



# PNC Infratech Limited

An ISO 9001 : 2015 Certified Company

**Ref No: PNC/SE/113/24-25**

**Date: 15.02.2025**

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, BandraKurla Complex,  
Bandra (East), Mumbai- 400 051  
NSE Symbol: PNCINFRA

Dear Sir,

**Sub- Transcript of Q3 FY25 Earnings Conference Call on Financial Results for the quarter and nine months ended December 31, 2024**

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 we are enclosing herewith the transcript of earnings conference call on Financial Results for the quarter and nine months ended December 31, 2024 held on Tuesday, February 11, 2025.

You are requested to take this information on your record.

Thanking you,

**For PNC Infratech Limited**

**Tapan Jain**  
**Company Secretary & Compliance Officer**  
**ICSI M. No.: A22603**

Encl: a/a



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# “PNC Infratech Limited Q3 FY25 Earnings Conference Call”

**February 11, 2025**

Disclaimer: E&OE - This transcript is edited for factual errors. In case of discrepancy, the audio recordings uploaded on the stock exchange on 11<sup>th</sup> February 2025 will prevail.



**MANAGEMENT:** **MR. YOGESH JAIN - MANAGING DIRECTOR, PNC INFRATECH LIMITED**  
**MR. T. R. RAO - DIRECTOR (INFRA), PNC INFRATECH LIMITED**  
**MR. D.K. AGARWAL - CFO, PNC INFRATECH LIMITED**  
**MR. D.K. MAHESHWARI - SENIOR VICE PRESIDENT (FINANCE), PNC INFRATECH LIMITED**

**MODERATOR:** **MR. KUNAL SETH - BATLIVALA & KARANI SECURITIES**

**Moderator:** Ladies and gentlemen, good day and welcome to the Q3 FY25 Earnings Conference Call of PNC Infratech hosted by Batlivala & Karani Securities India Pvt. Ltd.

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

I now had a conference over to Mr. Kunal Seth from Batlivala & Karani Securities. Thank you and over to you, sir.

**Kunal Seth:** Thank you, Steve. Good afternoon, ladies and gentlemen. On behalf of B&K Securities, I'm pleased to welcome you all on PNC Infratech Limited Q3FY25 Earnings Conference Call. We have with us the Managing Director of the Company – Mr. Yogesh Jain, along with the senior Management Team.

We will begin with an opening remark from the management, followed by an interactive Q&A session. Thank you and over to you, sir, for the opening remarks.

**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.

Today, I have with me Mr. T. R. Rao, Director (Infra), Mr. D. K. Agarwal, Chief Financial Officer, Mr. D. K. Maheshwari, Senior Vice President (Finance) and Strategic Growth Advisors - our Investor Relations Advisors.

We have uploaded the financial results and Investor Presentation on the Stock Exchanges and Company's website for your reference.

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 nine months of Financial Year 25, post which we will be happy to answer your questions.

- ✓ Like the last year, the first nine months of current financial year also witnessed subdued new project awarding activity by both MORTH and NHAI.
- ✓ It is understood that total hold on the Bharatmala program, the general elections held in June 2024 and delay in acquisition of minimum land required before bidding are the key reasons for very low project awarding activity.
- ✓ However, since beginning of fourth quarter of the current financial year, awarding activity is getting expedited by both MoRTH and NHAI as such sizeable number of new projects on EPC, HAM and DBFOT Toll modes are expected to be awarded before 31 March 2025.
- ✓ Highway construction activity declined by nearly 6% in the first nine months of FY25, to 5,283 km from 6,216 km in the same period of FY24.

- ✓ During the current financial year, execution of already awarded projects severely impacted due to intense and prolonged monsoon and low awarding activity over the past one & half years and persistent delay in declaration of appointed dates due to non-availability of land for commencement of construction.
- ✓ Providing peacefully possessed minimum vacant ROW has become critically important for both timely commencement of awarded projects and uninterrupted construction.
- ✓ In recently introduced budget, the government allocated ₹2.8 lakh crore to the Ministry of Road Transport and Highways for the financial year 2025-26.
- ✓ Out of the above budgetary provision, allocation to NHAI has been increased to ₹1.8 lakh crore for highway expansion and modernization programs.
- ✓ To further optimize infrastructure development, MoRTH is implementing a corridor-based approach, prioritizing uniform standards, enhanced user convenience, and improved logistics efficiency.
- ✓ This initiative aims to streamline transportation, reduce travel time, and lower logistics costs, fostering better connectivity and seamless mobility across the country.
- ✓ To leverage technological advancements, which is playing a pivotal role in infrastructure, MoRTH is exploring adoption of Artificial Intelligence in infrastructure particularly through Automated & Intelligent Machine-Aided Construction (AIMC) for national highway projects.
- ✓ Notably, our company is at the forefront of this initiative, having implemented Automated & Intelligent Machine-Aided Construction for the first time in India at Lucknow-Kanpur Expressway Project.
- ✓ As part of this state-of-the-art technology, graders, rollers and pavers fitted with 'GPS based 3D Machine Guidance & Control Systems' for precise grading, compaction and paving conforming to the design parameters. This technology also ensures real time monitoring and controlling of operations.
- ✓ This innovative approach is poised to bring revolutionary changes in road construction in India.

**Now coming to the recent updates on the company:**

- ✓ On the project development side, Company's subsidiary Hathras Highways Private Limited received Provisional Completion Certificate for its HAM project on 31<sup>st</sup> October 2024, two months ahead of the scheduled completion date for Mathura 1C package.
- ✓ On the Asset Monetization front, during the quarter, the company received in-principle approvals from NHAI for the Divestment of the Company's interests in eight target assets.
- ✓ For the remaining three assets, approvals are expected by end of this month.
- ✓ Company has already received NOC from 34 Lenders for 11 projects.

