



PATEL ENGINEERING LTD.

CIN: L99999MH1949PLC007039

August 16, 2024

To,

BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001

The National Stock Exchange of India Limited

Exchange Plaza,
Bandra - Kurla Complex,
Mumbai - 400 051

SCRIP CODE: 531120

SYMBOL: PATELENG

Dear Sir/Madam,

Subject: Submission of Investor/ Analysts Meet Transcripts

In continuation of the letter dated August 08, 2024 related to the Investor Conference Call to discuss the Financial Results for the quarter ended June 30, 2024 and pursuant to Regulations 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), please find enclosed the Transcripts of the Company's Investor Call.

The said Transcript is also available on the website of the Company at <https://tinyurl.com/ye26fxcz>

It is further confirmed that no unpublished price sensitive information was shared/discussed in the meeting / call.

We request you to take the same on record.

Thanking you,

Yours truly,

For Patel Engineering Ltd.

Shobha Shetty

Company Secretary

Membership No. F10047

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“Patel Engineering Limited Q1 FY-25 Earnings
Conference Call”

August 13, 2024



MANAGEMENT: **MS. KAVITA SHIRVAIKAR – MANAGING DIRECTOR.**
MR. RAHUL AGARWAL – ACTING CHIEF FINANCIAL OFFICER.
MR. ADITYA BAJAJ – INVESTOR RELATIONS

MODERATOR: **MR. JAINAM SAVLA – KIRIN ADVISORS.**

Moderator: Ladies and gentlemen, you are connected to the Patel Engineering Limited Q1 FY25 Results Conference Call hosted by Kirin Advisors.

The call will be for 45 minutes only. 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 “*” then “0” on your touchstone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Jainam Savla from Kirin Advisors. Thank you and over to you, sir.

Jainam Savla: Thank you. On behalf of Kirin Advisors, I welcome you all to the Conference Call of Patel Engineering Limited.

From the Management Team, we have Ms. Kavita Shirvaikar – Managing Director; Mr. Rahul Agarwal – Acting Chief Financial Officer; and Mr. Aditya Bajaj – Investor Relations.

Now, I hand over the call to Ms. Kavita Shirvaikar over to you ma’am.

Kavita Shirvaikar: Thank you. Good evening everyone, and welcome to Patel Engineering Limited Q1 FY25 Earnings Call.

We have provided the “Presentation” summarizing the Company’s Performance for Q1 FY25 along with the Results on the Stock Exchange for your convenience. I trust you have had the opportunity to review the same.

At the outset, this is the first Earnings Call without the presence of late Sri Rupen Patel. He will be missed, his sudden demise left us all in shock. It took us some days to grieve and get moving ahead. In his own words, the show had to go on. So. Mrs. Janky Patel has taken on the role of Chairperson, as a Non-Executive Director, representing the promoter group. Additionally, I have now assumed the role of Managing Director of the Company. Mr. Patel had long held ambition to make Patel Engineering an indispensable part of India’s infra growth. Thus, a core team of professionals was groomed over the last decade to run the Company in all eventualities.

Further, we have made recent appointments of Mr. D’Mello as a Whole Time Director. He has an extensive experience of over 38 years in the infrastructure and real estate industry, including international experience. And Mr. Sankara Rao has been appointed as an Independent Director. Dr. Rao has 35 years of management and engineering experience and expertise in the infrastructure industry, banking and finance and institutional development. He has 10 years of board level management experience and served in prestigious Government of India, all India Development Financial Institutions like IDBI, IDFC, IFCL and its subsidiaries. Thus, the Company today has a settled leadership that is well verse in all the business operations.

Now coming to the sector outlook:

The Government proposed spending of INR 11.11 lakh crore on infrastructure highlights, the importance attached to this industry as an economic engine. Historically, infrastructure has been a labor intensive industry. Every Rs.1 crore invested in the infrastructure sector generates 200 to 350 man years of employment for unskilled, semi-skilled and skilled workforce. This in turn, synchronized well with the Government focus on job creation. Interestingly, the union budget emphasis on promoting pump storage project is a pivotal step towards a sustainable and resilient energy future. This opens a huge opportunity for us, as more than 60 gigawatt of pump storage projects are under survey and investigation stage, which shall come up for bidding in next year or two.

