



Ashoka Buildcon Limited

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

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

Scrip Code: 533271
Debt CP Codes: 728322, 728530
Debt NCD Codes : 976190, 976191, 976192

Scrip Symbol: ASHOKA EQ.

February 17, 2025

Sub: Call Transcript

Please find enclosed herewith the copy of transcript of the Earnings Call held on February 11, 2025 in respect of Unaudited Standalone and Consolidated Financial Results for the quarter and nine months ended December 31, 2024.

Kindly take the matter on your record.

Thanking you,

For **Ashoka Buildcon Limited**

Manoj A. Kulkarni
(Company Secretary)
ICSI Membership No. : FCS – 7377



Ashoka Buildcon Limited

“Ashoka Buildcon Limited
Q3 FY25 Earnings Conference Call”

February 11, 2025

E&OE - This transcript is edited for factual errors. In case of discrepancy, the audio recording uploaded on the stock exchanges on 11th February 2025 will prevail.



MANAGEMENT: **MR. SATISH PARAKH – MANAGING DIRECTOR –
ASHOKA BUILDCON LIMITED**
**MR. PARESH MEHTA – CHIEF FINANCIAL OFFICER –
ASHOKA BUILDCON LIMITED**
**MR. PEEYUSH JAIN – ASST. VICE PRESIDENT - ACCOUNTS
ASHOKA BUILDCON LIMITED**
**SGA – INVESTOR RELATIONS ADVISOR–
ASHOKA BUILDCON LIMITED**

MODERATOR: **MR. BHAVIN MODI – ANAND RATHI SHARES AND
STOCK BROKERS LIMITED**

Moderator: Ladies and gentlemen, good day, and welcome to the Ashoka Buildcon Limited Q3 FY '25 Earnings Conference Call hosted by Anand Rathi Shares and Stock Brokers 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 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 star then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Bhavin Modi from Anand Rathi Institutional Equities. Thank you, and over to you, sir.

Bhavin Modi: Hello, everyone. On behalf of Anand Rathi Institutional Equities, I extend a warm welcome to the Ashoka Buildcon Limited Q3 FY '25 Earnings Conference Call. We are pleased to have with us today Mr. Satish Parakh, Managing Director; and Mr. Paresh Mehta, Chief Financial Officer.

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

Satish Parakh: Yes. Thank you, Bhavin. Good afternoon, everyone. On behalf of Ashoka Buildcon Limited, I extend a warm welcome to everyone joining us today to discuss our business and financial results of Q3 and 9 months ended 31st December, 2024. On this call, we are joined by our CFO, Mr. Paresh Mehta; VP Accounts, Mr. Peeyush Jain; and SGA, our Investor Relations Advisor.

Let me begin by giving an industry overview. India remains committed to advancing its major infrastructure projects, driving forward its remarkable growth trajectory. With a vast road network spanning over 3.3 million kilometres, the country's road infrastructure plays a pivotal role in the development of key economic sectors. Notably, while national highways make up just 2% of the network, they extend over 66,500 kilometres, serving as backbone of connectivity and economic progress.

In the recent Union Budget 2025-'26, the government has reinforced its commitment to infrastructure by allocating INR11.21 lakh crores to the sector. Additionally, an outlay of INR1.5 lakh crores has been proposed for 50-year interest-free loans to states for capital expenditure and reforms. These measures aim to support a rapid growth and enhance transport network across the country.

The sector continues to build strong momentum driven by ambitious government targets. This year, government aims to award around 12,900 kilometers of highway project, a 50% increase from the previous year. The second quarter saw an average over 600 kilometers awarded per month, while the third quarter witnessed even greater traction, with November alone recording

773 kilometers in awarded projects. Additionally, October 2024 set a record for electronic toll collection reaching INR6,115 crores due to increase in travel during the festive season.

Additionally, the Ministry of Road Transport & Highways is also prioritizing high-speed corridors while embracing technological advancement, particularly through adoption of artificial intelligence and infrastructure. This includes implementation of automated and intelligent machine-aided construction to enhance efficiency and precision in national highway projects.

