Ref No: PNC/SE/19/25-26 **Date: 10.06.2025**

To,
The Manager
Department of Corporate Services
BSE Limited
Floor 25, P.J. Towers,
Dalal Street, Mumbai-400 001
Scrip code:539150

To,
The Manager
Listing Department
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai-400 051
NSE Symbol: PNCINFRA

Dear Sir,

Sub- Transcript of Q4 FY2025 Earnings Conference Call on Financial Results for the quarter and year ended 31st March 2025.

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 we are enclosing herewith the transcript of an earnings conference call on Financial Results for the quarter and year ended 31st March 2025 held on Wednesday, 04th June, 2025.

You are requested to take this information on your record.

Thanking you,

For PNC Infratech Limited
Tapan Jain
Digitally signed by Tapan Jain
Date: 2025.06.10 11:19:32 +05'30'
Tapan Jain
Company Secretary & Compliance Officer
M. No.: A22603
Encl: a/a

PNC Infratech Limited

"PNC Infratech Limited Q4 and FY '25 Earnings Conference Call"

June 04, 2025

Disclaimer: E&OE - This transcript is edited for factual errors. In case of discrepancy, the audio recordings uploaded on the stock exchange on 4th June 2025 will prevail.

PNC Infratech Limited DOLAT CAPITAL CHORUSCALL

MANAGEMENT: **MR. YOGESH JAIN – MANAGING DIRECTOR, PNC INFRATECH LIMITED**
MR. T. R. RAO – DIRECTOR, INFRA, PNC INFRATECH LIMITED
MR. D. K. AGARWAL – CHIEF FINANCIAL OFFICER, PNC INFRATECH LIMITED
MR. PANKAJ AGARWAL – VICE PRESIDENT, FINANCE AND ACCOUNTS, PNC INFRATECH LIMITED

MODERATOR: **MR. SHRAVAN SHAH – DOLAT CAPITAL MARKETS PRIVATE LIMITED**

Moderator: Ladies and gentlemen, good day, and welcome to the PNC Infratech Q4 FY '25 Earnings Conference Call hosted by Dolat Capital Markets Private Limited.

This conference call may contain forward-looking statements about the company, which are based on the beliefs, opinions, and expectations of the company as on date of this call. These statements are not the guarantees of future performance and involve risks and uncertainties that are difficult to predict.

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 the "*," then "0" on your touch tone phone. Please note that this conference is being recorded.

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

Shravan Shah: Thank you, Anushka. Good evening, ladies, and gentlemen. On behalf of Dolat Capital, I am pleased to welcome you all on the PNC Infratech Limited Fourth Quarter FY '25 Earnings Conference Call.

We have with us the Managing Director of the company – Mr. Yogesh Jain, along with Senior Management Team. We will begin with the opening remarks from the management, followed by an interactive Q&A session.

Thank you and over to you, sir.

Yogesh Jain: Good afternoon, everyone. On behalf of PNC Infratech Limited, I extend a very warm welcome to everyone for joining us today on this call. I have with me Mr. T. R. Rao – Director (Infra); and Mr. D. K. Agarwal – CFO; Mr. Pankaj Agarwal – VP (Finance & Accounts); and Strategic Growth Advisors, our Investor Relations advisors.

We have uploaded the Financial Results and Investor Presentation on the Stock Exchanges and Company website for your references.

Initially, I would like to mention key updates of the industry, followed by the operational developments of the Company and highlights of financial performance during the quarter and full year ended FY25, post which we will be happy to answer your questions.

- ✓ Fiscal Years 2024 and 2025 posed significant challenges for the infrastructure sector particularly in roads and highway sub-sector regarding both awarding and construction activities.

- ✓ Awarding of new projects for implementation saw significant delays due to the general election cycle across nation in 2024, longer processing and approvals timelines in getting

clearances for bidding new projects and persistent delays in acquisition and possession of land required, before project bidding and awarding processes.

- ✓ Year 2025-26, the central government allocated Rs 74,226 crore to the Department of Drinking Water & Sanitation, and a significant portion of this budgetary provision, Rs 67,000 crore, allocated to the Jal Jeevan Mission.

- ✓ The government also announced extension of Jal Jeevan Mission until 2028, with enhanced outlay and focus on completing the remaining works by prioritizing the Operations and Maintenance of rural piped water supply schemes through "Jan Bhagidhari" to ensure citizen-centric water service delivery.

- ✓ A significant number of new projects are being launched in other core infrastrcture areas including railways, mass rapid transport, airports, ropeways, renewable energy, energy storage systems, logistic parks, urban and industrial areas development and tourism sectors, which are expected to generate new business opportunities for the industry players in both fund-based and non-fund-based segments.

- ✓ Recently, hon'ble Prime Minister of India expressed his confidence that given the speed and scale of renewable energy projects development in India, especially in solar energy space, India should be able to achieve its target of 500 GW of renewable energy by 2030. This outlook is not only very encouraging but also will create opportunities for development of a huge number of large projects in this sector, going forward.

- ✓ Another emerging opportunity is development for energy storage systems that will enable a continuous supply of energy when needed, particularly during periods of peak demand. As for sustainable renewable energy growth, a concurrent growth of energy storage capacity is becoming imperative, government expected to mandate 10% battery storage for all new renewable energy projects, which is expected to further accelerate growth in the energy storage system sector.

- ✓ As in the Union Budget for Financial Year 2025-26, the central government made Rs. 1.5 lakh crore provision for long-term interest free loans to support infrastructure investment by state governments, a sizeable number of new infrastructure projects are expected to be initiated by state governments going forward on both EPC and PPP modes.

Now coming to the recent updates on the company:

- ✓ On the project development side, Company's subsidiary Hardoi Highways Private Limited received Provisional Completion Certificate on 18th January 2025, 167 days ahead of the scheduled completion date and became eligible for early completion bonus in terms of the concession agreement.

- ✓ During the quarter, the company was declared as L1 bidder for an EPC Project of PWD-Rajasthan for a quoted price of is 240 crores.