With the General Elections being over, now the order inflow for the entire industry is opening up, which was otherwise subdued in the last year. See hydropower, there is an immediate opportunity of more than 30,000 megawatt projects of worth more than 1. lakh crore are ready to be tendered. Irrigation, more than 70,000 crore has been allocated for Jal Jeevan mission, and another 9000 crore has been allocated for Pradhan Mantri Krishi Sinchayee Yojana, by the center for FY25, in the recent budget. This is apart from state budgets, where again huge funds have been allocated for spending for irrigation projects by almost all the states.

Tunneling more than 2500 kilometer, tunneling works are coming over more than 800 projects. More than 80,000 crore is allocated for road projects, total up to upwards of INR 3 lakh crore worth of projects. As part of our Company plans to grow the order book, we are on course to bid for nearly INR 50,000 crore worth of these open projects and expect to receive around 10 to 12,000 crore worth of projects in next one year.

Now coming to the Business Updates:

I will now walk you through some of the key business developments in this quarter. Firstly, the tunnel T15 and part T14 project located in Jammu and Kashmir has been substantially completed, and Indian Railway has conducted trial runs on the stretch marking a major milestone in the Udhampur, Srinagar, Baramulla, rail link project. The USBRL project enhances all weather connectivity between the Kashmir Valley and the rest of India. The project was awarded to us by Ircon International Limited with a value of around Rs.2300 crores. NATM technology was adopted to carry out a tunnel work. A total of around 1600 skilled and semi-skilled workforce were involved in the project. Secondly, at our Arun-III hydropower project site located in Nepal, we have achieved the final breakthrough of the HRT between phase four and phase five. The final breakthrough was achieved on 4th June, 2024 in the presence of honorable Prime minister of Nepal, Shri Prachanda.

Moving to the new order for the quarter:

The Company declared L1 for an irrigation project worth Rs.317 crores in Maharashtra, which would be executed as a joint venture with our share of 35%. Coming to the order book position of the Company as on 30th June, the total order book stands at Rs.17,900 crores. Out of that 61% is from hydro, 21% from irrigation, around 11% from tunneling, and rest from other sectors.

I will now request Mr. Rahul Agarwal, who has taken over as the acting CFO, to take you through the “Financial Performance” of the Company for the Quarter. Thank you.

Rahul Agarwal:

Good evening everyone, and thank you for joining the call. I will now run you through the “Financial Performance” of the Company for Q1 FY25:

On a consolidated basis, the revenue from operations for Q1 FY25 is Rs.1101 crore, which is in-line with the last year revenue which was 1118 crores. This was due to subdued order inflow in last year to date, due to recently completed election and the impact of an early monsoon on few of our projects. However, the Company expects to grow around 10% as guided earlier on a full year basis and expects to get multiple orders as bidding has commenced, post completion of elections. And the Company expects the order book to grow around 25,000 crore in next one year, which will give a boost to the revenues in FY26.

Our operating EBITDA for the quarter is around 15.3% as compared to 15.2% in the corresponding period last year. The net profit is up by 25.81% at Rs.48.17 crore for the quarter, as compared to 38.29 crore in the corresponding previous period. On a standalone basis, revenue from operations for Q1 FY25 is at Rs.1082.44 crores as against 1090 crore in Q1 FY24 and the operating EBITDA is at 14.9% as compared to 13.95% in the previous corresponding period.

The net profit for the quarter on standalone basis is 68 crores as compared to 130 crores in the corresponding previous period. This was due to exceptional income of 91 crores in that quarter, mainly due to a sale of a subsidiary. The sector wise revenue breakup on a standalone basis for Q1 FY25 is as follows. Hydro power 51%, irrigation 25%, tunneling 11%, roads and others balance 13%.