- ✓ On the project awarding front, the Company, has received Letters of Award for 3 EPC projects for an aggregate contract value of Rs. 6,670 crores in the state of Maharashtra.
- ✓ During the quarter, we have received Rs. 108 crores from the Government of Andhra Pradesh towards work done for the Canal Upgradation Project.
- ✓ We are pleased to share that as per the MORTH Order dated 6 February 2025, the disqualification imposed on the Company and its two subsidiaries has been reduced from 12 months to 4 months. Accordingly, we will resume participation in the bidding processes of MoRTH, NHAI and NHIDCL from 18 February 2025 onwards.

**Moving on to the operational and financial performance of the company**

- ✓ We have 28 fund-based projects, out of which 3 are BOT-Toll projects, 2 are BOT Annuity Projects and 23 are HAM projects.
- ✓ Out of the 3 BOT Toll projects, concession period for one of the projects, Kapur - Kabrai Toll Project concluded on 20 January 2025 and accordingly tolling operations have been handed over to NHAI
- ✓ Aggregate Bid Project Cost of 23 HAM projects is over Rs. 30,000 Crore, which is one of the largest highway HAM project portfolios in the country.
- ✓ Out of a total 23 HAM projects,
  - ✓ 12 projects achieved PCOD/COD
  - ✓ 7 projects are under construction,
  - ✓ 3 projects achieved financial closure and appointed dates are to be declared
  - ✓ For one project, concession agreement was executed with the MPRDC on 7<sup>th</sup> March 2024 and financial closure documents has been executed & submitted to MPRDC.
- ✓ Total equity investment requirement for the HAM projects is Rs. 3,092 crore.
- ✓ Till December 2024, Company already invested Rs. 2,283 crores and the remaining equity of Rs. 809 crores is 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 31<sup>st</sup> December 2024, the company's unexecuted order book stands over Rs. 18,900 crores, which includes 3 EPC contracts secured by the Company in FY'25 for aggregate contract value of Rs. 6,670 Crore.
- ✓ Out of the unexecuted order book, highway/expressway contracts contribute around 75%, while water, canal, area development and railways projects contribute around 25%.

- ✓ In terms of the project proponents, out of the total unexecuted Order Book of over Rs. 18,900 crores, value of MoRTH including NHAI contracts comes to 30% and value of contracts awarded by other authorities comes to 70%.

**Now I would present the results for the quarter and nine months ended December 31, 2024.**

**Standalone Quarterly Results:**

Revenue for the 3rd quarter of FY25 is Rs. 1,205 crores.

The EBITDA for the 3rd quarter of FY25 is Rs. 146 crores. The EBITDA margin for the 3rd quarter of FY25 is 12.1%.

The profit for the 3rd quarter of FY25 is Rs. 83 crores. The PAT margin for the 3rd quarter of FY25 is 6.9%.

**Standalone 9 Month's Results:**

Revenue for 9M of FY25 is Rs. 4,099 crore.

The EBITDA for 9M of FY25 is Rs. 873 crores which is higher by 23% as compared to Rs. 712 crores in the 9M of FY24. The EBITDA margin for 9M of FY25 is 21.3%.

The profit for 9M of FY25 is Rs. 585 crores as compared to Rs. 447 crores in the 9M of FY24, a growth of 31% on a YOY basis. The PAT margin for 9M of FY25 is 14.3%.

**Consolidated Quarterly Results:**

Consolidated Revenue for the 3rd quarter of FY25 is Rs. 1,470 crores.

The consolidated EBITDA for the 3rd quarter of FY25 is Rs. 379 crores. The EBITDA margin for Q3 of FY25 is 25.8%.

The consolidated PAT for the 3rd quarter of FY25 is Rs. 81 crores. The PAT margin for Q3 of FY25 is 5.5%.

**Consolidated 9 month's Results:**

Consolidated revenue for 9M of FY25 is Rs. 5,065 crores.

The consolidated EBITDA for 9M of FY25 is Rs. 1,704 crores as compared to Rs. 1,268 crores in the 9M of FY24, a growth of 34%. The EBITDA margin for 9M of FY25 is 33.6%.

The consolidated PAT for 9M of FY25 is Rs. 740 crores as compared to Rs. 514 crores in 9M of FY24, a growth of 44%. The PAT margin for the 9M of FY25 is 14.6%.

**ON THE STANDALONE BALANCE SHEET SIDE,**

As on 31<sup>st</sup> December 2024, our net working capital cycle is 167 days.

Our net worth on a standalone basis is Rs. 5,353 crores as on 31<sup>st</sup> December 2024, whereas total standalone debt is Rs. 397 crore.

The total cash and bank balance as on 31<sup>st</sup> December 2024 is Rs. 743 crores. We have a net surplus of Rs. 345 crore. This translates to net debt to equity of 0.07 times.

**On Consolidated Basis**, our net worth is Rs. 5,911 crores whereas total debt is Rs. 9,332 crores as on 31<sup>st</sup> December 2024. The total cash & bank balance including current investments is Rs. 1,701 crores. This translates to net debt to equity of 1.58 times.

