construction period. But our experience over the last couple of years is that labor goes back home, it depletes. Then a lot of this labor, especially skilled workforce comes from Bihar, which the state is going to go for election in the month of October. So, that will impact project performance across the country because most of the skilled workforce comes from Bihar.

Jainam Jain: Okay, sir. That answers the question. Thank you so much. All the best.

Shobhit Uppal: Thank you.

Moderator: Thank you. The next question is from the line of Lakshminarayanan K G from Tunga Investments. Please proceed.

Lakshminarayanan K G: I have a few questions. See, one is, if I just look at the current assets, the trade receivables have increased from Rs. 604 crores in FY '23 to almost Rs. 784 crores in FY '25. So, you classify these trade receivables as current assets. Two questions, why there has been a quantum jump in that? And then, over what period these receivables can be got, like what is the policy the company has under current assets trade receivables?

Satbeer Singh: I think debtors are Rs. 785 crores in current assets in comparison to 31st March '24, this was Rs. 746 crores, I do not think so there is a quantum jump.

Lakshminarayanan K G: No, no. I am just comparing from FY '23, it was Rs. 604 crores to almost Rs. 784 crores in the last two years. So, is it in line with your expectation?

Shobhit Uppal: Yes, it is. What Satbeer is saying that if you see FY '24 and FY '25, it is almost similar. Rs. 740 crores to Rs. 785 crores, right? And there has been a corresponding jump in turnover also. So, it is in line with our expectation.

Lakshminarayanan K G: And the second question is that what percentage of our order book, excluding the CSMT is item rate and how much is EPC?

Shobhit Uppal: Before the end of this call, we will get back to you. We do not have that as a ready number, right, if we exclude CSMT, what is the EPC. So, to give you an accurate answer, give us some time. Before the end of this call, we will get back to you.

Lakshminarayanan K G: Got it. And the third question is that what percentage of, I mean, I see that around Rs. 180 crores of CSMT work has been done. And in your own I think you have mentioned that there has been a delay due to various agencies issues. Now, when do you think this project will get over because we are already having a delay? So, I just want to hear your thoughts on that.

Shobhit Uppal: So, as I mentioned in my answer to I think Shravan's question, we are looking at doing an output of about Rs. 400 crores to Rs. 500 crores this year, this financial year. So, the total value is around Rs. 2,000 crores. So, I think totally it will take anywhere between two to two and a half years to complete this.

Lakshminarayanan K G: So, maybe FY '28 or '29, it would end?

Shobhit Uppal: I think, yes, if you take two years from now its '28, FY '28.

Lakshminarayanan K G: Got it. And question pertaining to the same project. Since it's an EPC project and what kind of cost escalations you have actually built in? Because it's an L1 project, so I just want to understand how we have ring fenced risks in terms of delays and in terms of cost overruns, what kind of mitigation we have done there?

Shobhit Uppal: So, our investments on the project in terms of machinery and other significant resources has already been done. Secondly, we have like, say, significant raw materials like stone, chips and sand. We have bought a quarry, which we are using to feed this and other projects in Mumbai. Thirdly, we have set up our own fabrication units near the execution site, which are helping us control the expenses, not only the timely delivery, but also expenses. So, we have put in place a slew of measures which will help us mitigate most of the escalations, rest we have factored in our projections.

Lakshminarayanan K G: Correct. Thank you for the clarity. I will get back in queue and I will wait for your number.

Shobhit Uppal: Yes, thank you Lakshmi. Thank you.

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

Vaibhav Shah: Sir, firstly on the CSMT project. So, over the last time we had guided for Rs. 750 crores of revenue for FY '26, so what is stopping us from achieving that number for this year? And are the design issues back now and design is clear now or still there are some lingering issues?

Shobhit Uppal: Most of the design issues have been resolved. But in a project as complex as this, as I had mentioned last time, it's very difficult to get all issues resolved, more so when the nodal agency, RLDA, is also a comparatively new agency, unlike the CPWDs and the NBCCs of this world. That is why while the construction has begun in right earnest on the ground, but there continue to be issues. This is a large project which not only involves structure, but it also involves finishing items. While structural issues have been, to a large extent, concluded, but a lot of finishing items or design issues still remain. So, we are working on that.