Moving on to the Debt Position:

The consolidated gross debt as on 30th June stands at around 1500 crores, as against 1955 crore as on June 30th, 2023 and the total advances from clients have reduced from 831 crores to 764 crores. Hence, gross serviceable debt has reduced from 2800 crores in June 23 to 2258 crores in June '24, a total reduction of 530 crores.

Further, we have cash balance of around 350 crores as on June '24 as against a cash balance of 256 crores as on June 30, 2023. The consolidated debt to equity ratio has improved from 0.67 to 0.42 in the last one year. In Q1 FY25 we have raised equity of Rs.400 crores through QIP, and we have further realized around 238 crores from arbitration awards. The same has enabled the Company to reduce the debt and also augment the working capital requirements of the Company,

and accordingly the finance cost in Q1 FY25 has reduced from 88 crores to 84 crores. The debt breakup is as follows, the working capital debt is around 830 crores, and term debt is 665 crores, which is expected to be repaid in the next two to three years.

Overall, working capital days have also come down. And on a gross basis it is 206 days, but out of which 104 days we expect to realize through arbitration and claims. Hence, net normal working capital is around 102 days.

Now, I will hand over back to Ms. Kavita for closing remarks.

Kavita Shirvaikar:

This has been an eventful quarter. We had to overcome an organizational loss in the form of Shri Rupen Patel. His far sightedness has held us in a good state. Today, the Company has a steady order book, a settled team and robust systems and processes to tackle any eventuality. That's it, we are well poised to take advantage of the opportunities arising out of the Government focus on infra push. That was a small brief from our side.

Now we shall be happy to answer any further questions which you all may have. Thank you.

Moderator:

Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Chirag Shah from White Pine Investment Managers Private Limited. Please go ahead.

Chirag Shah:

My first question is, just to while there has been a sudden and said demise of Patel ji Rupen, but if you can just elaborate and help us understand that, where was he maximum involved in the Company, in the various business operations, and how things will be going ahead. Are you making any changes in the team structure, whether short term or permanent in nature, so that will be the first question.

Kavita Shirvaikar:

Chirag, I am Kavita here. See, Mr. Patel was the driving force of this organization, as I mentioned, his sudden demise left us all in shock, but he always believed in developing professional team. His vision is, development of people like in his own words, the show had to go on. See, I tell you one thing, a core team of professionals was groomed over the last decade to run the Company in all eventualities. I have been involved at close quarter in turning around the Company. As you are aware, from growth of high debt and minimal order book to its present position. I have been acting part of taking strategic decisions, running critical projects and resolving project issues, among other things. So, Mr. Patel was a guiding force for us, and like his core team, engineers, professionals, financial professionals, all people actively involved, and we were working with him under his guidance. So, now I can tell you that the professional team developed by Mr. Patel, is capable of taking forward his vision ahead and work together as a team, we will come out more stronger.

- Chirag Shah:** Thanks a lot for this. So, it will be safe to even assume that client interaction, client facing, also the team work there, so it will not be that big challenge for us to carry his legacy forward. That is a safe assumption to make?
- Kavita Shirvaikar:** Chirag, I was actively involved in project execution and meeting all clients.
- Chirag Shah:** Apologies for this, but this is just to reassure the investing community about it.
- Kavita Shirvaikar:** No, your question is right.
- Rahul Agarwal:** Chirag it's business as usual for us, the Company runs as it was.
- Chirag Shah:** And my second question is on order book. So, I presume by Q3 we should start seeing the momentum back from Government / central agencies, central PSE side, that is a safe way to look at order book flow momentum?
- Rahul Agarwal:** Yes. So. the order bidding has started post elections in this quarter, and order inflows to start looking maybe three months or something down the line.
- Chirag Shah:** Okay. So. Q3 is a reasonable so somewhere in Q3 or Q4 is a reasonable assumption, they would start awarding the orders, the bidders, L1 bidders would be getting the orders and all those stuff. That is a fair assumption, three to six months' time?
- Rahul Agarwal:** Right.
- Kavita Shirvaikar:** Right.
- Chirag Shah:** Great. And on the immediate basis would you like to make a comment, for how many orders have you bid which would come up in next 12 months would you like to comment anything on that side?
- Rahul Agarwal:** So. the bidding has just started, we have identified around 50,000 crores of work to bid, immediately so that bidding will start now.
- Chirag Shah:** Okay, great. And lastly on margins, how should one look at margins, we would be in the similar historical range, or we can see some uptake on the margin range that we have?
- Rahul Agarwal:** Historical range.
- Moderator:** Thank you. The next question is from the line of Ananya Swaminathan from C Square Info Solution Limited. Please go ahead.
- Ananya Swaminathan:** I want to know the current order book status and the bidding pipeline as well?