Now coming to the company. Ashoka Concessions Limited, a subsidiary of the company has entered into share purchase agreements with Indian Highways Concessions Trust inter alia for divestment of its 5 subsidiaries. The aggregate enterprise value of the transaction is INR5,718 crores, subject to adjustments for cash and debt translating into an equity value of INR2,539 crores. The company will acquire 34% stake of equity of ACL from SBI Macquarie Infrastructure Investments Pte Limited and SBI Macquarie Infrastructure Trust for INR1,526 crores.

The company along with its subsidiary, Viva Highways Limited and ACL has entered into an agreement with the investors, SPA, for the following transaction, which shall be subject to completion of certain conditions precedent by the company and thereby providing an exit to the investors from ACL. Post-acquisition of ACL Securities held by investors, ACL would become wholly owned subsidiary of the company with effect from the date of acquisition of ACL Securities.

Another development is Ashoka Buildcon Limited and subsidiary, Ashoka Concessions Limited have entered into agreements to sell their stake in several HAM project subsidiaries for an aggregate consideration of INR2,324 crores. Now on the projects front, let me update you on this. Company has received provisional completion certificate of 39.07 kilometers out of total 40.6 kilometers.

The project is executed by Ashoka Baswantpur Singnodi Road Private Limited, an SPV, a wholly owned subsidiary of the company. Company also received letter of acceptance for MSRDC projects in October 2024 for an aggregate value of INR2,309 crores. Company also received LOA from BMC for a project of construction of flyover at T Junction on Sion Panvel Highway in Maharashtra for a value of INR1,126 crores inclusive of GST.

The company has also received 3 LOAs from MMRDA in October 2024 aggregating to INR1,737 crores. The letter of award and execution of the concession agreement with National Highways Authority for the project of INR1,391 crores in the state of West Bengal for Bowaichandi HAM project. We are also in receipt of notification of award for Madhya Pradesh Poorv Kshetra Vidyut Vitaran Company Limited for INR192 crores. This is an EPC contract.

Then the company has also received execution of contract with Bangalore International Airport Limited, a bid accepted at INR1,055 crores. This is an EPC project for construction of elevated taxiway systems, pavement, drainage and ancillary buildings. As on 31st December

2024, our balance order book stands at INR16,457 crores. Roads and railway projects comprise around INR14,000 crores, which is 74% of the total order book.

Among the road projects order book, HAM projects are to the tune of INR2,020 crores and EPC road projects are worth INR9,663 crores. The railway is around INR416 crores. Power T&D accounts for INR3,796 crores, which is approximately 23% of the total order book. The total building EPC segment is INR562 crores which is just 3% of the total order book.

To conclude, let me again say that our primary focus remains on maintaining a sustainable EPC business in segments encompassing highways, railways, power transmission and distribution as well as buildings. This is all from my side. I now request Mr. Paresh Mehta to present the financial performance. Thank you.

Paresh Mehta:

Thank you, sir. Good afternoon, everyone. Starting with the stand-alone numbers for Q3 and 9 months FY '25. The total income for Q3 FY '25 stood at INR1,816 crores as compared to INR2,162 crores in Q3 FY '24, a degrowth of 16%. EBITDA for the quarter stood at INR187 crores with EBITDA margin of 10.3%. PAT stood at INR61 crores for the quarter.

For 9 months FY '25, the total income stood at INR5,175 crores as compared to INR5,309 crores, a degrowth of 3%. EBITDA for the period stood at INR493 crores, a growth of 4% with EBITDA margins improving by 60 basis points to 9.5%. PAT stood at INR137 crores for 9 months FY '25.

Our revenue contribution for each segment for Q3 FY '25 is as follows: Road EPC contributed 57.9%, Road HAM contributed 12.4%, Power EPC contributed 23.7%, Railway stood at 2.5%, and other segments like building, EPC and others contributed 3.4%. Coming to the consolidated results. The total income for Q3 FY '25 stood at INR2,426 crores as compared to INR2,699 crores in Q3 FY '24, a 10% degrowth. EBITDA for the quarter stood at INR677 crores, a growth of 6% year-on-year.