Secondly, work or productivity on the ground or production on the ground is dependent on as and when closures or block closures are given to us. This year, substantially, we are looking to work on the greenfield aspect of the project where new buildings are coming up, whereas the stations and concourses, that will be taken up in the latter half of this year and the majority of that will be done in the next financial year. Hence, a bit of a downward trend on the revenue guidance that we are giving on this project for this financial year.

Vaibhav Shah: So, as far as this number is concerned, Rs. 400 crores to Rs. 500 crores, that should be largely secured now or still there is some risk to that number as well for FY '26?

Shobhit Uppal: So, that's largely secured.

Vaibhav Shah: Okay. Sir, secondly, on the margin front, so we saw a good margin in Q4 at around 10.2%. So, what drove that margin? Any one-offs or what drove that?

Shobhit Uppal: No, no. If you recollect, during my last con call, I had mentioned that most of the slow-moving projects were behind us, NGT was behind us. And we signed the fresh orders at decent margins. And I had projected that we would be hence fourth looking at double-digit margins. And this should continue through this year.

Vaibhav Shah: Okay. Sir, secondly, on the medical college at Chapra, so has there been any change in scope because it was earlier, I think order book was zero, now it is around Rs. 160-odd crores.

Shobhit Uppal: Sorry, repeat your question. You are saying?

Vaibhav Shah: Medical college in Chapra, in Bihar, earlier the order book was zero and now there is a Rs. 160 crores order book as per the presentation, so has there been any change in scope? And also the value of the order has increased, earlier it was around Rs. 450 crores, Rs. 470-odd crores, now this Rs. 600-plus crores?

Shobhit Uppal: So, there were certain government approvals awaited. There were extra works, which were being added. So, that came during the last quarter. That's why the size of this order has gone up.

Vaibhav Shah: And that should be completed in this year, FY '26, the remaining work?

Shobhit Uppal: Yes, it will be completed in the next six months.

Vaibhav Shah: Okay. Sir, lastly, on the working capital side. So, any issues in particular state or any authority where payments are being stuck or have been delayed?

Shobhit Uppal: Not to my knowledge. No. this time around our two states were worrying us, which was West Bengal and Bihar. Bihar, the issues were cleared, last time around I had mentioned that. And West Bengal also, at the moment we are executing no government projects there. Our projects have been completed. And most of our payments have been received.

Vaibhav Shah: So, working capital should be a similar number in FY '26 as well?

Satbeer Singh: It is at 88 days.

Vaibhav Shah: Ahead also it should be similar, going ahead?

Satbeer Singh: That has to be similar.

Vaibhav Shah: Okay. And sir, lastly, of the mobilization advance you mentioned, what would be the interest-bearing portion?

Satbeer Singh: It's 40%.

Vaibhav Shah: Okay, okay. Thank you, sir. I will fall back in the queue.

Moderator: Thank you. The next question is from the line of Aarohi Gourisaria from Kredent Family Office. Please proceed.

Aarohi Gourisaria: All right. Sir, I am new to this sector, and I had a couple of questions. Sir so firstly, I was seeing that unlike your peers you do not diversify into long gestation projects like building tunnels or dams, irrigational facilities, underground metro, etc. Basically, you are primarily focused on buildings. So, could you please explain why you have never thought of diversifying?

Shobhit Uppal: Our skill set has been developed around buildings and factories. And people who follow our company know that we are risk averse. We want to grow conservatively, and that's what we have been doing all these years. We want to continue to remain a zero-debt company. And that is primarily what is preventing us from going into higher risk areas.

Aarohi Gourisaria: Alright, sir. Thank you. And secondly, in the past con calls, we have emphasized on reducing our dependence on mobilization advance and instead utilize our internal accruals better. However, your mobilization advance has grown by 21% Y-o-Y from Rs. 528 crores in FY '24 to Rs. 639 crores in FY '25. So, could you please explain the rationale behind this growth?