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

**Moderator:**

Thank you. Before we start the Q&A session, I would like to read out that this conference call may contain forward-looking statements about the Company, which are based on the beliefs, opinions and expectation of the Company as of date of this call. The statement are not the guarantees of future performance and involves risk and uncertainties that are difficult to predict. We will now begin the question-and-answer session. Anyone who wishes to ask a question may press \* and 1 on their touch tone telephone. If you wish to remove yourself from the question queue, you may press '\*' and '2'. Participants are requested to use handset while asking a question. Ladies and gentlemen, we will wait for a moment while the question queue assembles.

The first question is from the line of Shravan Shah from Dolat Capital. Please go ahead.

**Shravan Shah:**

Thank you, sir. A couple of questions. So, first in terms of the inflow and the revenue front? So, now the ban on NHAI and the MoRTH is ending and we'll be able to bid from the 18<sup>th</sup> February onwards. So, how now we are looking at in terms of the order inflow for by March end and maybe if you can help us for the next year also and there also from NHAI and MoRTH side, particularly how much are we looking at in terms of the order inflow by March end next year?

**T. R. Rao:**

So, far this year we received new orders worth of Rs. 6,670 crores. We are expecting new order before end of current financial year may be next say 6 weeks to 7 weeks of another Rs. 6,000 crores to Rs. 9,000 crores. So, our order book of the new order at the end of the financial year for the current financial year around Rs. 13,000 crores to maximum Rs. 15,000 crores. So, we don't want to now delve into it, how much would be from MoRTH or from the other clients, but it will be around Rs. 13,000 to Rs. 15,000 crores. Our new orders for the financial year FY26 also will be in the same range, Rs. 13,000 crores to Rs. 15,000 cores.

**Shravan Shah:**

Got it, sir. And, now in terms of the revenue, so already if I exclude the arbitration and everything, so nine months, we are already down by close to 32% odd. So, in the 4th Quarter, excluding the arbitration, which was there in the last year, 4th Quarter or Rs. 297 crores. So, how we look at the core revenue front are we looking at and given that now the order in flow will pick up. So, far next year because the base itself is low. So, how we are looking at the next year revenue?

**T. R. Rao:**

So, in the current year overall, we are looking at a revenue which would be lesser by 25% to 30% in comparison to FY24 and subsequently in the next year we are expecting an increase in the revenue guidance would be plus 35% over FY25.

- Shravan Shah:** Sir, when we're saying 25% to 30% lower this year, so this excludes the arbitration and also this is a pure construction revenue we are talking about?
- T. R. Rao:** This includes arbitration also because the last year also we have an arbitration of around Rs. 300 crores. So, this 25% to 30% decline is inclusive of arbitration, what we have received during the first quarter of current financials?
- Shravan Shah:** And margin, obviously we will be maintaining 12% to 12.5% next year 14%.?
- T. R. Rao:** Yes.
- Shravan Shah:** Now if you can share sir couple of and the project wise order book data point. So, inventory trade, receivable, payable, retention money, unbilled revenue mobilization advance?
- D. K. Maheshwari:** Yes, retention money is Rs. 172 crores and mobilization advance is Rs. 671 crores.
- Shravan Shah:** Inventory data, stable?
- D. K. Maheshwari:** Inventory is Rs. 746 crores and debtor is Rs. 1,668 crores.
- Shravan Shah:** Okay, and creditor payables.
- D. K. Maheshwari:** Rs. 760 crores.
- Shravan Shah:** Rs. 760 and in debtors, how much HAM and water debtors?
- D. K. Maheshwari:** EPC is 64%, which is Rs. 1,070 crores and 36% is HAM which is Rs. 598 crores.
- Shravan Shah:** Rs. 598 crores and water project how much is outstanding?
- D. K. Maheshwari:** Rs. 792 crores.
- Shravan Shah:** And a couple of project wise order book if you can share, that would be very grateful. So, starting with the irrigation project, so how much is outstanding value as on December?
- D. K. Maheshwari:** It is Rs. 924 crores, sir.
- Shravan Shah:** Okay, Kanpur package 1 and package 2, Kanpur-Lucknow?
- D. K. Maheshwari:** Package 1 is Rs. 238 crores and package 2 is Rs. 292 crores.
- Shravan Shah:** Mathura Bypass- Gaju Village?
- D. K. Maheshwari:** Mathura Bypass Rs. 193 crores.



- Shravan Shah:** And Haridoi?
- D. K. Maheshwari:** Hardoi is almost completed.
- Shravan Shah:** Similar would be the Gaju Village-Devi Nagar should also be complete?
- D. K. Maheshwari:** Yes.
- Shravan Shah:** And this both one, Unnao-Lalganj and Meerut-Nazimabad should also been completed?
- D. K. Maheshwari:** Yes, completed.
- Shravan Shah:** Challakere-Hariyur also completed or something is left?
- D. K. Maheshwari:** Challakere is remaining. That is 54 crore.
- Shravan Shah:** And Haryana rail orbit?
- D. K. Maheshwari:** Haryana Rail Orbit is Rs. 620 crores.
- Shravan Shah:** And the last one is Prayagraj-Kaushambi.
- D. K. Maheshwari:** Prayagraj is Rs. 469 crores.
- Shravan Shah:** Thank you sir, I have more questions, we will come back in queue. Thank you.
- Moderator:** Thank you. The next question is from the line of Vignesh Iyer from Sequent Investments. Please go ahead.
- Vignesh Iyer:** I wanted to ask from the net working capital days side of the business. So, on an average the 90 days to 100 days that we used to maintain for last few years, our net working capital days is on a higher side. I mean, how do you look this to be going ahead probably for FY26 and further. Can we see the normalized 100 days coming back for net working capital days?
- D. K. Maheshwari:** Yes, we are expecting FY25 to be 105 to 110 days because there is a temporary increase in the net working capital because of the advances given to the supplier because there are 8 projects where we have not started the work. So, we have mobilized the contactors, and we are giving the advances. That is why it is increased. Secondly, because of the mutual fund, around Rs. 440 crore of 31<sup>st</sup> December, that as against Rs. 3 crore in March '24. So, because of these two reasons, it has increased to 167 days. Otherwise, it is around 102 to 105 days.
- Vignesh Iyer:** Okay, got it.
- D. K. Maheshwari:** It is a temporary thing. As soon as the work will start in the project, the bills will adjust against that advance.