PBT grew by 62% Y-on-Y to INR307 crores. For 9 months FY '25, total income stood at INR7,450 crores as compared to INR6,867 crores in Q3 FY '24, registering a growth of 8%. EBITDA for the quarter stood at INR2,251 crores, a growth of 30% year-on-year. PBT stood at INR1,074 crores, growth of 137%.

During the quarter, the company and its subsidiary, Ashoka Concessions Limited, have entered into share subscription and purchase agreements and other transaction documents for the sale of its entire stake in 5 of its BOT subsidiaries, which were engaged in construction and operating of road projects on BOT basis, which is subject to completion of certain conditions precedent, including approval from lenders of the respective subsidiary and regulatory approvals.

Considering the high probability of the sale transactions getting completed as per the IndAS 105, the assets and liabilities of the subsidiaries have been classified as held for sale in the current quarter. Consequent to this, the amortization of intangible assets in these subsidiaries

have been discontinued in the consolidated financial results from the date of classification as held for sale.

Further, the company has also recognized deferred tax asset of INR424 crores on the difference between the carrying value of the net assets of such subsidiaries in the consolidated books and its tax base. Total consolidated debt as of 31st December 2024 stood at INR6,847 crores. The standalone debt is at INR1,466 crores, which comprises of INR107 crores of equipment term loan, INR1,059 crores of working capital loan and NCDs of INR300 crores.

In Q3 FY '25 in our BOT division, the company recorded a gross toll collection of INR331 crores as against INR314 crores in Q3 FY '24, recording a growth of 5%. With this, now we open the floor for question and answers. Thank you.

Moderator: Thank you very much. We will now begin the question and answer session. Our first question comes from the line of Jainam Jain from ICICI Securities. Please go ahead.

Jainam Jain: So my first question is what is the order pipeline which we are seeing right now in NHAI biddings?

Satish Parakh: Yes. So NHAI is now coming up with projects of 3,400 kilometers, which are already announced. That is NHAI plus MoRTH plus NHIDCL, amounting to around INR1,11,000 crores. So these are projects which are in pipeline now.

Jainam Jain: Okay. And sir, what would be the order inflow and revenue guidance for FY '26? Also, if you can give some margin guidance for FY '26?

Paresh Mehta: So for FY '26, we expect based on the order book received in the last quarter and expected orders in the coming quarters, we expect at least 10% to 15% growth in the revenues over '25 with the margins to the tune of 10% to 11%.

Jainam Jain: And sir, order inflow guidance?

Paresh Mehta: Order inflow guidance would be in the range of INR12,000 crores to INR14,000 crores.

Jainam Jain: Okay. That answers my question. Thank you so much.

Moderator: Thank you. Next question comes from the line of Vaibhav Shah from JM Financial Limited. Please go ahead.

Vaibhav Shah: Sir, what would be the guidance for FY '25 in terms of revenue? So it should be flattish or we expect some decline?

Paresh Mehta: We'll try to achieve the last year numbers, but it could be short achieved by about 2% or 3%. I'm not sure. We'll just see by how the year ends, a couple of next 2 months ends.

Vaibhav Shah: And EBITDA margins could be closer to 9% for Q4, similar as Q3?