- Rahul Agarwal:** So. current order book is around 17,900 crores, which includes an L1 of 100 crores, and that L1 LOA is received recently. And bidding pipeline status is around 50,000 crores.
- Ananya Swaminathan:** Okay, sir and what about the execution period?
- Rahul Agarwal:** Around four years.
- Ananya Swaminathan:** Okay. And any other area we are targeting other than hydro?
- Rahul Agarwal:** So. we are targeting hydro, irrigation, tunneling, and we may also look at roads as reasonable works they come in.
- Ananya Swaminathan:** Okay. And for irrigation, maximum order book size would be?
- Kavita Shirvaikar:** It depends on the project to project like it starts from 500 to 1000, 1500 crore.
- Ananya Swaminathan:** Okay. And how much are we eligible to bid?
- Kavita Shirvaikar:** There is no restriction as such.
- Rahul Agarwal:** Yes, there is no restriction as such, whatever projects are coming up for bidding we are able to bid. It's only we have to decide which one will go ahead.
- Moderator:** Thank you. The next question is from the line of Prashant Kshirsagar from Unived Corporate Research Private Limited. Please go ahead.
- Prashant Kshirsagar:** I just wanted to ask you bookkeeping questions. One is, how many employees you have at the moment, with a breakup on the technical side and the non-technical side?
- Rahul Agarwal:** So. total employees is around 4600 of which almost 50% would be more than technical side.
- Prashant Kshirsagar:** 50% will be technical side, okay. And can you share the number which was there on 31st March, 2024 and 31st March, 2023 for the same?
- Rahul Agarwal:** So. 24, it was somewhere around same, 4500 and for 23 would be 4200, 4300.
- Prashant Kshirsagar:** Okay. Second question is, with the arbitration award money which is received, which line item it goes to, it goes in reducing the other expenses, or it goes in the other income part of it?
- Rahul Agarwal:** No, so this is arbitration money received, so that will improve my overall receivable positions and all in the balance sheet.
- Prashant Kshirsagar:** So. it doesn't come in the P&L at all?

- Rahul Agarwal:** No.
- Prashant Kshirsagar:** Okay. That was just second one, because you don't make any money on this thing, because sometimes what happens is, you get a profit margin on the cost escalations. So. that is not?
- Rahul Agarwal:** So, see if it is an arbitration award already awarded in our favor, and then it is there on the books, then there will be no seat in the P&L for the same.
- Prashant Kshirsagar:** So. you don't get some extra profit or something on the cost escalations or whichever technical feeds you work on, say improvement or anything?
- Rahul Agarwal:** No, we receive, but we receive when there is arbitration award is received.
- Prashant Kshirsagar:** Okay, so you account for it at that time?
- Rahul Agarwal:** Yes.
- Prashant Kshirsagar:** Okay, just to clarify that. And third question was in regard to Subansiri Hydroelectric Project. Have you completed your share of work, or is it pending still?
- Kavita Shirvaikar:** So. the work is going on and we expect to complete in another one year time.
- Rahul Agarwal:** Yes, there are some phases to be completed, so it is being done accordingly.
- Kavita Shirvaikar:** But the project is progressing as per schedule.
- Prashant Kshirsagar:** Okay. And last question is about this irrigation project, which you received recently, you said you are partnering with someone. Can you share the name of the partner in that?
- Rahul Agarwal:** So, it's a local partner, Shiv Structure or some name local partner.
- Moderator:** Thank you. The next question is from the line of Viraj Mahadevia from MoneyGrow. Please go ahead.
- Viraj Mahadevia:** Well understood on the order book build up slow down, given elections, et cetera. But the Q1 FY25 revenue from operations was that slower or flat based on the monsoon, or what was the reason for lack of pick up given that we already had an existing order book?
- Rahul Agarwal:** So. see, there are a couple of things in there. One is because there was a minimal order inflow in the last year. So, our revenue is flat. We had expected a little jump up, but there were some early monsoons at some of the project sites. So. then this quarter revenue was flat. But on a full year basis we still expect to be there around 10%.