- ✓ CARE has reaffirmed its credit rating on long-term bank facilities to CARE AA+; Stable and short-term bank facilities to CARE, A1+
- ✓ On asset monetisation side, Company & its subsidiary PNC Infra Holdings Ltd successfully completed the sale of 10 road projects/SPVs to KKR backed Highways Infrastructure Trust/ HIT as on 22nd May 2025.
- ✓ Earlier, in January 2024, the Company had signed definitive agreements with HIT to divest a total of 12 road assets, comprising 11 National Highway HAM projects and 1 State Highway BOT – Toll project spanning approximately 3,800 lane-km, to be transacted in two tranches.
- ✓ Tranche 1 comprised of 10 HAM assets concluded for an equity consideration of Rs. 1,827.6 Crore, after adjustments on account of certain items of works descoped in these 10 projects.
- ✓ Apart from the above consideration, there are other receivables to a tune of Rs. 200 Crore to be received by the Company upon realization of the same by the SPVs, as per the terms of the definitive agreements.
- ✓ The total equity invested in these 10 projects was Rs. 1,371 crores.
- ✓ The Company, through the above-mentioned SPVs, executed several additional items of total value of Rs. 624 Crore under the Change of Scope (COS) provisions of respective concession agreements. Out of this amount, the company has already received Rs. 546 Crore.
- ✓ As the tranche 1 transaction concluded, all 10 Projects and SPVs have been duly handed over to Highways Infrastructure Trust.
- ✓ The sale of equity in the remaining two assets, PNC Bareilly Nainital Highways Pvt. Ltd. Which is a BOT-Toll project and PNC Challakere Karnataka Highways Pvt. Ltd. which is a HAM project is expected to conclude in H1 FY26.
- ✓ For Bareilly project, approval for transferring 100% of the paid-up share capital of the Concessionaire SPV has been received from UPSHA, the Authority on 31.5.2025 and accordingly closing actions have commenced.
- ✓ An arbitration award for an amount of Rs. 485.27 Crores was made and published in favour of the Company on 17.5.2025 by the Arbitral Tribunal, in connection with an EPC project executed by the Company namely Agra Bypass of NHAI, along with a future interest of 12.0% per annum from the date of award till the date of payment.

Moving on to the operational and financial performance of the company

- ✓ Out of the company's 18 fund-based projects, 3 are BOT-Toll projects including Kanpur Kabrai Project, 2 are BOT Annuity Projects and 13 are HAM projects.

- ✓ Aggregate Bid Project Cost of 13 HAM projects is over Rs. 16,500 Crore.

- ✓ Out of a total 13 HAM projects,

    - 3 projects achieved PCOD
    - 6 projects are under construction
    - 3 projects achieved financial closures, and appointed dates are to be declared
    - For remaining 1 project, concession agreement executed, and financial closure documents submitted to MPRDC.
    - Balance equity to be infused in the 13 HAM projects as on 31.3.2025 is Rs. 759.0 crores.

- ✓ Till 31st March 2025, Company invested Rs. 984.0 crores in the 13 HAM Projects and the remaining equity of Rs. 759.0 crores to be invested over the next 2 to 3 years.
- ✓ The internal accruals that would be generated over the next two to three years should be adequate to meet the above equity investment requirements.

Now moving on to our order book

- ✓ As of 31st March 2025, the company's unexecuted order book stands over Rs. 17,700 crores, which includes 3 EPC contracts secured by the Company during the Financial Year 2025 for an aggregate contract value of Rs. 6,670.0 Crore.

- ✓ Out of the unexecuted order book, highway/expressway contracts contribute around 63%, while water, canal, area development and railways projects contribute around 37%.

- ✓ During the financial year 25, Company has booked a total revenue of Rs. 822.0 crores in the rural drinking water segment.

Diversification into other sectors

- ✓ As part of diversification endeavours, the Company, during past few months actively pursued opportunities in the areas of Railway, Metro Rail, Renewable Energy, Installation of Smart Meters, Industrial Area Development, Coal Mining, Airports and Building Construction and already submitted bids for some of the projects in these sectors, under both fund based and non-fund based modes.

Now I would present the results for the quarter and full year ended March 31, 2025.

Standalone Quarterly Results:

Revenue for the 4th quarter of FY25 is Rs. 1,415 crores.

The EBITDA for the 4th quarter of FY25 is Rs. 176 crores. The EBITDA margin for the 4th quarter of FY25 is 12.4%.

The profit for the 4th quarter of FY25 is Rs. 121 crores. The PAT margin for the 4th quarter of FY25 is 8.6%.

Standalone Full Year Results:

Revenue for FY25 is Rs. 5,513 crores.

The EBITDA for FY25 is Rs. 1,049 crores. The EBITDA margin for FY25 is 19.0%.

The profit for FY25 is Rs. 706 crores. The PAT margin for FY25 is 12.8%.

Consolidated Quarterly Results:

Consolidated revenue for the 4th Quarter of FY25 is Rs. 1,704 crores.

The consolidated EBITDA for the 4th quarter of FY25 is Rs. 362 crores. The EBITDA margin for Q4FY25 is 21.3%.

The consolidated PAT for the 4th quarter of FY25 is Rs. 75 crores. The PAT margin for Q4FY25 is 4.4%.

Consolidated Full Year Results:

Consolidated revenue for FY25 is Rs. 6,769 crores.

The consolidated EBITDA for FY25 is Rs. 2,066 crores. The EBITDA margin for FY25 is 30.5%.

The consolidated PAT for FY25 is Rs. 815 crores. The PAT margin for FY25 is 12.0%.

On The Standalone Balance Sheet Side,

As on 31st March 2025, our net working capital cycle is 113 days as compared to 102 days as on 31st March 2024.

Our net worth on a standalone basis is Rs. 5,475.0 crores as on 31st March 2025, whereas standalone debt from Banks / Financial Intuitions is Rs. 16.0 crore. This translates to net debt to equity of 0.07 times.

We also have a net surplus of Rs. 437 crores.

On Consolidated Basis, our net worth is Rs. 5,989 crores whereas total debt is Rs. 9,345 crores as on 31st March 2025. The total cash & bank balance including current investments is Rs. 2,433 crores. This translates to net debt to equity of 1.56 times.