Shobhit Uppal: No. So, if you look into the fine print, what I have been saying in my last few calls is that the mobilization advance from the public sector side on government projects is interest-bearing, which we are continuously reducing our dependence on. The increase in mobilization advance which you see is from the private sector side, which is interest-free. Have I answered your question?

Aarohi Gourisaria: Yes, sir.

Shobhit Uppal: We have said, only 40% of our total mobilization advance is interest-bearing, right? If our public sector order book is close to 41%, right, and on most of those projects or newer projects we are not availing the mobilization facility which the client is offering us because it is interest-bearing.

Those projects, like, say, Varanasi airport, we are funding from internal accruals. And if you see our interest cost, our finance costs have also come down.

Satbeer Singh: Interest bearing mobilization advance. was 58% last year, now this is 40%.

Shobhit Uppal: What Satbeer is saying, last year interest-bearing advance was 58%, now it is 40%. So, it's come down, and it will come down further.

Aarohi Gourisaria: Okay, sir, thank you. And sir, just one last question. There's a trade receivables write-off of approximately Rs. 14 crores, so could you please let me know which party this is in regard with?

Satbeer Singh: Repeat your question, please?

Aarohi Gourisaria: Yes, sir. So, sir, there's a trade receivable write-off of approximately Rs. 14 crores. So, could you please explain which party this is in relation with?

Satbeer Singh: I think the receivable write-off is from Logix and JP, two of our clients, where the companies have been taken to NCLT.

Satbeer Singh: It should be a larger number?

Satbeer Singh: Rs. 12 crores.

Aarohi Gourisaria: Tlright. Thank you so much. All the best.

Shobhit Uppal: Thank you.

Moderator: Thank you. The next question is from the line of Agastya Dave from CAO Capital. Please proceed.

Agastya Dave: Sir, I used to follow this company like 20 years back. And even as recently as five, six years back, just before corona, you guys used to be 12%, 13% EBITDA margins. So, now it's very heartening to see that you are guiding for double-digit margins. But when will we go back to those historical numbers of 12%, 13%? Is it, sir, do the business circumstances prevent us from reaching those levels? Or is it just a matter of time?

Shobhit Uppal: The world has moved on. It's changed a lot pre-COVID, post-COVID, I do not see 12%, 13% margins happening in the near future. It's taken an enormous amount of effort to even get back to double-digit margins, right? While the industry is sort of booming, if I may say so, because now we are seeing both private sector and public sector CAPEX happening. But there are myriad problems which afflict this industry, primarily our overdependence on labor, right? That continues to be the case, and labor is in extremely short supply.

So, I do not think we are going to reach 12%, 13% margins till such time that there is greater standardization and greater dependence or greater use of industrial techniques in what we do on our project side. That I do not think is going to happen in the short term. But I am confident that now with Ahluwalia being a preeminent name and especially in the private sector there being limited players, we should be able to sustain a double-digit margin right through.

Agastya Dave: Understood, sir. Sir, the second question is also a related one. So, if I look at the last three years, so '23, '24 and '25, if I look at the employee expenses, they have gone from Rs. 200 crores to Rs. 351 crores and other expenses from Rs. 47 crores to Rs. 85 crores. So, can you point out what are the biggest reasons for that? So, FY '24, I understand you had extremely high growth that year. And last year, there was obviously the problems that we know. But still the costs jumped quite a bit. So, were there any particular reasons behind this? Or was it just that because you lost so much time because of the NGT issues and other issues that the costs are looking big because of the absence of revenue growth? How should I understand this, sir?

Shobhit Uppal: So, primarily the costs were looking big. As you see, our staff costs in this quarter has come down because revenue has gone up, right? Secondly, because we were well stocked up, the order inflow was large. So, we had correspondingly also increased the staff to execute the order backlog of about Rs. 15,500 crores. So, now going forward, as we pick up speed, this cost in terms of percentage of revenue is further going to come down, pushing up our profits.