- Vignesh Iyer:** Got it, sir. What is the kind of order inflow that we are seeing in quarter four? I mean, there is expected to be a lot of announcements post all the elections, things are done with, I mean, after the Lok Sabha, Maharashtra election, etc. So is there any major inflow that we are seeing coming in Quarter 4?
- D. K. Maheshwari:** Till December we have received the order of Rs. 6,670 crores and we are expecting around Rs. 6,000 to Rs. 8,000 crores by March. So, total will be around Rs. 13,000 to Rs. 15,000 crores during the FY25.
- Vignesh Iyer:** Okay and what would be the order inflow expected going ahead in FY26?
- D. K. Maheshwari:** FY26 also, we are expecting around Rs. 15,000 crores contracts.
- Vignesh Iyer:** Okay, sir, Got it. I'll get back in a queue sir. Thank you.
- Moderator:** Thank you. The next question is from the line of Jainam Jain from ICICI Securities. Please go ahead.
- Jainam Jain:** Thank you for the opportunity. So, sir, my first question is how are we seeing the order pipeline for FY26?
- T. R. Rao:** As our Managing Director has mentioned, for NHAI itself, for Rs. 1.8 lakh crore, the budget reallocation was made by the Government of India. Apart from their internal accruals and the other program they are doing, so we expect a very robust pipeline of projects, both from NHAI and MoRTH, apart from the other clients because the railways and other sectors also, funds have been allocated for the infrastructure as a whole. So, we're looking forward to have a robust pipeline of projects next financial year. So, definitely we'll be able to leverage those opportunities to secure around Rs. 15,000 crores of new projects during the FY26.
- Jainam Jain:** Okay, sir are there any major infra projects for which you are expecting the tenders to be floated in the coming quarter or you can say in H1 FY26 and where we will be looking for the to participant?
- T. R. Rao:** Yes. We have 1.5 months left in the current financial year. And also then we will be expecting the pipeline over next financial year also.
- Jainam Jain:** Any major infra projects should be named sir?
- T. R. Rao:** Yes.
- Jainam Jain:** Alright, sure, that answers my questions. Thank you so much.
- Moderator:** Thank you. The next question is from the line of Sarvesh Gupta from Maximal Capital. Please go ahead.

- Sarvesh Gupta:** Good afternoon, sir. What is the standalone net debt as of now, sir?
- D. K. Maheshwari:** Net of cash is surplus of Rs. 345 crores, sir.
- Sarvesh Gupta:** Okay. So, Rs. 345 crore net cash.
- D. K. Maheshwari:** Net cash.
- Sarvesh Gupta:** Okay. And sir, so what we are seeing is this 40 days, how much of order inflow has happened in this quarter, sir?
- D. K. Maheshwari:** In this quarter we are expecting Rs. 6,000 to Rs. 8,000 crores, sir. And already we have received till December 6,700 crores.
- Sarvesh Gupta:** No, so Rs. 6,700 crores is understood. That is for first 9 months. Now in these 40 days till now, in this quarter, how much have you received till now?
- T. R. Rao:** As of now, for this quarter, till date we haven't received any new orders. But going forward, during the next 40 days, we expect to receive Rs. 6,000 crores to Rs. 8,000 crores new orders.
- Sarvesh Gupta:** Rs. 6,000 to Rs. 8,000 crores you expect, sir. And what is the pipeline of bidding on this? I mean, what kind of win ratios are we looking at? Because this Rs. 6,000 to Rs. 8,000 crores looks very steep to happen in just 50 days only.
- T. R. Rao:** Yes, because see the non-MoRTH itself, there are projects worth of more than 20,000-25,000 worth of projects are there which have already been floated. And both MoRTH and NHAI floated a projects worth of Rs. 1,27,000 crores which are to be bided out in next 5 to 6 weeks' time, comprising both EPC, HAM as well as the BOT projects. So, the pipeline is very huge, the bidding pipeline. So, as you see the past history, during the month of February and March, large number of projects are bid out, bids received and awarded before end of March. So, out of Rs. 1,50,000 crores, what we are expecting around 4% only. So, that much projects we are confident of getting before 31<sup>st</sup> March.
- Sarvesh Gupta:** Understood. And this, now in terms of your revenues, so even if I adjust for Rs. 300 crores of FY24, I get to Rs. 7,400 crores last year and that has had a standalone EBITDA margin of around 13.2%. So, what would be the sort of EBITDA margin guidance for FY26 because what you are saying is FY26 revenue should be similar to FY24, right? So, are we looking for slightly lower EBITDA margin given the change in the mix. Is the NHAI projects being only 30% of our book giving us lesser margins? So, can you explain that, like, how do you look at the margins?
- T. R. Rao:** For FY26, as you had mentioned, we are looking at an EBITDA margin of 13%, which will be akin to the FY24 margin. The NHAI projects are there and there are projects from other clients also. As we mentioned, the ratio is as of now, 30:70. So, overall, we are looking at a 13% EBITDA margin for FY26.