After completion of monetization of the 10 assets, as on date the debt got reduced to Rs. 4300.00 crores, which translates net debt to equity of 0.72 times as against 1.56 times.

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

Moderator: Thank you very much. We will now begin the question-and-answer session. The first question is from Jainam Jain from ICICI Securities. Please proceed.

Jainam Jain: Thank you for the opportunity. Sir, my first question is, out of the total deal amount, we are yet to receive Rs. 1,070 crores. Is my understanding correct in that sense?

T. R. Rao: Demonetization amount you are telling?

Jainam Jain: Rs. 1,070 crores.

T. R. Rao: Including equity valuation and debt you are telling?

Jainam Jain: No, no, no, only equity.

Yogesh Jain: Rs. 649 crores is balance.

Jainam Jain: Rs. 649 crores.

Yogesh Jain: For Bareilly and Challakere project, only Rs. 629.5 crores is balanced.

Jainam Jain: Okay. So, you mean only for Bareilly, and what about the HAM asset?

Yogesh Jain: Bareilly and Challakere Karnataka.

Jainam Jain: Okay, so including those two. And sir, we will be having a surplus cash balance this year, so what are you planning to do with that?

T. R. Rao: Yes, we are pursuing quite a few fund-based projects on a PPP model, both in the sectors where we are very much active in roads, highway sector, like HAM projects and very judiciously we will do look at the BOT toll projects also. Then followed by other project opportunities initiated by Central Government agencies, there also their investment opportunities are coming up projects. So, those opportunities also, as our MD said, we are pursuing those opportunities also. So, we certainly will judiciously deploy our funds in a productive manner in the best interest of the company.

Jainam Jain: Okay, sir. And sir, as far as we understand, the CIDCO order has been canceled by Bombay High Court, and we have not removed it from the current order book. Is there any reason for that?

T. R. Rao: Yes. The matter is sub judice. As we had informed to the exchanges, so we challenged the Bombay High Court order. The matter is sub judice. CIDCO has not formally withdrawn the work order issued to us. But we commenced the preconstruction activities, but we halted as of now. Since the matter is sub judice, we do not want to dwell into it and we do not want to further discuss on this. And as soon as we get some updates on some development in this, we will share with you.

Jainam Jain: Okay, sir. And sir, one question, can you give us some guidance for FY '26 in terms of revenue, margins, and order inflow?

T. R. Rao: FY '26, we are working at a guidance of 20% growth in the gross revenue top line and EBITDA margin of around 13%. And with regard to order inflow, we are looking at as we are aggressively pursuing the opportunities in the other sectors. So, we are expecting Rs. 15,000 crores new orders before end of the current financial year.

Jainam Jain: Okay. Sir, my last question is on the working capital side. Can you just give us a number on mobilization advance, retention money and unbilled revenue?

Pankaj Agarwal: Just note down the amount of mobilization advance. The total mobilization advance as on 31st March is Rs. 437 crores. And the retention money as on 31st March is Rs. 196 crores. Any other amounts, sir?

Jainam Jain: And unbilled revenue?

Pankaj Agarwal: Unbilled revenue around Rs. 300 crores.

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

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

Vaibhav Shah: Yes, thanks for the opportunity. Sir, firstly, on the deal side. So, for the 10 HAM assets, what amount have you received and what is spending for those 10 assets?

Pankaj Agarwal: We have received a consideration of Rs. 1,827 crores for 10 assets. Out of that, 162 crores is the holdback amount, which is to be received after completion, there's some conditions as per the definitive agreement for 10 assets.

Vaibhav Shah: And the remaining Rs. 629 crores and Rs. 200 crores?

T. R. Rao: Remaining Rs. 629 crores is for the two assets.

Pankaj Agarwal: Yes, remaining Rs. 629 crores is for remaining two assets, namely Bareilly-Nainital and the Challakere project.

Vaibhav Shah: No, no, sir, in the press you have mentioned that for change in scope you have Rs. 624 crores and Rs. 200 crores also receivables are pending, so that I am asking, pertaining to those 10 assets?

T. R. Rao: Yes, Rs. 200 crores receivables are pending apart from what 1,800-odd consideration we had just mentioned, we will get the Rs. 200 crores receivables. This is towards changing for a GST amount and other payments, which are to be received by the company through respective SPVs as and when they are realized.

Vaibhav Shah: And the Rs. 624 crores towards certain additional claims of change in scope, that has been received?

T. R. Rao: No, no, Rs. 624 crores is not additional. Rs. 624 crores is towards the additional works, extra items we executed.

Yogesh Jain: That we have received from NHAI. Out of Rs. 624 crores, Rs. 584 crores we have already received.

Vaibhav Shah: So, total we have received out of Rs. 1,827 crores, we have Rs. 167 crores is pending, so Rs. 1,660 received and Rs. 580 crores for additional received. So, total Rs. 2,200 crores is received, broadly?

T. R. Rao: Actually, Rs. 584 crores we received through COS. This may not be included into the consideration, but Rs. 1,800 crores, plus Rs. 200 more crores we will be receiving for CAL and other things.

Vaibhav Shah: Actual cash has been receivable book of Rs. 584 crores as well?

Pankaj Agarwal: Actual consideration for 10 assets is Rs. 1,827 crores, plus Rs. 200 crores other receivables which is to be received as and when the same receive from NHAI on a back-to-back basis. Hence, the total consideration for 10 assets is around Rs. 2,027 crores. In addition to that, Rs. 624 crores was this COS amount, which is duly executed during the transition period and which is received from NHAI and passed on to the EPC contractor during the transactions. That is not included in the sale consideration.

Vaibhav Shah: But the cash has been received in the books, Rs. 584 crores.

Pankaj Agarwal: Yes, Rs. 580 crores is received in the books of account.

Vaibhav Shah: Okay, okay. Sir, secondly, what would be our investment in the remaining two assets, the Challakere and BOT project?

Pankaj Agarwal: The total equity invested in balance two projects is Rs. 407 crores, including unsecured loan.

Vaibhav Shah: Okay. Against which you are expecting Rs. 629 crores.