- Paresh Mehta:** Yes. For Q4, we try to achieve the same margins of Q3. Overall mix would be in the range of 8.5%.
- Vaibhav Shah:** Okay. And sir, are there any one-offs in the stand-alone results in 3Q? Did we receive any money from the deals in the stand-alone P&L?
- Paresh Mehta:** No, nothing on the deals in the stand-alone in Q3.
- Vaibhav Shah:** Okay. And sir, if you look at the results, so our debt as per the results come at around INR2,050-odd crores and PBT, it is around INR1,460-odd crores. So what is the difference of that INR600-odd crores?
- Paresh Mehta:** This would be debt received from our associates, SPVs.
- Vaibhav Shah:** So we are charging the interest also on that?
- Paresh Mehta:** For debt received from SPVs, we are marginally charging interest.
- Vaibhav Shah:** And what would be the interest rate, sir?
- Paresh Mehta:** In the range of 8.5% to 9%.
- Vaibhav Shah:** And sir, lastly, if we look at the interest cost, there has been a sharp increase on a quarter-on-quarter basis. So has there been a rise in mobilization advances because debt has come off on a quarter-on-quarter basis?
- Paresh Mehta:** Yes. So the mobilization advance has typically remained same, though it has been more. Large amounts have been received in the last month, that is the month of December. But seeing the recovery of the mobilization advance also, it remains at INR1,050-odd crores in both quarter end September and quarter end December. Vis-a-vis the cost of finance going up, definitely money in unbilled revenue and debtors continues to be a bit high in the last quarter also over and above September, which we expect to get all cleared by March end.
- Vaibhav Shah:** Okay. And sir, our guidance on equity investment for '26 and '27 for the new HAM that we have won?
- Paresh Mehta:** Yes. So overall, our equity commitment balance equity commitment as of date is around INR380 crores, which is including the last HAM project, which we got of approximately INR225 crores. So if you spread it over the year, by '25 end, we'll spend around INR175 crores, '25-'26, INR112 crores and '26-'27, INR93 crores.
- Vaibhav Shah:** And sir, lastly, if you look at the HAM project that you have won, so the EPC value appears quite high. So INR1,390 crores is the BPC and EPC is INR1,318 crores.
- Paresh Mehta:** Right. So I mean, based on that, that's what we have bid for. So EPC will continue to have its own margin of 10% to 11% and they will be higher at the SPV level also. Project cost would be in the range of INR1,700 crores.

- Vaibhav Shah:** Okay. And sir, lastly, if you could give us a number that what is the total order inflows in terms of EPC value for us still date?
- Paresh Mehta:** For the year?
- Vaibhav Shah:** For the year.
- Paresh Mehta:** INR9,000 crores approximately.
- Vaibhav Shah:** Okay. Thank you sir. I will come back in the queue.
- Moderator:** Thank you. Next question comes from Bhavin Modi from Anand Rathi. Please go ahead.
- Bhavin Modi:** So this year, we saw most of the inflows coming from the EPC roadside and there was one from the HAM side. So how should we read this? Like we are expecting more HAM to come with the upturn cycle, our focus has changed towards EPC and power transmission?
- Satish Parakh:** Bhavin, now we are all around EPC player. So we'll have new bids from road projects, EPC, road HAM projects, railways, power and buildings. So we are bidding in all these segments and also water. So now Ashoka has become a full range EPC player with focus on EPC and wherever we get an opportunity for PPP, we will pick up some HAM projects and there will be PPP opportunity maybe in other sectors also.
- Bhavin Modi:** Sir, how are you looking about the tendering uptake in from NHAI, MoRTH, because generally, Q4 is ramping up of awards happens during Q4. So are we also likely to see same trend this year?
- Satish Parakh:** Yes, there is very much possibility that this March also would see a lot of bids. Like I said, 3,400 kilometers, they are already in pipeline, which is amounting to INR1,11,000 crores. Plus there are a lot of other bids which may come up by March end. So good amount of bidding should happen by March end. Yes.
- Bhavin Modi:** And sir, some queries with respect to the monetization. So what is the status of NHAI and lenders approval with respect to the 11 HAM projects? And what are the timeline expected?
- Paresh Mehta:** So in the 11 HAM projects which we have, almost 70% of our assets we have got in principle ok from NHAI. And lenders also almost 50% NOC has come. So we are targeting offloading of certain HAM projects by 31st March.
- Bhavin Modi:** Okay, sir. And sir, with respect to Jaora-Nayagaon, can you help us with the status of deal with NIF? Moreover, what are the progress with respect to remaining 26% stake from SREI and SMPL?
- Paresh Mehta:** So on the NIF, the long stop date on that agreement passed away long time back. So presently, we are not in active discussion with NIF for the acquisition of the same. And as far as the 26% of shares are concerned, we are still pursuing with MPRDC for getting the NOC for transferring those shares to our name.