- Sarvesh Gupta:** Okay. And are the margins similar, sir, because you are getting a lot of projects from non-NHAI, MoRTH. So, how are the margins, same or different?
- T. R. Rao:** Margins are more or less same from MoRTH and non-MoRTH projects. So, margins are more or less same. So, overall margin, if you say that, would be around 30% in FY26. We don't foresee any decline in the EBITDA margin in FY26. So, 13% what we are reasonably expecting.
- Sarvesh Gupta:** And this Rs. 6,700 crore that you have received, this is all Maharashtra, I understand. So, I think there are some concerns on this MSRDC project and I think there has been some delays etc. So, when do we expect the execution to begin on these projects and what is the current status of this?
- T. R. Rao:** MSRDC, we received two projects, Nanded-Jalna project, which is the expressway project, and another project is the Pune Ring Road. In Nanded-Jalna, we have already commenced the project. We already commenced the construction. And in the Pune also, we are expected to commence the construction during the current quarter. Because the government after the state assembly elections, they expedited the process of land acquisition, possession and giving the land. So, we don't foresee any major issue there. So, therefore, definitely these projects will be executed as per the schedule. It will be able to complete within the schedule time.
- Sarvesh Gupta:** And the CIDCO project, sir?
- T. R. Rao:** CIDCO project also, all pre-construction activities, we have commenced and we mobilized the resources.
- Yogesh Jain:** And we have received advance also.
- T. R. Rao:** We received the mobilization advance also first tranche So, CIDCO project also we are going to commence the construction during the current quarter.
- Sarvesh Gupta:** So, out of this Rs. 19,000 crore of order book sir, how much are you currently working on and how much is like somewhat away from execution phase?
- T. R. Rao:** The Maharashtra projects are having a Rs. 6,600 crores for NHAI projects, we yet to get appointed date for another Rs. 3,000 odd crores project. So, we are working around, let say Maharashtra on this thing Rs. 9,000-Rs. 10,000 crores worth of projects we are working on.
- Sarvesh Gupta:** So, with this Rs. 9,000-Rs. 10,000 crores sir, do you feel confident that next year itself we can do Rs. 7,500 crore because all the newer projects may not start immediately and it will take up to second half of next year to start many of the newer projects which we will win. So, from this Rs. 9,000 crore order book which is under execution can we get Rs. 7,500 crores on next year?
- T. R. Rao:** The Rs. 9,000 crores orders which are actively we are constructing which are the ongoing projects will not give the Rs. 7,400 crores. Certainly, we will get the some revenues from these

new projects which we talked about more than Rs. 10,000 crores projects. And also then we may be getting some projects before end of the current financial year again which will give again some revenue from the Q3 onwards, FY26 Q3. So, overall, that Rs. 7,400 crores, what you are telling at par with the FY24, or otherwise 35% over and above the current financial year, you should be able to achieve the revenue.

**Moderator:** Sorry to interrupt, Mr. Sarvesh. Please fall back in the question queue for further questions. Thank you. The next question is from the line of Ashish Shah from HDFC AMC. Please go ahead.

**Ashish Shah:** Good afternoon, sir. Sir, a few questions. In the water segment, can you update the status of on ground execution, whether there has been any improvement in the recoveries of receivables in 4Q because you did mention that there's some Rs. 800 crore which was outstanding as of December. So, how is the Q4 looking and what is the outlook for this segment as you go ahead?

**T. R. Rao:** See, because there is a paucity of funds from the Government of India, but however now in the new budget, they allocated more than Rs. 60,000 crores for the Jal Jeevan Mission for the FY26. So, we expect the fund inflow from the Government of India and also matching funds from the state government from new financial year. Nevertheless, we are expecting some funds from the state government in the current financial year itself before 31st March, from which we should be able to realize our payments which have been outstanding for the quite few months. And from first quarter of FY26, there should not be any issue of reducing the money.

**Ashish Shah:** Okay. Also in terms of the projects where you are waiting appointed date, I think that's about Rs. 4,100 crore which you have mentioned. When do you expect the appointed dates for these projects?

**T. R. Rao:** We are expecting the declaration of appointed date before end of the current financial year, that is before 31st March 2025.

**Ashish Shah:** Sir, what is the land acquisition status? If you can just spell out by projects where are you in terms of the current land acquisition in these projects?

**T. R. Rao:** No, land acquisition has been improved over the last three months. The exact figures are not readily available. We will share with you.

**Ashish Shah:** But sir, are we confident that we will get some execution cycle before monsoon in these projects or do you think this can all spill over to post-monsoon only?

**T. R. Rao:** We are expecting some kind of execution and contract revenues during the first quarter of the FY26 before onset of the monsoon.

**Ashish Shah:** Okay, Maharashtra projects you did say that there are some initial mobilization and construction activities have started, but if you can just dwell a little bit deeper on what's the

kind of on ground status in terms of land available and what kind of execution you would expect from these projects within Q4 and how does next year look? So, if you can just sort of spell out how Q4 looks for these projects and what kind of execution you will expect in next year, because these are very sizable projects. So, it's important to sort of monitor how these projects will shape up?

**T. R. Rao:** As we have mentioned, out of three projects, one project we have already commenced the construction. We expect some subtle revenue in Q4 itself from this project, more particularly Jalna-Nanded. Other two projects also, the construction will be commenced during this quarter itself but the contract receipts may not be sizable during the current financial year. But nevertheless from Q1 of FY26 onwards, all these projects will start giving sustainable revenues going forward and all these projects will be commenced in full swing.