Agastya Dave: Sir, what are our capabilities in terms of handling execution for years? So, peak execution that we can handle, assuming no interruptions, no elections, nothing, how much can we execute in a year? Assuming, again, a theoretical scenario where all permissions are on board, like everything is there, how much can we execute, sir, based on the current cost base that we have?

Shobhit Uppal: It's a totally new question. You have me kind of at a loss for words because such a situation will never occur. But as I said, I have projected 15% growth. This can go up to, in an ideal circumstance where there is no inertia, be it at the state level or at the central level, and we are totally well stocked up as far as labor is concerned, we can do nearly 30% growth.

Agastya Dave: Okay. Okay. Okay. And sir, in terms of these cost items, sir, how much should we, so 15% revenue growth I understand, variable cost obviously will scale up with the execution. But the fixed costs, sir, what kind of inflation are you seeing in those?

Shobhit Uppal: So, when you say fixed cost, you are talking about?

Agastya Dave: Employee expenses and other expenses, sir.

Shobhit Uppal: So, employee expense, last year also, even though we were hit by slow-moving projects, there the average increments or increase for staff cost was about 15%. And going forward, if this industry continues to boom and seeing the skill shortage or shortage in even engineers for engineers and managers, I think this will go up by another couple of percentage points.

Agastya Dave: Right, right, right. So, I hope this starts reflecting in the pricing for you guys, right, sooner or later you will have to pass this on.

Shobhit Uppal: We are passing it on already. If we would not have passed it on, how would we have achieved a double-digit growth in our profits. This is the time to pass it on. As I said in my answer to the earlier question, that there is a paucity of good construction companies, especially on the private sector side where the focus on quality and safety is very, very high. Not only us, the entire ecosystem is demanding international standards. Even the buyers want the end product to be at par, especially in the metros, to be what they see when they travel abroad to the Western countries. So, there are only a handful of contractors who are equipped to do that.

Agastya Dave: Great, sir. Thank you very much, sir, for answering all the questions. And I wish you all the best, sir. Let us hope for a non-industrial year.

Shobhit Uppal: Thank you.

Moderator: Thank you. The next question is from the line of Samyak from Marcellus Investment Managers.

Samyak Jain: Thank you, sir, for the opportunity. A couple of bookkeeping questions. First is, I see that the other income has substantially increased in FY '25. So, if you could just help us understand with what are the main components of other income in FY '25?

Satbeer Singh: Other income majorly increased due to, basically, it consists of interest on FDs, that is Rs. 45 crores. And besides that, Rs. 8 crores we have written back to suppliers outstanding.

Samyak Jain: Got it, sir. And secondly, could you help us with the interest on mobilization advance, the interest amount for FY '25?

Satbeer Singh: Interest on mobilization advance, this has been increased from Rs. 18 crores to Rs. 24 crores this year. This year it's Rs. 24.91 crores.

Samyak Jain: Got it, sir. Thank you so much.

Moderator: Thank you. The next question is from the line of Shravan Shah from Dolat Capital. Please proceed.

Shravan Shah: Yes, thank you sir for the opportunity again. Sir, this L1 Rs. 1,796 crores when we are likely to get the LOA?

Shobhit Uppal: I think it will take about 30 to 45 days.

Shravan Shah: Okay. So, considering the Godrej project that is Rs. 397 crores and plus this L1, so around Rs. 2,200 odd crores that we have already received. And just if you can specify the overall how much value of projects that we have already bidded and where bid is yet to open?

Shobhit Uppal: Shravan, I do not have that handy with me. We will get back to you with that figure. Satbeer will separately give you that figure. As I mentioned, the order pipeline is healthy. And just to kind of reiterate my point, which I made in my earlier answer, is that we expect a similar order inflow as we had last year to the tune of about Rs. 7,000 crores to Rs. 8,000 crores. So, going forward, maybe another Rs. 5,000 crores in this year in addition to this Rs. 2,000 crores or Rs. 2,100 crores.