- Bhavin Modi:** Okay. So post that, you will be like 100% shareholder of that
- Paresh Mehta:** Yes, including 26%, which we may acquire from Macquarie.
- Bhavin Modi:** Okay. And sir, with respect to the 5 BOT assets, which we earlier dealt with KKR and now we are with Indian Highway Concession Trust. So shall we expect timely approvals? And what is the final date with respect to that for monetization?
- Paresh Mehta:** So we expect to get the transition concluded by 31st March. We are at a very advanced stage, a few of the NOCs have already coming from NHAI. We are waiting for a couple of more. On the banks also, almost 60-70% banks have already given their consent NOC for change of ownership. So we are trying to achieve the timelines and close it by March '25.
- Bhavin Modi:** Okay, sir. That's it from my side.
- Moderator:** Thank you. The next question comes from Anupam Gupta from IIFL Securities. Please go ahead.
- Anupam Gupta:** Yes. The question is on this existing order book. So of the total INR16,500 crores, what number is under execution at this point of time?
- Satish Parakh:** So almost INR14,000 crores is under execution. One project of MSRDC is yet to start and one project awarded by CIDCO is yet to start.
- Satish Parakh:** Other projects are all started.
- Anupam Gupta:** Okay. Understand. And so post the INR9,000 crores inflow which we have seen right now in this year, what's the sort of inflow you are looking for the balance of the quarter?
- Satish Parakh:** Balance of the quarter, expect INR3,000 crores to INR4,000 crores, we should be able to looking at the bidding pipeline, tenders which we already bid and not opened. And maybe this March end should throw up a good amount of bidding. So we're expecting around -- yes, around INR3,000 crores we should do.
- Anupam Gupta:** Okay. And any BOT projects which will come up in this quarter or BOT only thing will happen next year?
- Satish Parakh:** BOT means sell of BOT projects, yes.
- Anupam Gupta:** No, no, bidding for BOT projects.
- Satish Parakh:** Bidding for, bidding for BOT one-off projects come only for biddings. And we are very selective about bidding for BOT projects. So we haven't yet participated in any of the BOT highway bidding.
- Anupam Gupta:** Understand. Okay. And the next question is on the margins. So margins, you have seen an improvement in this quarter, and you're again saying that next quarter should be stronger and guidance for next year is also better. So overall, do you think that the entire stock of relatively

poor quality projects are now over and the new order book -- existing order book is largely 10% plus margins or so?

Satish Parakh: Yes. But the new order books will pick up in Q3, Q4, because these are all at mobilization stage, design stage. And these are all big structures, real ramp-up we will see in Q3, Q4.

Anupam Gupta: Sure. Okay. That's all from my side. Thank you.

Moderator: Thank you. Next question comes from the line of Sushant Verma an Individual investor. Please go ahead.

Sushant Verma: I know you won't -- I mean, this is not the forum to really answer the question about the stock market and anything like that. But very clearly, in the last 45 days, the stock has lost about 25% of its value. I know you won't probably comment on that. But does that indicate that the whole sector will have tailwinds considering the budgetary allocation or the overall environment.

So how is it going to pan out? I'm a bit worried about the sector as a whole and particularly, of course, Ashoka Buildcon. So what's your view on that?

Paresh Mehta: I think the stock markets are playing out more on public sentiment and sentiment with the government. I cannot really specifically say why stocks are moving up or down in these last couple of months throughout in every sector. So better not said than commit anything on that.

Sushant Verma: No, I understand that, sir. That's why I started with that saying, I don't expect an answer from a stock movement perspective from you. But does that indicate an underlying problem in this sector? That is what I'm trying to find out.