**Ashish Shah:** But physical work for Pune and CIDCO will certainly happen within 4Q, start of construction will certainly happen is what you are saying?

**T. R. Rao:** What we are targeting to start the physical construction during the current financial year itself before 31<sup>st</sup> March. Because as we have already mobilized large part of our resources, so we are expecting commencement of work at on the ground of these two projects also before that 31<sup>st</sup> March.

**Ashish Shah:** Alright, and sir last question. You talked about the increase in working capital, one you said because of the mobilization advances etc. that you have given. There is something else also that Maheswari sir mentioned, but I missed that. So, if you can just repeat why this networking capital has increased?

**D. K. Maheshwari:** It's mainly because of the advances to supplier and secondly we have invested in the mutual fund. Surplus money in the PNC, we have invested in the mutual fund which was recovered in March '24 has increased to Rs. 440 crores in December '24.

**Ashish Shah:** So, sir, in the presentation, when you're giving the networking capital number of 167 days or something like that, you are also including this mutual fund investment of Rs. 400 crore.

**D. K. Maheshwari:** Yes.

**Ashish Shah:** And when you gave the cash number of Rs. 743 crores, that includes a mutual fund investment?

**D. K. Maheshwari:** Right.

**Ashish Shah:** Alright, got it. Thank you.

**Moderator:** Thank you. The next question is from the line of the Dhananjay Mishra from Sunidhi Securities. Please go ahead.

- Dhananjay Mishra:** So, I just wanted to ask about this divestment thing. So, what is the kind of approval from regulatory authorities required and when at best we will conclude this monetization?
- D. K. Maheshwari:** So, there are NOCs required from lenders as well as from the authority and out of the 12 assets, we have already received the NOCs of 11 projects from 34 lenders as of date. As regards the NOCs from authority, out of 11 projects, we have received the in-principle approval of 8 projects and we are expecting by end of this month, we will receive the NOC from 3 projects from the authorities. So, we are expecting that by end of this March '25, 11 assets will be monetized out of 12.
- Dhananjay Mishra:** By March '25th.
- D. K. Maheshwari:** Yes
- Dhananjay Mishra:** And what is the equity IRR we will be making from this project?
- D. K. Maheshwari:** It will depend on the closing, because the equity we have invested in all 11 projects is Rs. 1,619 crores, including unsecured loan. And what will be the realization, actually we will come to know only at the time of closing, because certain working capital adjustments are there. It will come to know only at the time of closing only, sir.
- Dhananjay Mishra:** This is with respect to order inflow guidance you had given for next 40-45 days which is Rs. 6,000 to Rs. 8,000 crores. So, this is based on the bids already submitted or we are expecting bids to be submitted and then this tender will be awarded before 31<sup>st</sup> March and what is the size of bid we already submitted?
- T. R. Rao:** See, as we mentioned, so whatever bids we have submitted, that is very marginal amount. About Rs. 5,000 crores worth of bids are pending for opening up price bids. But other bids we are going to submit.
- Dhananjay Mishra:** So, you didn't participate in this after 18<sup>th</sup> February, which will open after 18<sup>th</sup> February, right? And then you are expecting these bids to be awarded before 31<sup>st</sup> March?
- T. R. Rao:** Yes. The awarding activity has been very expeditious as we experienced in the past also. So, whatever bids we will be submitting before 3rd week of March will be awarded before the end of March. So, the pipeline is very robust. More than one lakh crore worth of bids have already been floated with a different bid due dates spanning from 18 February till the end of March.
- Dhananjay Mishra:** And which are the states where we are seeing major pipeline where we will be participating?
- T. R. Rao:** No, these are the whatever bids they floated, these are across the many states from North to South and East to West. So, we have to see really for which state, how many bids have been this thing, but this is spread across the country.

- Dhananjay Mishra:** Okay, sir. Thank you. All the best. That is all from my side.
- T. R. Rao:** Thank you.
- Moderator:** Thank you. The next question is from the line of Parikshit Kandpal from HDFC Securities. Please go ahead.
- Parikshit Kandpal:** My first question is in the L1 order. So, what is the value of the L1 order?
- Yogesh Jain:** Which L1?
- Parikshit Kandpal:** This is Bhandara to Gadchiroli EPC project?
- Yogesh Jain:** That is around Rs. 2,400 crores.
- Parikshit Kandpal:** But you have not included that in that Rs. 6,700 crores of inflows, right?
- Yogesh Jain:** That is not included in that.
- Parikshit Kandpal:** So, for the Q4, as of now, you have L1 of Rs. 2,400 crores, where the LOA is expected.
- Yogesh Jain:** Yes.
- Parikshit Kandpal:** Okay. Sir, second question is on JJM. Now we have close to Rs. 800 crores of debtors in water segment and first nine months, if I look at your revenues, so it's about Rs. 600 crores from the water segment, and maybe this year you will end up close to, if I take you three numbers of Rs. 192 crores somewhere around Rs. 800 odd crores you will end up. So, which means that you already have a year of receivables from this project, which is outstanding. So, just wanted to understand in this financial year, did you receive any money at all from the JJM projects? So, if you can help us understand from the start of the financial year till now what has been the collection in this project?
- T. R. Rao:** Yes, this financial year we have received money till October we have been receiving money till October only from November onwards only we are expecting paucity of funds from the SWSM. Till October you have received. Whatever money now is spending, that is whatever work done towards this and certain money was due in the last financial year that we have released.
- Parikshit Kandpal:** How much?
- T. R. Rao:** Rs. 750 crores we realized it this year till October.
- D. K. Maheshwari:** It was Rs. 925 crores on March. It is now Rs. 792 crores.