Pankaj Agarwal: Yes. Against that, we are expecting Rs. 629 crores.

Vaibhav Shah: Okay. Sir, another thing, off the total debtors, what would be JJM debtors and HAM debtors?

Pankaj Agarwal: The HAM debtor is Rs. 700 crores, approx; and the JJM debtor Rs. 717 crores.

Vaibhav Shah: So, have you seen any movement in terms of better payments for the JJM projects during the quarter? Because the number has not reduced by much, it was Rs. 790 crores in last quarter. So, how would you see moving in the first quarter this year?

T. R. Rao: See, Rs. 790 crores last quarter was there, and subsequently we received certain payments and also we build a certain amount because during the last quarter, so that's the amount is recent. But now since the budget has already been approved, Rs. 60,000 crores allocated for the Jal Jeevan Mission, so the Government of India is in the process of allocating these funds to state governments. So, we expect some sizable amount before the end of the current quarter and remaining amount in the first half of the current financial year.

Vaibhav Shah: What execution are we targeting from JJM for FY '26?

T. R. Rao: Rs. 900 crores to Rs. 1,000 crores we are targeting.

Vaibhav Shah: Okay. Sir, lastly on the order book, we have not included Gadchiroli MSRDC project.

T. R. Rao: Yes, that project, since we have not received the LOI, so we have not included in the order book. And also, once the process of issuing LOIs is this thing, then we will let you know.

Vaibhav Shah: So, when do we expect to receive the AD for the remaining HAM projects?

T. R. Rao: See, for the remaining HAM projects, one HAM project we expect to get the appointed date before 30th of June. And for the remaining three HAM projects, we expect appointed dates before the end of the first half, that is before end of the next quarter.

Vaibhav Shah: Okay. Sir, I have more questions, I will fall back in the queue. Thank you.

Moderator: Thank you. The next question is from the line of Parikshit from HDFC Securities. Please proceed.

Parikshit Kandpal: Yes, sir. Hi. Sir, my question is on the consideration. So, initial consideration which we have and we have announced that it was Rs. 2,900 crores and now it has come down to Rs. 2,400 crores, so why is there a difference of Rs. 500 crores?

Pankaj Agarwal: Sir, we have reported the total consideration will be Rs. 2,900 crores odd numbers. Out of that, we have received Rs. 1,827 crores for 10 assets. Initially, Rs. 2,900 crores was for 12 assets. Out of Rs. 2,900 crores, Rs. 629 crores is related to the two projects, and around Rs. 380 crores is regarding the descoping. And there are some liabilities of GST, which is treated as leakages is around Rs. 30 crores. And the other is difference is net working capital.

Parikshit Kandpal: But that would not be the part of consideration right consideration, that will be your revenues, but that would not be part of the consideration, right?

Pankaj Agarwal: For which sir?

Parikshit Kandpal: No, I am saying the receivables would not be the part of consideration, right? So, you are saying there's some descoping which has happened, but descoping will not be the part of consideration, right?

T. R. Rao: No, no. Actually, what has happened the consideration what --

Yogesh Jain: Parikshit, see, what happens in HAM projects is that some descoped, some became positive, some became negative. So, netting all of it comes to positive. But in HAM there is a condition that if COS is positive then you can take the payment immediately. So, against that positive COS we took a payment of Rs. 624 crores against that, so that's why some part of it became negative. Now since it became negative, they posted negative numbers. So, negative consideration of Rs. 378 crores, it becomes negative. But as a company we received immediately from NHAI.

T. R. Rao: There is a negative change of scope from Rs. 378 crores, that reduced from the bid project price and the future annuities. So, it will affect the realization. So, that's why they went to that extent. Got it?

Parikshit Kandpal: Okay. Sir, what was the descoping as a percentage of the total project cost? So, you are saying that you took MPV out of the total project cost and reduced it after descoping?

Yogesh Jain: See, what NHAI says is that when it becomes negative, the descope will reduce from your Annuity, so they revised BPC. but when it becomes positive they gave us the cash payment. So, net-net there was no loss for us.

Parikshit Kandpal: I understand that. But what was the total absolute value of annuity loss because of the descoping? So, basically what you are saying is, whatever gross annuity we lost, it is same was reduction in NPV?

T. R. Rao: Yes, NPV is annuity lost of around Rs. 378 crores.

Parikshit Kandpal: If there is no change in the valuation of that, and there is no reduction as the reduction is on account of the descoping and the related --

Yogesh Jain: That is book adjustment.

Parikshit Kandpal: Okay, book adjustment. Sir, the second question is on the ordering now. So, how is the big pipeline what is the view on NHAI ordering this year because last year, I think it happened and you also highlighted earlier in the call that the Bharatmala program and has gone on a pause. So, what is your view on the bid pipeline? What are the bids opened as of now? What is outstanding bid? And how do you look at the ordering this year? And what kind of inflows you are looking from NHAI at this time?

T. R. Rao: See, as of now, we submitted around 15 bids we submitted which are under evolution, with a total revenue stream of around Rs. 50,000 crores. These bids we submitted both to NHAI and the other clients also, essentially central government. And Rs. 50,000 crores we submitted, and over the next two years, before end of July we proposed to submit a bid of around 42 projects for a valuation of around Rs. 60,000 crores. So, the total pipeline for the next two months is around more than Rs. 1 lakh crores bids. So, we are expecting some projects from this pipeline. And going forward, again, some more projects are expected from NHAI. So, these projects are larger size when we compare to the average size of projects what NHAI is currently bidding out. So, as the size of project decreases, we expect some lesser competition. So, we expect some order inflow from NHAI as well as from other clients also.

Parikshit Kandpal: **(Inaudible)** submitting you have approximately almost Rs. 90,000 crores.

T. R. Rao: Yes, approximately Rs. 1 lakh crores.

Parikshit Kandpal: And out of that, how much will be the NHAI bids?

T. R. Rao: NHAI and MoRTH put together, Rs. 60,000 crores in NHAI and the remaining Rs. 40,000 crores is the other clients.

Parikshit Kandpal: What is the breakup, out of Rs. 40,000 crores, which segment these are, if you can help us understand the breakup of this Rs. 40,000 bids from which segments they are?