Paresh Mehta: No, I agreed, agreed. So opportunity remains buoyant. There's no challenge on that. The government's focus on infrastructure and as we have seen in the last few months, even in the state level also, they're very keen in giving out projects. So I think it's buoyant as far as the infra layout is concerned, you may call it whether roads, you may call it solar, you may call it railways, everywhere, they are looking at moisturizing up the infrastructure facility and quality.

Sushant Verma: Right. Yes. I mean that is what was my assumption to. But somehow, I mean, I'm not getting a very good vibe probably in the last 45 days. That's what I said. So maybe I wanted to understand if you had any other perspective. So it looks like we will probably continue to do, Ashoka Buildcon would continue to do equally good or -- I mean, hopefully better than last year. I mean the pipe and everything?

Paresh Mehta: We see a lot of opportunities.

Sushant Verma: Okay. Sure. Thank you. That is what I wanted to check your view. Thank you very much.

Moderator: Thank you. Next question comes from the line of Vasudev from Nuvama. Please go ahead.

- Vasudev:** Yes. So, sir, you just mentioned in the previous question that we are looking to dispose some of our 11 HAM assets by end of FY '25. So what is the value that we are expecting? And when do we expect the entire transaction to get completed?
- Paresh Mehta:** Approximately by '25 March, we should be able to sell assets out of the INR2,300 crores, INR1,000 crores of assets by March '25 and balance by December -- September -- in the September, December quarter, the balance projects in Q1, Q2, Q3 as the projects are ready for being transferred.
- Vasudev:** Okay. Sure, sir. And so like we'll have this few assets sale of from HAM and you also said that 5 BOT assets also we are projecting to complete the sale by March end. So what is the debt levels that we should be expecting by the end of the year?
- Paresh Mehta:** So by the end of the year, approximately INR2,000 crores of -- INR2,500 crores of debt on the BOT projects will go off the books. And approximately another -- maybe I'll have to check that out, maybe around another INR1,000 crores to INR500 crores of debt on the HAM projects will go off the books. So we should see approximately INR4,000 crores of debt to go out of the books by March on a console basis.
- Vasudev:** Okay. Sure, sir. And on the bid pipeline, you said that from NHAI and MoRTH, it's INR1,11,000 crores. So how is it looking on the other segments?
- Satish Parakh:** So other segments also bidding is happening. Railways is quite optimistic. A lot of bids are coming in. Power segment, we see at state levels. So definitely there's a bidding pipeline.
- Vasudev:** Okay, sir. And sir, on the capex front, just what we've done in the 9 months, how much are we projecting for Q4 and FY '26?
- Paresh Mehta:** Yes. On the capex front, we have spent approximately -- just give you the number, around INR55 crores on capex. And probably in this quarter, we will spend another INR20-odd crores.
- Vasudev:** Okay. And for FY '26?
- Paresh Mehta:** Around INR125 crores in total.
- Vasudev:** INR125 crores. Okay, sir. And sir, just last one, if you can again repeat the revenue breakup for the quarter between different segments?
- Paresh Mehta:** For the each segment, okay, I'll just tell you. On the Road EPC, INR1,051 crores, Power, INR471 crores.
- Vasudev:** Power, okay.
- Paresh Mehta:** Railway, INR169 crores. And other segments all put together approximately INR45 crores.
- Vasudev:** Sure, sir. That's it from my side. Thank you.