- T. R. Rao:** Yes, plus which includes Rs. 600 crores.
- Parikshit Kandpal:** Okay, so Rs. 925 crores was outstanding as of March '24 end now it's less than Rs. 800 crores, so you have received.
- T. R. Rao:** Yes. We start receiving the money, latest from April onwards, if the state government provides a certain amount, what is the out of their 50% money, then we may be getting some amount during the March also.
- Parikshit Kandpal:** Okay. Just one question for Yogeshji. I mean, almost the entire industry has been talking for last three quarters on positivity on the NHAI ordering and pipeline being more than Rs. 1.2 trillion or Rs. 1.1 trillion, Rs. 1 lakh crore plus. And we always remain hopeful. Last year also, FY24, we were hoping that orders will come. And we only come to know when we are at Feb end or maybe March, that ordering will happen. But I just want your opinion on this. I mean, you're still holding on to that Rs. 1 lakh crores number. So, do you think versus last year, this time there's a high probability of this pipeline converting into order inflows or even for this year, we would end up maybe Rs. 40,000 crores or Rs. 50,000 crores of inflows. Thanks.
- Yogesh Jain:** There is no problem with land acquisition with NHAI. Because of elections in Bihar, elections in Maharashtra, due to which there were some problems internally. Now it seems that in Bharatmala, they couldn't get land, so Bharatmala stopped. The contracts awarded two years ago, after that, they couldn't do it again. Now they have started that contract again like our Bihar project, which is part of Bharatmala, Varanasi to Kolkata. From there, the bidding started coming in partly. And where land wasn't being done, their arbitration award was there. What was the land in Bihar? In the whole project, there was another problem that the actual value of land was high and their circle rate was low. They decided to solve this problem through arbitration now. The commissioner awarded them. The same problem with our three projects was that their land value was high and NHAI was giving them less money. Even the circle rate was low. The market rate was high. So, they not increased the circle rate and but they have given the additional payment through award to them. They were awarded and approved by the NHAI. So, all those people are ready to work there. And I think that's why we are talking about the three projects. We will get the date and in the next quarter, we will take the work done. In VR6 we are thinking of taking it in this quarter. So, I think that gradually, we will start coming to all the places.
- Parikshit Kandpal:** Okay. So, basically, this was more of a procedural delay from the land acquisition side. But intent wise, the pipeline is looking good and you think that there will still be continuity in awarding in this year or next year?
- Yogesh Jain:** Even the pipeline is very good. Even the small contracts that they had made earlier, they have increased all the sizes. They have combined 2-3 packages and made one of them worth Rs. 2000 crores-Rs. 2,500 crores. The package size has also improved. Competition will be reduced. And I think, if there are two or three bids, I think we will get a minimum Rs. 6,000 crores to Rs. 7,000 crores to PNC.

- Parikshit Kandpal:** But I was hearing that something some deliberation has drawn in PMO that the quality of roads has gone down significantly. And that's the reason PMO has advised the Ministry to increase, the same point which you are telling, to increase size but also that the qualification criteria which got diluted post COVID and a lot of low quality contractors came in. So, now I think PMO is advised, what I'm hearing that PMO has advised MoRTH to increase the size so that good quality, capable, financially worthy contractors are able to execute the projects. Is there anything like that? Is it also one of the things?
- Yogesh Jain:** Actually, when large quantities of work are done in the country, the quality is going down as the tenders are being won at a 30%-40% discount. There are many reasons for the quality to go down. Now the government is understanding that the quality is not being controlled. Earlier, the qualification was for the building contractor to construct building and for the road construction contractor to construct road. The building contractor would first take the work worth Rs. 100 crores and then take the work worth Rs. 1000 crores for road constructions. Now, he comes and takes the work worth Rs. 1000 crores, so he doesn't know what to do. So, this problem has been created and now they are changing the qualification. I think that from 1<sup>st</sup> of April in this financial year, bid will come with new qualification. Rest all is procedures. After 3-4 years quality will down, then government will tight it and then it will alright. Government also corrects itself. Contractor also corrects himself. Those who are doing bad job will go away. It is part of business.
- Parikshit Kandpal:** Last think that your ban has been removed, you are saying that from 18th February, you will be eligible to bid for all these projects, right?
- Yogesh Jain:** Yes.
- Parikshit Kandpal:** You have written something about this, subject to some conditions you have written in press release.
- Yogesh Jain:** Actually, they had asked for some documentation. I mean, it was normal documentation, they have submitted it.
- Parikshit Kandpal:** Okay, so now you have cleared signal from them that from 18th onwards, will be from 18<sup>th</sup> morning or midnight of 18th onwards, you will be able to bid for all the projects which will come from MoRTH, NHIDCL and NHAI?
- Yogesh Jain:** In entire India in every department.
- T. R. Rao:** So, we will be other side of the mountain from 18<sup>th</sup> February.
- Parikshit Kandpal:** Congratulations for that. Finally you could bid, much needed here. Thank you.
- Yogesh Jain:** Thank you.