T. R. Rao: See, precise breakup will readily be not available. Otherwise, from railway under DMRC and some projects of NPCL, Nuclear Power Corporation, then we have some Airport Authority of India, NHPC, the Southeastern Coal Fields and other Eastern Rajasthan canal project and other projects.

Parikshit Kandpal: And you expect these Rs. 1 lakh crores bids to be opened, at least opened L1 state should be known at least in July and August?

T. R. Rao: Yes, yes.

Parikshit Kandpal: And out of that, it should be significant. And how much is the expectation of this win within the second quarter by September out of this Rs. 1 lakh crores?

T. R. Rao: See, it will be a bit I think speculative, it depends upon the level of competition. But at least minimum we should get 5% to 10%.

Parikshit Kandpal: So, because I think this is the highest ever bidding in this financial year, almost Rs. 1 lakh crores worth of projects. So, is it right to assume that this will be the highest ever pipeline we would have bid? And this is all bunching of orders?

T. R. Rao: Of course, it's there. But earlier also we bid such kind of level. But given the competition and all, we need to see how things will unfold. But we anyhow we expect 5% to 10%. So, by end of August or by first this thing we should get 5% to 10% will translate to Rs. 5,000 crores to Rs. 10,000 crores.

Parikshit Kandpal: Okay. And year as a whole we are targeting the upwards of Rs. 15,000 crores of order inflows, right?

Yogesh Jain: Yes. Yes, Rs. 15,000 crores.

Parikshit Kandpal: Okay, sir. Those were my questions. I will join in the queue for more questions. Thank you.

Moderator: Thank you. The next question is from the line Parvez Qazi from Nuvama Group. Please proceed.

Parvez Akhtar Qazi: Hi, good afternoon. Thanks for taking my question. Sir my first question is, from this Rs. 1,827-odd crores, have we already received the cash consideration? Or is it still to be received?

Pankaj Agarwal: Sir, except holdback amount of Rs. 160 crores, all amount is received.

Parvez Akhtar Qazi: And what would be the, let's say, tax consideration on this Rs. 18,27-odd crores?

Pankaj Agarwal: I think it will be around Rs. 60 crores to Rs. 70 crores tax amount.

Parvez Akhtar Qazi: That's it. And second, for FY '26, what is the kind of CapEx that we are looking for?

Pankaj Agarwal: For CapEx side, since we are able to execute the contract up to Rs. 8,000 crores with the existing equipment and machinery, hence we are not seeing any major CapEx guidance. For critical equipment, if any required, it will be up to Rs. 40 crores.

Parvez Akhtar Qazi: Sure. And lastly, for the pending equity that we need to improve, how much do we need to improve in, let's say, FY '26 and how much in FY '27?

Pankaj Agarwal: Around Rs. 400 crores is required for current Financial Year '26, and the balance will be required in '27 and '28.

Parvez Akhtar Qazi: Sure. Thanks and all the best.

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

Vishal Periwal: Sir, thanks for the opportunity. Sir, in terms of our equity investment in our portfolio of HAM and other assets, ex of these 12 assets, what is the amount now?

Pankaj Agarwal: Except these 12 assets, our total equity for balance for 13 project is Rs. 1,700 crores.

Vishal Periwal: No. So, you are saying Rs. 1,700 crores is the balance equity, I mean, removing these 12 assets, correct, sir?

Pankaj Agarwal: Yes, yes, yes.

Vishal Periwal: Okay. Got it. And second, in terms of the arbitration award that we received in May, so anything that we have already booked or that full Rs. 480 crores will be moving to the P&L?

T. R. Rao: We have not booked anything. See, only upon realization of this award only we will be able to book the income, and accordingly it will translate into P&L.

Vishal Periwal: Okay. So, okay, you will wait for actual cash receipt, then only you will be routing it through P&L, that's what you are saying?

T. R. Rao: Yes,.

Vishal Periwal: Okay. And when is this amount expected, sir?

T. R. Rao: See, we do not know what will be the reaction of NHAI. In case the award is challenged, it may take time. It would be a legal process that has to be done.

Vishal Periwal: Okay, got it. Sure sir. That’s all from my side, sir. Thank you.

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

Vaibhav Shah: Sir, we have given guidance of 20% growth for FY '26. Earlier, we were targeting around 30%, 30% plus growth. So, isn't this growth conservative given the strong order backlog?

Yogesh Jain: Yes, it is conservative. We will revise in next quarter after.

T. R. Rao: After declaration of appointed date for these four HAM projects, once the actual dates of appointed dates will come, so then we relook into this guidance and then we will come back to you.

Vaibhav Shah: Potentially, could it be around 25%, 30% odd?

T. R. Rao: No. As of now, we do not want to mention any number, but we stick to 20% till the end of this quarter. So, we will come back to you as we progress.

Vaibhav Shah: Sure. And secondly, sir, I wanted some data points on the order backlog of a few projects. So, what would be the order book for new Patli station to Sultanpur station?

T. R. Rao: That is you are talking about HORC project, Haryana?

Vaibhav Shah: Yes, yes.

Pankaj Agarwal: HORC, it is Rs. 470 crores.

Vaibhav Shah: And for Kanpur Lucknow Package-I and Package-II?

Pankaj Agarwal: Package-I is Rs. 115 crores. And for Package-II is Rs. 130 crores.

Vaibhav Shah: And for Mathura bypass?

Pankaj Agarwal: Mathura bypass package 1B, it is Rs. 78 crores.

Vaibhav Shah: And for Prayagraj Kaushambi to Baranpur?

Pankaj Agarwal: Rs. 360 crores.

Vaibhav Shah: And for the irrigation project?

Pankaj Agarwal: Irrigation project, it is around Rs. 850 crores.

Vaibhav Shah: So, we have seen good execution in irrigation for the quarter, it comes to around Rs. 74-odd crores?

Pankaj Agarwal: Yes, we have executed Rs. 77 crores in Q4. And in this current financial year, we are expecting to execute Rs. 150 crores.

Vaibhav Shah: For FY '26?