- Moderator:** Thank you. Next question comes from the line of Vaibhav Shah from JM Financial Limited. Please go ahead.
- Vaibhav Shah:** Sir, when do we expect the appointed date for the new HAM and what is the land status for the same project?
- Paresh Mehta:** Can I get the question again?
- Vaibhav Shah:** Sir, when do we expect the appointed date for the new HAM?
- Paresh Mehta:** The new HAM appointed date, I think so financial closure will be by March end, March somewhere. And September -- sorry, July -- somewhere around July, we should expect.
- Vaibhav Shah:** And what is the land status?
- Satish Parakh:** Land status, 3D has been done for the substantial portion more than -- but 3G is in process. So out of 293 hectares required, for 283 3D has been processed. So this may take around 3 to 4 months for the lands to clear. And therefore, we are expecting somewhere around September to get the appointed date.
- Vaibhav Shah:** Okay. And what is -- when do we expect to start the MSRDC and CIDCO project?
- Satish Parakh:** So only 1 out of 3 MSRDC, 2 have started. One will start by March end. This is for MSRDC. And CIDCO, we may see a start date by April or May.
- Vaibhav Shah:** And sir, in CIDCO ourselves for 51%?
- Satish Parakh:** Yes. Ashoka Buildcon is 51%.
- Vaibhav Shah:** And who is our partner in the project?
- Satish Parakh:** We have a JV partner called Akshaya Infrastructure Private Limited.
- Vaibhav Shah:** Okay. And sir, have we started the execution of the Kempegowda Airport project?
- Satish Parakh:** Yes, Kempegowda is -- execution already started. It is going on in full swing.
- Vaibhav Shah:** Okay. Thank you sir.
- Moderator:** Thank you. Next question comes from the line of Sahil Jain from Seven Islands PMS. Please go ahead.
- Sahil Jain:** Yes. So I have one question related to the balance sheet side. So I've seen the debt is like too much. So are there any plans to reduce the debt level? And I see the interest cost also going up quarter-on-quarter basis. So what are the company's plan to reduce the debt? And any guidance on any numbers on the -- how would the balance sheet look like in FY '26 end?
- Paresh Mehta:** So you're looking at the consol balance sheet or the standard accordingly?

- Sahil Jain:** Yes. Console balance sheet.
- Paresh Mehta:** On the consol -- so there are 2 parts of the debt. One is the debt on the projects and one is the debt on the stand-alone EPC business. On the debt of the project level, these will get reduced as and when we keep on selling those assets to the buyers, which we have suggested some by March and some by Q3 -- Q1, Q2, Q3 of next year. So a substantial portion of the debt, which is approximately INR5,500 crores should go off the books by December 2025. New debt will pick up, say, like for the last Baswantpur project, debt may -- we'll start picking up debt. But other than that, there is no other project debt.
- As far as stand-alone debt is concerned, approximately we have INR1,400 crores of stand-alone debt, which we expect to reduce as and when recoveries at our EPC businesses in power largely and in certain projects in roads, we expect receipts to come out from either the concerned employers or from -- in the process of sale of our BOT projects where these debts will be paid off. So from that perspective -- and if these transactions on the sales happen by June end, most of the stand-alone debt also should become substantially low.
- Sahil Jain:** So can you quantify the amount, the new debt that you said that you'll be raising for the projects for the -- like after the repayment?
- Paresh Mehta:** So what we have told is we'll receive approximately INR2,500 crores from sale of our BOT projects, which will be split into INR1,750 crores in one stage and balance INR750 crores in the next stage and INR2,300 crores in the HAM projects. So this approximately INR4,800 crores is what we expect to receive. And after clearing of dues of Macquarie of around INR1,500 crores, we'll be left with approximately INR3,000 crores, will be used for lowering debt and other consequent opportunities in HAM and other infra projects.
- Sahil Jain:** Okay. Okay. So going forward in FY '26 and, say, March 2027, what would be the balance sheet look like, like the cash debt on the consol level?
- Paresh Mehta:** Should be substantially low, substantially low.
- Sahil Jain:** That would be low. And what about cash?
- Paresh Mehta:** What about?
- Sahil Jain:** Cash and equivalents?
- Paresh Mehta:** Surplus based on this. It all depends on what plans come up in the '25-'26. But still even then also, it should not be -- it should be substantial cash on books.
- Sahil Jain:** We can say we can be net cash by FY '26, we can...
- Paresh Mehta:** Right.
- Sahil Jain:** Thank you. That's it.