Shravan Shah: Got it. So, that's what I just wanted to understand, is there a possibility that we can even do a Rs. 10,000 crores plus kind of order inflow? So, just trying to see where we can see a further uptick in the growth in execution maybe in FY '27, '28? So, just trying to understand that.

Shobhit Uppal: Let me not give you a number, but let me tell you that, at the moment, order booking is not an issue. We are being aggressively wooed by clients, because as I said earlier, there is a paucity. There are only a handful of large construction companies who are capable of delivering complex large-scale projects across the spectrum of the building industry. So, I think the order inflow should be healthy enough in this year.

Shravan Shah: Yes. Sir, order pipeline currently would be Rs. 25,000 crores around?

Shobhit Uppal: I think the order pipeline should be about Rs. 15,000 crores.

Shravan Shah: Okay. Got it. And sir, is there a way that currently we are having a significant cash flow is there, Rs. 900,000-odd crores. We are saying that we will not use for government projects the interest-bearing mobilization advance. Also, is there a way that we can even start reducing the subcontract expenses, which as a percentage of revenue, if I see, is close to 29%, 30% odd. So, just trying to understand, is there a way that we can even inch up maybe 0.5%, 1% margin?

Shobhit Uppal: I do not think it would be accurate to say that we can use our cash reserves to get down the subcontractor percentage. But what we are actively looking at is using our reserves to better control the supply chain, both in terms of pricing and timely delivery, which consequently will help the margins only.

Shravan Shah: Okay. And also, currently the private is close to 58% of order book, although our aim is to have a 50%, 50% government and private. So, it is just the timing gap and that's why it is, but that stand remains? Or is there a possibility that we may see maybe government share would be 40%?

Shobhit Uppal: See, Shravan, you have seen us in the past. Right now, we are focusing much more on the private sector because in the government sector the margins are comparatively lower, even on big ticket orders. So, our focus over the next year or two years will remain on private sector. So, I think 60-40 will be there, at least in the short term.

Shravan Shah: Got it, sir. Thank you and all the best.

Moderator: Thank you. The next question is from the line of Bhavin Modi from Anand Rathi. Please proceed.

Bhavin Modi: Hello, sir. Thank you for the opportunity. Sir, my first question is with respect to the order inflow this year. Do you have a breakup of how much is the new additions and how much is the change in scope? Would it be possible to provide that number?

Shobhit Uppal: No, it would not be possible. We will have to get back to you on it. New orders and change in scope is going to be very little, Bhavin. If you heard the earlier question, there is an increase in Chapra **(Inaudible)40:57**. This order inflow is a new order inflow.

Bhavin Modi: Okay, sir. Sir, second is how much of your order addition has come from the private sector?

Shobhit Uppal: Our total order book is 58% towards the private sector. As far as the percentage of the new order inflow, we will get back to you before the end of this call. Out of Rs. 8,400 crores new order inflow in this financial year, how much is private sector, is that your question?

Bhavin Modi: Yes, sir. Yes, yes.

Shobhit Uppal: Yes, we will get back to you.

Bhavin Modi: Second thing, I may have missed on this topic, but I just wanted to understand out of this order book, which is there, sir, how much is the fixed price contract and how much is cost plus contract where we can get the benefit of escalation?

Satbeer Singh: Fixed price contracts are 11%.

Bhavin Modi: And sir, in case of escalation embedded contracts, what are the pace that is available in escalation like labor cost, material cost, any percentage that you can give us?

Shobhit Uppal: Government contracts, there is a formula or there are two formulae, one is for material, one is for labor. These are standard formulas, and there is a base price or base index which is mentioned for material as well as labor. And the escalation is paid based on the periodic indices which are released by the government, be it states government. On the private sector escalation on volatile materials, there is a price like cement, steel, aluminum, block matter, there is a base price, RMC, there is a base price which is provided in the tender. Any variation from that base price is a pass-through. We get compensated for that. As regards labor on some contracts, even in the private sector, the labor escalation is calculated based on the index, which is published by the government.