- Moderator:** Thank you. The next question is from the line of Vaibhav Shah from JM Financial. Please go ahead.
- Vaibhav Shah:** What would be our guidance for revenue from the JJM projects for the entire year for FY25 and 26?
- T. R. Rao:** This year, already we achieved more than Rs. 600 crores. So, we are expecting total guidance for the current financial year would be between Rs. 800 crores to Rs. 850 crores. And the next financial year, we are expecting some expedited progress. And it would be around Rs. 1,200 crores in the next financial year. And the government also has increased the JJM tenure till end of FY28. So, we have time to complete these projects and put them into operation.
- Vaibhav Shah:** So, remainder should be done in FY27, around Rs. 1700 crores?
- T. R. Rao:** No, we'll be progressively putting these projects into O&M mode. We started the process. It's not like that entire thing. As we complete each unit, each scheme, so we'll be pushing them into the O&M mode in a progressive manner. So, gradually, we'll be able to put all the projects into O&M mode in FY27.
- Yogesh Jain:** So, balance work will be finished in 27, I think. entire balance work.
- T. R. Rao:** Yes, entire balance work. And our projects will around Rs. 1,500 crores to Rs. 1,600 crores.
- Vaibhav Shah:** So, secondly, on the irrigation side, our order book is around Rs. 924 crores. So, we were expecting pick-up and execution in '25 and '26. So, what would be our revenue guidance for irrigation projects as well? Since you have received money as well.
- T. R. Rao:** See now the water receded in the canal system, from the middle of February we are expecting the resumption of work in the irrigation project. And the next one and a half months we should be able to get around Rs. 50 crores to Rs. 60 crores project. And in the next financial year we are expecting around Rs. 400 crores to Rs. 450 crores revenue from the irrigation project.
- Vaibhav Shah:** This also should be completed in FY27?
- T. R. Rao:** Yes, that's 27. And they already extended, given the extension of time for this particular project.
- Vaibhav Shah:** Okay, so secondly on the monetization side, last time we had mentioned that we want to monetize 10 assets in this year. And the remainder will go into first half or by September or October of next year. So, do you maintain the same guidance?
- T. R. Rao:** Yes, we are maintaining. In fact, we are targeting 11 assets this year before end of financial year, monetization and the closure and the transfer of asset before 31<sup>st</sup> March, 11 assets out of 12. And the remaining asset may be in the Q1 of FY26 or latest by Q2?

- Vaibhav Shah:** So, remainder would be only one HAM in next year?
- T. R. Rao:** Yes, one HAM in next year. This year, 10 HAM and one BOT toll.
- Vaibhav Shah:** Can you just give the numbers? What would be the equity investment in those 10 HAMs and one BOT and for the last one HAM?
- D. K. Maheshwari:** In 11 projects, equity we have infused Rs. 1,620 crores.
- Vaibhav Shah:** Okay and for the one HAM that will be coming next year?
- D. K. Maheshwari:** Rs. 190 crore.
- Vaibhav Shah:** And what equity valuation we will be getting for the 11 assets?
- D. K. Maheshwari:** It depends at the time of closing because certain working capital adjustments are there and exactly we will come to note...
- Vaibhav Shah:** What are the number we are expecting?
- D. K. Maheshwari:** Earlier we have given in our note, about 1.67 times of the equity invested at the time of signing of the share purchase agreement.
- Vaibhav Shah:** Okay, so it should be similar to that number?
- Yogesh Jain:** So, it is around the same number. Similar number.
- Vaibhav Shah:** Okay. And lastly, for the HAM projects that you are expecting appointed dates, we are confident to get them by March. Any execution we expect in Q4 or it should be largely next year only?
- T. R. Rao:** See, Q4, though we are expecting commencement in Q4, the contract receipts and the work done will not be as significant in the Q4, but we start expecting the revenues from Q1, FY26 onwards. That would be the practical kind of a thing.
- Vaibhav Shah:** And sir lastly, there was some confusion regarding the revenue guidance for FY25, given the bonus and claims that we received in last year and this year as well. So, for Q4 versus Rs. 1,200 crores of revenue in Q3, what could be the run rate for Q4? That will be much easier to understand the entire real guidance. It will be closer to Rs. 1,600 crores to Rs. 1,700 crores or it can be even more?
- T. R. Rao:** No, it will be closer to, it will be around that number.
- Vaibhav Shah:** Okay. Thank you, sir. Those are my questions.

- T. R. Rao:** Okay. Thank you.
- Moderator:** Thank you. The next question is from the line of Ketan Jain from Avendus Spark. Please go ahead.
- Ketan Jain:** Thank you. Sir, my question is on your order inflow guidance for next year. You said around Rs. 15,000 crores of order inflow guidance. So, it could be helpful if you could bifurcate that into roads or waters in the segment size?
- T. R. Rao:** See, as of now, we are primarily looking at road sector only. See, what our projects, we got the order, Rs. 6,670 crores. It's more than Rs. 4,000 crores from the roads of MSRDC. One project is the area development. Navi Mumbai Airport Influence Development Authority. So, that is the area development kind of a thing. And the remaining whatever we are expecting will be essentially from the roads and highways of the country.
- Ketan Jain:** So, In this also roads?
- T. R. Rao:** Yes, Rs. 1 trillion worth of projects are coming in in NHAI itself, more than one trillion. So, we are expecting primarily from the road sector.
- Ketan Jain:** Okay. Thank you, sir.
- Moderator:** Thank you. Ladies and gentlemen, due to time constraint, this was the last question for today's conference call. I now hand the conference over to the management for their closing comments.
- Yogesh Jain:** Thank you for your time and trust in the PNC Infratech Limited. In case of further queries, you may get in touch with the strategy growth advisors, our investor relations advisors, or feel free to get in touch with us. Thank you very much.
- Moderator:** On behalf of PNC Infratech, that concludes this conference. Thank you for joining us and you may now disconnect your lines.