- Moderator:** Thank you. The next question comes from the line of Dr. Amit Vora from the Homeopathic Clinic. Please go ahead.
- Amit Vora:** So my question is that after selling this present HAM and BOT projects, what other projects of HAM or BOT will be pending with us? And if you can tell the value of those projects, if possible?
- Paresh Mehta:** So we have only one HAM project with us, which is recently awarded to us, which will continue on our consol books of total project size of INR1,700 crores, debt would be around in the range of INR900 crores. But the debt to be taken would take at least 2 years' time to pick that debt. Other than that, there will be no major debt on the books on certain small annuity projects which we have. And there will be debt on the Chennai-ORR project, which we have on a console basis.
- Amit Vora:** And projects apart -- after selling this 5 BOT and the 11 HAM projects, we would not be having any other projects right now?
- Paresh Mehta:** We'll have one Jaora-Nayagaon project, toll road project and one Chennai-ORR annuity big project and two small annuity projects, which will also get closed by Q1. So it's largely one toll project, one annuity project and one HAM project.
- Amit Vora:** So two big and two small projects after selling this 5 BOT and 11 HAM projects.
- Paresh Mehta:** Yes.
- Amit Vora:** And of late it has been seen that the toll collection has been very good. So does that affect our balance sheet also?
- Paresh Mehta:** Yes. So we have seen growth in our certain major projects, leaving one-off. But otherwise, we have seen a 5% growth in the toll revenues quarter-on-quarter.
- Amit Vora:** Okay. One last question, in between, we had heard about -- news about the investment in green hydrogen. If you can just brief us something about that? Will that be under ABL only or it will be a separate company?
- Satish Parakh:** So this is an MOU entered with the Bihar government, wherein they are supposed to provide us a land for putting up the entire project. The green hydrogen project is basically a project powered by solar power, by renewable energy. So we'll be powering it by solar power. And this proposal is in a very inception stage and we'll give you an update as and when it materializes.
- Amit Vora:** Okay. And it would be under ABL only, Ashoka Buildcon only?
- Satish Parakh:** Yes, it will be on the subsidiary of Ashoka Buildcon.

- Amit Vora:** Okay. And one last thing. See, green hydrogen is a completely new thing and we are into infrastructure and all EPC. So I don't doubt your capability, but then do we have sufficient capabilities about green hydrogen? This expertise is something different, so...
- Satish Parakh:** So this is what basically we need to build over the period. And green power, solar, we have enough capability and understanding of solar business. Hydrogen production is not something new which is done. Whenever it is powered by renewable energy, it's a green hydrogen.
- Amit Vora:** Okay. Thank you so much. That's all from my side. Thank you so much.
- Moderator:** Thank you. The next question comes from the line of Bhavin Modi from Anand Rathi. Please go ahead.
- Bhavin Modi:** Yes. Sir, just a small -- like sir, what is the order addition till 9-month December '24? And what is the addition this quarter like in Q3?
- Satish Parakh:** Till date, we have got around INR9,000 crores of order book and another INR3,000 crores is what we are looking at.
- Bhavin Modi:** So sir, when you say INR9,000 crores, so do you also include the Nandgaon-Amravati project?
- Satish Parakh:** What is Nandgaon-Amravati?
- Bhavin Modi:** The EPC project, from MSCPL.
- Satish Parakh:** L1, we have not taken. Only the orders, LOA, we have received, that is INR9,000 crores. To be specific, INR8,900 crores -- INR8,980 crores, if you want exact.
- Bhavin Modi:** So this is till December, right, December '24?
- Satish Parakh:** December end, yes.
- Satish Parakh:** INR3,000 crores is what we expect to close by this year end.
- Bhavin Modi:** Okay, sir. Got it. Thank you sir.
- Moderator:** Thank you. As there are no further questions from the participants, that concludes today's conference. On behalf of Anand Rathi Shares and Stock Brokers Limited, thank you for joining us. You may now disconnect your lines.
- Paresh Mehta:** Thank you very much.
- Satish Parakh:** Thank you, everyone.
- Bhavin Modi:** Thank you, everyone.
- Paresh Mehta:** Thank you.