Bhavin Modi: Okay, sir. Got it. And sir, the last question, since we have the project of railway station redevelopment, so are we looking for new opportunities first? And second is, sir, since now we are NCR and the government is now focusing on Yamuna Cleaning opportunity, so are we looking for some projects from that side?

Shobhit Uppal: It would not be prudent for me to comment on our bidding capacity or how we are looking to increase our business going forward. Let me leave you with the thought that what we have been doing for the past few years, we will continue to do that. Since we are present in the entire spectrum of the building industry, whichever segment of this industry does well, be it industries like we are seeing a bit of an uptick in industrial growth, we will look to focus on that. We are already doing airports. If we see large value airport projects coming up, we will bid for that, be it private sector or public sector. At the moment, there is a lot of focus on residential. So, we are looking at adding residential projects to our portfolio.

Bhavin Modi: Okay, sir. Got it. Thank you, sir.

Moderator: Thank you. The next question is from the line of Vasudev from Nuvama. Please proceed.

Vasudev Ganatra: Sir, can you just give us some updates on the DLF project, Tata Memorial and the Signature Global project?

Shobhit Uppal: So, we are doing two projects for DLF. One is the housing project in Sector 623 in Gurgaon, which is well underway. We are logging in a run rate of close to about Rs. 25 crores to Rs. 30 crores every month there. And we are slated to complete that project by September, October '26.

As regards the commercial project, about 6.5 million square feet commercial project that we are doing on Delhi-Gurgaon highway, that we have just begun construction because they had gone into redesigning mode based on new provisions. So, we have just begun construction. And starting next month, we should be logging a run rate there of about Rs. 25 crores to Rs. 30 crores there also every month.

As regards the Signature Global project, that also the site has been handed over to us. And since last month, we are doing a turnover of about Rs. 15 crores to Rs. 20 crores every month. Going forward, this will be maintained in this year.

As regards Tata Memorial project, that project is also moving fine, and we are doing a billing of close to about Rs. 8 crores to Rs. 10 crores, which is expected to be ramped up to Rs. 15 crores to Rs. 20 crores starting next month.

Vasudev Ganatra: Sure, sir. And sir, how is competitive intensity looking like in the private and the public spaces?

Shobhit Uppal: Public sector intensity is high. Private sector, as I mentioned earlier, there are only a handful of contractors for large jobs. When I say large, I mean Rs. 400 crores, Rs. 500 crores plus.

Vasudev Ganatra: Okay. Sure, sir. That’s it from my side. Thank you.

Moderator: The next question is from the line of Nirvana Laha from Badrinath Holdings.

Nirvana Laha: Thanks for the opportunity, sir. Given that you are looking at 15% revenue growth and you mentioned, I think, Rs. 200 crores of CAPEX, just wanted your thoughts on how interest cost and depreciation could look like for the next year? Because last year also, I mean, this year we did significant CAPEX, and the depreciation has sort of remained flat Y-o-Y. So, some light on that.

Satbeer Singh: Depreciation is flat because last year impairment also and investment in property so that's why there is a flat because earlier this is including impairment value, but this year the impairment value has been reduced and that's why depreciation cost has flattened. And finance cost. Finance cost has basically this is Rs. 48 crores to Rs. 58 crores basically due to increase in mobilization advance. Increased mobilization advances and interest has been increased from Rs. 18 crores to Rs. 24 crores.

Nirvana Laha: Sure. So, the component of interest cost for you guys is?

Shobhit Uppal: Basically one is interest on mobilization advance, and another is if you know about IndAS 116 that's unwinding of interest on license fees to RSRTC and other rights of use of including all this interest is around Rs. 5.64 crores. And another is basically the bank guarantee charges and other working capital interest is around Rs. 22 crores.

Nirvana Laha: So, if revenue grows by 15% and the mobilization advance component remains at 40%, the interest-bearing part, the interest cost will grow slower than 15% you estimate? Or will it track the revenue?