Pankaj Agarwal: For FY '26, yes.

Vaibhav Shah: Sir, in what time line would we be completing the project because it has been quite a long time since you won the project. And if it will be Rs. 150 crores for FY '26, so when are we targeting to complete?

T. R. Rao: So, the government has granted us extension up to 2026. So, we should be able to complete by 2026 because we will get only six months working day in this project. Remaining six months, water is flown into the canal for the irrigation purpose.

Moderator: It seems like the management's line has been disconnected. Please stay connected till I reconnect the management. We have connected the management's line. Mr. Vaibhav, please continue with your question.

Vaibhav Shah: Yes. Sir, so if we do Rs. 150 crores of execution for FY '26, then pending order book would be around Rs. 700 crores for FY '27. So, would we be able to execute the entire project 2026?

T. R. Rao: Yes, yes. We will be able to execute. Now we are starting in other fronts also. So, we have a main canal as well as the branch canal. So, next working season, we will be starting work on all other fronts also. So, we should be able to complete it by 2026.

Vaibhav Shah: Okay. And sir, what are the pending receivables from the irrigation project as of March?

Pankaj Agarwal: It is Rs. 114 crores for irrigation.

Vaibhav Shah: What did you receive in the quarter?

Pankaj Agarwal: During the quarter, we received around Rs. 40-odd crores.

Vaibhav Shah: Okay. Thank you, sir. Those were my questions.

Moderator: Thank you. The next question is from the line of Shravan Shah from Dolat Capital Markets Private Limited.

Shravan Shah: Hi, sir. Sir, just one clarification for this monetization that we have already done. So, how much we will be booking exceptional gain in standalone in 1Q and also in terms of the post tax. So, how much would be the PAT on that front in the standalone P&L?

Pankaj Agarwal: On a standalone basis, there is no gain for the monetization. It will come in the PNC Infra Holding subsidiary company. It will be around Rs. 460 crores capital gain pre-tax. And post-tax, it will be around Rs. 400 crores. And that will reflect in the consolidation balance sheet.

Shravan Shah: Okay. Got it. And sir, as you said that the one appointed date you will be getting for HAM by 30th June and raised by three projects by September. So, this one project is which one, Package-II?

Yogesh Jain: Package-VI.

T. R. Rao: Varanasi, Calcutta Package-VI.

Shravan Shah: Okay. I got it. And sir, what we are saying that, so two parts on the revenue front and on the order inflow. So, as you mentioned that around Rs. 60,000-odd crores NHAI MoRTH bids and the Rs. 40,000 crores among all other sectors and we are looking at Rs. 5,000 crores to Rs. 10,000 crores to be win.

So, even if let's assume if we win the Rs. 10,000-odd crores, do we think that the balance, even the Rs. 5,000 crores that we need to get, do we see that kind of a further bid pipeline will be there? Sir, just wanted a kind of a risk that we were even last year also, we did not receive what we were expecting. So, not only we, most of the players others. So, just trying to see whether this Rs. 15,000 crores, is there a further risk that it will be on the lower side?

T. R. Rao: See, now whatever this Rs. 5,000 crores to Rs. 10,000 crores what we expect to get it during the H1. So, remaining Rs. 5,000 crores, we should be able to get it during the H2, because the pipeline is there. NHAI announced a lot of projects, as mentioned by our MD, economic corridors, and also tribal area roads and also many of the HAM projects also and also quite a few BOT toll projects. So, certainly, we are looking forward to have another Rs. 5,000 crores in H2. So, we should be able to secure new business of Rs. 15,000 crores, what we are expecting.

Shravan Shah: Okay. And sir, this Rs. 60,000-odd crores that we are looking to bid in NHAI and MoRTH, is it mostly the HAM and toll or are there EPC projects also? And if for toll, any ballpark idea, are we open to take the toll project where we can invest this Rs. 2,000-odd crores kind of equity or we are just restricting for a Rs. 1,000 crores kind of equity only that kind of a project only in the toll we are looking at?

T. R. Rao: Our priority will be HAM projects. Toll assets also toll opportunities also, we will definitely pursue toll opportunities based on with the due diligence and the traffic forecast and traffic demand forecast and also financial viability, we will pursue the toll opportunities also. But our prime focus will be on HAM projects.

Shravan Shah: But this Rs. 60,000 crores does not include any toll bid pipeline?

T. R. Rao: It includes some toll projects also.

Shravan Shah: Okay. But this also includes the EPC projects also because still, I think there is a decent competition is there despite the change in whatever the NHAI is doing on the bidding part?

T. R. Rao: Yes, it is there, but it includes EPC projects also. We will continue to bid for EPC projects also.

Shravan Shah: Okay. Got it. So, now, sir, when we are saying that -- or rather we have reduced our revenue, so kind of Rs. 6,000 crores, Rs. 6,100 crores that we are looking at decently lower what previously what we are looking at. So, let's say, if we get all the appointed dates and maybe Rs. 10,000-odd crores by this July, so for FY '27, how one can look at? Because previously, we are looking at FY '26 to be similar to FY '24, which is close to Rs. 7,300-odd crores, Rs. 7,400 crores. So, already, we are doing right now looking at Rs. 1,400 crores, Rs. 1,500 crores less. So, for FY '27, if somebody has to look at, is it fair to say that we can easily do Rs. 8,000 crores plus kind of a revenue in FY '27?

Yogesh Jain: Sure, definitely.

T. R. Rao: Definitely, depending upon the new projects secured this one. What will happen if you get an EPC kind of projects, we will be able to start execution immediately. In case of fund-based projects are HAM or BOT toll, certain time will be taken for financial closure and all. So, the commencement of the project may take a few months. We are looking at that 20% over and above FY '26 and more also we get more number of projects.

Shravan Shah: Okay. And sir, this bonus part that you mentioned, Hardoi, 167 days early. So, what would be the bonus amount and when we will be booking in the standalone?

Yogesh Jain: It is around Rs. 15 crores.

Shravan Shah: Okay. So, we will be booking in the first quarter itself or it will be in the second quarter?