Satbeer Singh: That's why, because last year we have taken the advance in the last February, March, like CSMT project. That's a major advance, which is Rs. 200 crores, that we have taken in February, March. That's why the interest cost has been increased in this year.

Nirvana Laha: Okay. And sir, you mentioned that there was a write-back of Rs. 8 crores in other income, right? Other than that, everything was interest income related?

Satbeer Singh: Yes.

Nirvana Laha: Okay. So, Rs. 48 crores of other income was in the normal course of operations, right?

Satbeer Singh: Other income is basically --

Satbeer Singh: Sorry.

Satbeer Singh: Total Rs. 55 crores other income includes Rs. 45 crores.

Shobhit Uppal: That's what he is saying, Rs. 45 crores is interest on FDs, yes.

Nirvana Laha: Okay, alright. Thank you and all the best.

Satbeer Singh: Thank you.

Moderator: Thank you. The next question is from the line of Rajat Setiya from iThought PMS. Please proceed.

Rajat Setiya: Thanks for the opportunity. Sir, with regards to CSMT, what is the deadline to complete this project?

Shobhit Uppal: As I said earlier, it will take about two, two and a half years to complete this job.

Rajat Setiya: Okay. And sir, is this the original time line or it has already been extended?

Shobhit Uppal: No, it's an extended time line. As we have been mentioning, there have been delays on account of design and design approvals.

Rajat Setiya: Okay. And sir, if there are any additional costs because of this delay, I mean, delay has already happened and it may happen again in the future given the complexity of the project, will we be compensated for any additional costs that happens because of the delay?

Shobhit Uppal: It's too early to say. Obviously, we will be. As we are moving along, we are keeping the department informed. But as it happens in public sector contracts or government contracts, these are issues which are generally resolved towards the last stage of the project. At the moment, we are focused on getting our design approval so that we can march full steam ahead.

Rajat Setiya: Sure. And by when do we expect regular run rate of clocking any --

Shobhit Uppal: No, I did mention, if you heard my answer to a few earlier questions, this year, we are targeting a Rs. 400 crores to Rs. 500 crores output from this project.

Rajat Setiya: Yes, sir, I heard that. But I think my question is, by when do you think we are going to begin clocking some monthly run rate on this project?

Shobhit Uppal: So, it's already happening. It's already happening. And as I said, the greenfield aspect of the projects, the approvals are in place now. And this month onwards we should be doing a billing of Rs. 15 crores to Rs. 20 crores, which will keep increasing. And the whole year, it will be anywhere between Rs. 400 crores to Rs. 500 crores.

Vikas Ahluwalia: You have to understand one thing, Vikas Ahluwalia over here, that it's a very complicated project, given the nature of it that it's one of the largest running railway stations of the country and the footfall is immense here. So, frankly speaking, my friend, it would be wrong to expect that it is going to get some huge monthly turnovers because it has taken us a while also to understand this that the permissions will come in phases. Although we have planned for the whole thing, the design is getting approved for the whole thing, but it's like one platform at a time.

And it is wrong to also expect, you guys are for Bombay, for example, it's wrong to expect that if we shut down four platforms, you understand what the chaos it will be. But yes, I am not going to say that the railways is holding back or anything, they are doing maximum. I am not going to say that. But the greenfield portion, as Shobhit ji said, that is now moving full steam ahead.

Rajat Setiya: Understood, sir. Thanks for this detailed explanation. And in terms of margins on this project, do we expect similar margins in double digits as for the company? Or you think it will be a different kind of a project in terms of margin?

Vikas Ahluwalia: It will be different. I mean, let's not try to. While giving you guys projections, we have factored in a slightly lower margin for this job.

Rajat Setiya: And sir, is it possible to share, I mean, we were L1 here, what would have been the L2 gap?

Vikas Ahluwalia: It's there in the public domain. It's been talked about often. So, the gap was sizable. Yes, it was sizable.

Rajat Setiya: And sir, did we talk about the Edition 66 project that was in the previous quarter's presentation, but not in this one, I think.

Shobhit Uppal: Sorry, come again?

Rajat Setiya: There was a Project Edition 66 in the previous quarter's presentation, but it was not mentioned in this quarter's presentation.

Vikas Ahluwalia: I am surprised it's a part of our order book. It's a sizable, it's the smart-moving project. It's there. It should be there. It's a part of our total order book, and we have a substantial portion of that job still left. So, it's there.

Vikas Ahluwalia: No, but he's saying it's not there in the presentation.

Shobhit Uppal: In presentation he's saying is a summarized presentation. If you go through the detailed order book list, it will be there.

Rajat Setiya: Sure. And what's the status on that?

Shobhit Uppal: So, that is roughly, if memory serves me right, is an Rs. 600 crores job, and we have done, I think, Rs. 70 crores to Rs. 80 crores worth of billing there. As I said, a substantial portion of that is moving fine.

Rajat Setiya: Okay, understood sir. Alright. Thank you so much.

Moderator: Thank you. The next question is from the line of Vishal Periwal from Antique Stockbroking.

Vishal Periwal: Yes, sir. Thanks for the opportunity. Sir, I think based on our monthly construction schedule, we have given guidance of almost like 15% for this year. So, how the numbers look like for FY '27 for us?

Shobhit Uppal: FY '27? Too far ahead. Do not make us look so far ahead, but it will be similar.

Vishal Periwal: No. Sir the reason why I am saying is like initially you mentioned the order book that we have, it's almost like two, two and a half odd years. So, which means like annually it could be like Rs. 6,200 crores, Rs. 6,300 crores sort of revenue. But yes, 50% of our orders are still in the initial stage, so some bit of pickup and then probably a peak of it in '27. So, given that scenario, probably 25%, 30% sort of revenue growth or maybe like Rs. 6,000 crores sort of thing for FY '27, is it achievable or not?

Shobhit Uppal: As somebody asked, one of the questions that was asked was, if everything goes well there is no slowdown from any government state or center, there is no labor shortage, what do we expect to grow at? I said 30%. So, yes, if the industry keeps on moving forward, there is no cash shortage, there is no sort of international event which impacts our economy, there is no reason why we should not be eyeing Rs. 6,000 crores in the subsequent year, FY '27.

Vishal Periwal: Okay. So, sir, for this perquisite it could be like 15% if we are achieving, then probably that could be the number for '27. I mean, yes, then probably a pickup is happening in each of our orders?

Shobhit Uppal: Yes.

Vishal Periwal: Okay, got it. Yes. That's all from my side. Thank you.

Moderator: Thank you. The next question is from the line of Anil Chaurasia from SMIFS. Please proceed.

Anil Chaurasia: Thank you for the opportunity, sir. Just one clarification I need. In between, I think somebody asked about that write-off of advances to the tune of Rs. 15 crores. Just wanted to know whether all the outstanding advances from those two clients have been provided for? Secondly, whether there is any scope to recover this amount? And third, during which quarter have you provided for this, sir, if that is possible to share?

Shobhit Uppal: We have written off in this quarter. This is around Rs. 12 crores we have written off and there Rs. 2 crores is a provision on ECL basis. And out of this, majorly we have told that the Logix and JP projects are there. But still, we are looking to legal remedies and might be, not might be, it may be there.

Anil Chaurasia: Okay, sir. Thank you so much.

Moderator: Ladies and gentlemen, due to time constraints, that was the last question for the day. And I would now like to hand the conference over to Mr. Sameer Thakur for closing comments. Over to you, sir.

Sameer Thakur: Thank you all. I will hand over the call to Mr. Shobhit Uppal for any closing remarks. Over to you, sir.

Shobhit Uppal: Thank you. Thank you, everybody. Thank you for joining in. And look forward to speaking to all of you in a few months' time. Thank you so much.

Moderator: On behalf of Ambit Capital Private Limited, that concludes this conference. Thank you for joining us. And you may now disconnect your lines.