T. R. Rao: It will be second quarter because, see, the bonus is paid along with the first annuity. So, first annuity becomes due only in the month of July. 18th of July, first annuity becomes due, then they will release the bonus along with the first annuity. So, partly will be reflected in consolidated and partly in the standalone.

Shravan Shah: Okay. And lastly, sir, this MSRDC, two projects, Pune Ring Road and Jalna, when can we start doing the execution? And for this year in this Rs. 6,000-odd crores, how much are we looking to book a revenue in these two projects?

T. R. Rao: See, in both projects, execution has already started, both Jalna-Nanded as well as the Pune Ring Road, we started the execution, both the projects.

Shravan Shah: Okay. Because in terms of the outstanding is Rs. 4,630-odd crores order book. So, how one can look at in terms of the revenue for this year?

T. R. Rao: This year, see, we can say around 25% to 30% of what revenue we are expecting in FY '26 would be from these projects, you say around Rs. 1,800 crores to Rs. 2,000 crores from these two projects.

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

Moderator: Thank you. The next question is from the line of Lakshya, an analyst.

Lakshya: Yes, thank you for taking my questions. My first question would be, although there has been a significant decrease in revenue from FY '24 to FY '25, the PAT was similar to FY '24. So, I wanted to know what contributed towards the increased margin of the company.

Pankaj Agarwal: During the Financial Year '25, we have received an arbitration award in two projects and a bonus in one MSRDC project. That contributed more in the EBITDA as well as the PAT.

Lakshya: Okay. And going ahead, does PNC Infratech plan to consider private projects? Or is it solely going to be the government projects?

T. R. Rao: See, we continue to pursue the government projects only as of now because a lot of projects opportunities are coming up in the government. And the government is the largest spending entity in the infrastructure. So, we will continue to pursue the government. As of now, we are not looking at the opportunity in the private sector.

Lakshya: Okay, sir. That's all for my questions. Congratulations on a good financial year. Thank you.

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

Vaibhav Shah: Just one clarification on the monetization. So, you mentioned that in the standalone entity, there will be no gain booked for the entire monetization deal. Is that correct?

Pankaj Agarwal: Yes, yes.

Vaibhav Shah: Okay. Thank you, sir.

Moderator: Thank you. The next question is from the line of Sarvesh Gupta from Maximal Capital. Please proceed.

Sarvesh Gupta: Good afternoon, sir. And thanks a lot for giving the opportunity. Sir, on the revenue guidance, so you are saying around 20% for this year and maybe around 15% odd for FY '27. Is that the right understanding, sir?

T. R. Rao: Yes, yes. See, 20% for FY '26 and similar kind of things, you can say 15% to 20% for FY '27. See, it will be too early to say about FY '27 because how the order inflow will be there and what kind of order inflow will be in the FY '26. We will be able to tell in the coming quarters some certain guideline with certainty guideline for the FY '27. Otherwise, as of now, we are sharing with you at 15% to 20% for FY '27 over and above FY '26.

Sarvesh Gupta: And so one more slide that you have given on employees. So, your employee count has decreased by almost like 30% from 10,000 to 7,000. So, you will be ramping up the workforce to reach this number? Or how do you see that?

T. R. Rao: No, no, no. Certainly, we will be ramping up the workforce because there is a consistent delay in the declaration of appointed dates for four major HAM projects during the FY '25 and. So, normally, the decline in the staff is only like mechanical staff and drivers and all, who are the core operating staff. As we receive the appointed dates for these four projects and also progress picks up in the MSRDC project, we will keep recruiting back these mechanical and operating staff, and it will reach to the previous levels.

Sarvesh Gupta: Okay. And this year, out of this 20% growth, so around Rs. 6,500 crores that you are projecting, did I hear it right that out of this around Rs. 2,000 crores will come from Jalna-Nanded and Pune Ring Road project?

T. R. Rao: Yes.

Sarvesh Gupta: Okay. Okay. And margins of around 13%, right?

T. R. Rao: Yes. EBITDA margin will be around 13%.

Sarvesh Gupta: And sir, on the balance sheet for the standalone level, so we have around Rs. 450 crores net cash as of now, right? And we are expecting around Rs. 150-odd crores out of the Rs. 1,800-odd crores to be received?

T. R. Rao: Yes, yes.

Sarvesh Gupta: So, that will make it Rs. 1,600 crores. And then Rs. 200 crores more is pending. So, that will make it Rs. 2,000 crores, right? Sorry, Rs. 450 crores we have and then Rs. 150 crores more is coming to Rs. 600 crores, then Rs. 200 crores more is pending. So, Rs. 800 crores and Rs. 50 crores more is pending from the additional work that you have. So, it's around Rs. 850 crores we will reach plus what you have received around Rs. 1,400 crores to Rs. 1,500 crores you have received. So, you will get almost around Rs. 2,500 crores, sir, net cash?

T. R. Rao: Yes, around Rs. 2,000 crores.

Sarvesh Gupta: Rs. 2,000 crores, yes. So, how do we plan to utilize this, sir, in this year? Because I think almost around Rs. 1,700 crores has to be invested in the HAM assets, but how much of that will come in this year and the remaining amount, what are we planning?

T. R. Rao: See, the HAM projects, whatever is to be invested once these appointed dates are declared for both ongoing HAM projects as well as new HAM projects would be requiring investment. And also as we are pursuing other projects, fund-based projects, we submitted a solar energy project and also battery storage projects.

These are all fund-based projects, metering, smart metering projects also we have submitted one bid in the state of Himachal Pradesh. So, like that, we will be again submitting bids for the HAM projects. We have already submitted some bids and further we will be submitting. So, going forward all fund-based projects would need equity sizable amount. So, we should be able to deploy our equity gainfully. But we judiciously this thing. Since we have cash, will not go for this thing, we do the required due diligence and accordingly, we will deploy the capital.

Sarvesh Gupta: And sir, on the margin side, because earlier, we were mostly into road where the margins are a little bit better. Now if you look at other companies in the EPC space, which are operating into multiple assets, multiple type of things, their margins are usually much lower at around 8% to 10%. So, do we see our margins also coming down as we diversify our book? Or how do we look at in the medium term?

T. R. Rao: We do not see any decline in the margin significantly even with the expanding into other areas. See, as you know, when we entered into drinking water supply, so we could be able to maintain the same margin in the rural drinking water supply projects, what we already executed more than 60%, and we will be executing balance amount. So, we maintain the margin same. And similarly, even if you execute in other projects in other areas, we do not see there will be any significant reduction in the margins.

Sarvesh Gupta: Okay. And on the working capital side, sir, last two, three years, we have seen some increase. So, how do we see that going forward, the working capital days?

Pankaj Agarwal: Net working capital days will come down. We are hopeful that it will be around 70 to 80 days.

Sarvesh Gupta: Okay. So, we are planning for a major reduction from the 110-odd days that we are at. Okay, sir. That's all from my side. All the best.

T. R. Rao: Thank you.

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

Parvez Akhtar Qazi: Hi, good afternoon sir. Thank you for taking my follow-up question. It would be great if you could get the toll collection on our existing older projects.

Pankaj Agarwal: For MP highways, it is Rs. 11.69 crores. And for Bareilly Nainital, it is Rs. 17.5 crores and for Narela is Rs. 10.76 crores and Raebareli Jaunpur is Rs. 32 crores. And Kanpur is Rs. 5 crores.

Parvez Akhtar Qazi: Thanks a lot.

Moderator: Thank you. The next question is from the line of Anupam Gupta from IIFL Securities. Please proceed.

Anupam Gupta: Sir, just one question. So, you said that there will be no gains booked in the standalone entity. So, are the gains being booked in PNC Infra Holdings for the monetization?

Pankaj Agarwal: Yes, yes.

Anupam Gupta: Okay. That's all from me. Thank you.

Moderator: Thank you. The next question is from the line of Anand Mundra from Mytemple Capital. Please proceed.

Anand Mundra: Hello. Thank you for the opportunity. Sir, I just had one question. The Rs. 200 crores that is receivable on account of change in law, this is something that we have already recognized as receivable on balance sheet? Or when this amount comes, it will directly hit the bottom line?

Pankaj Agarwal: That will hit directly on the bottom line. On a consolidated basis.

Anand Mundra: So, that will also come in PNC Infra Holdings, is it?

Pankaj Agarwal: Yes.

Anand Mundra: Okay. And the change in scope that I think some Rs. 624 crores, out of that, I think Rs. 580 crores since we have already received something like that. And the balance Rs. 40 crores is yet to be received, correct?

Pankaj Agarwal: Yes.

Anand Mundra: When it comes, will directly hit the bottom line. Is that correct?

T. R. Rao: No, that will hit the top line of the standalone basis.

Anand Mundra: That will hit the top line. But corresponding to that, do we have some assets? Like is there something sitting on inventory that will get net off and that's why the impact on the bottom line might be lower

T. R. Rao: Yes, yes. Corresponding that, see, whatever expenses we incurred from EPC side towards the execution of these additional works. So, that will be adjusted and accordingly, bottom line will be reflected.

Anand Mundra: Got it. So, the net gain that is yet to be recognized will be about Rs. 460 crores plus the Rs. 200 crores that will come in in the consol level at PBT level. Is that understanding correct?

Pankaj Agarwal: Rs. 400 crores is the net cash for 10 asset and the Rs. 200 crores will be accounted for as and when received from the NHAI.

Anand Mundra: Got it, sir. Sir, is there a time line of when we expect that?

Pankaj Agarwal: We are expecting in the current financial year itself.

Anand Mundra: Okay. That's it from my end. Thank you, sir.

Moderator: Thank you. The next question is from the line of Pankaj Motwani from Equirus Securities. Please proceed.

Pankaj Motwani: Yes, thank you for the opportunity. So, like my question was on the guidance part, like you were guiding for 20% revenue in FY '26. I wanted to check like if this guidance includes execution from the order book like in which the appointed date is pending. So, like how much of the order value like you have been considered in this guidance from this appointed date, appointed date is pending?

T. R. Rao: Yes. See, we have considered guidance of 20%. We have taken into account the appointed dates which are to be declared one before the end of current quarter and three before the end of H1, that is the second quarter. So, we consider the income from these projects also in the guidance what we have projected.

Pankaj Motwani: Okay. So, you are considering all the four projects in the FY '26 in the guidance?

T. R. Rao: In the guidance, 20%.

Pankaj Motwani: Okay. And there was one question. So, like there was an arbitration award of Rs. 370 crores in FY '25. So, I just want to know this 20% guidance is on the reported revenues, like which you are reporting in the P&L or it is excluding of the arbitration award?

T. R. Rao: See, FY '26, we are not expecting any arbitration award to be realized. See, whatever arbitration award published in our favor, so the realization of the amount will take time. So, we are not taking any income either at a top level, top line, or a bottom-line ex this arbitration award in FY '26.

Pankaj Motwani: No, so I was asking for the base of this 25% revenue growth. So, like the base of FY '25 revenue should be excluding of arbitration award or it should be inclusive of an arbitration award?

T. R. Rao: No, it's inclusive of arbitration. So, whatever Rs. 5,500 crores revenue you have booked, so we are expecting 20% over and above the Rs. 5,500 crores, including the arbitration award we received during FY '24.

Pankaj Motwani: Thank you. Got it. That was my question. Thank you.

Moderator: Thank you. As there are no further questions from the participants, I would now like to hand the conference over to Mr. Shravan Shah for closing comments. Over to you, sir.

Shravan Shah: The Rs. 240 crores project where we are L1, when we are likely to get the LOA and the appointed date?

Yogesh Jain: Within this month.

T. R. Rao: LOA will get this month and appointed date maybe in the next month.

Shravan Shah: Okay. So, at least we should have some execution from there also.

T. R. Rao: Yes.

Shravan Shah: Yes. Thank you, management, for giving us the opportunity. And thank you all the participants for joining in. Sir, do you have any closing comments?

Yogesh Jain: Yes. Thank you, everyone, for your participation in our Earnings Call. In case of further queries, you may get in touch with the Strategic Growth Advisors, our Investor Relations advisors, or feel free to get in touch with us. Thank you very much.

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