- Viraj Mahadevia:** Understood. Any plans given the 650 odd term loan debt, any plans to hive off the non-core assets that you all have highlighted before, any progress on that in terms of land parcels, etc., in prime locations, to bring that down faster, apart from the arbitration money of (+200) crores every year?
- Rahul Agarwal:** See, we are in discussion for various land parcels. So. post elections again, the things will start because till election things were not, there were no discussions happening. So. let's see maybe not this year something next year.
- Moderator:** Thank you. The next question is from the line of Shyam Garg from Ladderup Finance Limited. Please go ahead.
- Shyam Garg:** My first question is, with respect to what is the conversion ratio of order winning in the past?
- Rahul Agarwal:** So, between 20% to 25%.
- Shyam Garg:** So. if we are bidding for 57000 crores of order, then we can expect somewhere around the 10 to 12,500 crores of order book that will inflow in this year?
- Rahul Agarwal:** Yes, that's right.
- Shyam Garg:** And we remain intact with our revenue and EBITDA margin guidance that has been provided earlier, for a 10% to 15% growth in revenue and around 15% EBITDA margin level?
- Rahul Agarwal:** Yes, so we still expect around 10% growth in revenue, EBITDA will be maintained like 14% or what was there.
- Shyam Garg:** Okay. And with respect to the arbitration do we expect more arbitration awards to be received in this financial year or it is up to the level of 220 and 230 crores level?
- Rahul Agarwal:** So. we will see, maybe some collections may happen, but we are not sure whether this year, it may go up to next year.
- Moderator:** Thank you. The next question is from the line of Shailey from Unity Finance. Please go ahead.
- Shailey:** So. my question is, how do you plan to boost the orders this year, after the slowdown in financial year 24?
- Rahul Agarwal:** There are a lot of orders which were pending and in pipeline to be coming up for bidding post election. So. now the bidding has started, and we expect lot of orders to come in the next one year.
- Shailey:** Okay. So. with the MD sudden passing, what's the plan for leadership going forward?

- Kavita Shirvaikar:** As mentioned Mrs. Janky Patel has taken over the role of Chairperson, representing the promoter group, and I have now assumed the role of Managing Director of the Company.
- Moderator:** Thank you. The next question is from the line of Manu Jindal from Thorin Technology. Please go ahead.
- Manu Jindal:** So, my very first question is regarding the press release where you have mentioned the consolidated Q1 FY24 PAT of 38.29 crore, whereas in the presentation that PAT is around 50.26 crore. Can you just help me out here, why is there a divergence is it due to the other income piece?
- Rahul Agarwal:** No, sorry your voice broke in between so we could not hear it. So, the consolidated PAT for net profit for owners is 48 crores in the presentation as well.
- Manu Jindal:** No, sir my question was, in the press release it is written that Q1 FY24 PAT is 38.29 crore, whereas in the presentation Q1 FY24 PAT is written as 50.26 crore, so is there?
- Rahul Agarwal:** So, 50.26 crore in the presentation is net profit from continuing operations. Last year there was some discontinued operations for a subsidiary which was sold, so that 12 crore negative was there and then net was 38.
- Manu Jindal:** I get it. Sir my second question is regarding the value of non-core assets still remaining with the group, and what according to your expectations would be the timeline when it would be monetized?
- Rahul Agarwal:** So, see, we expect out of the land bank what we have. We will first target new land parcels of maybe between 200 to 300 crores, and that realization timeline is over next one, two years. Apart from this whatever money we will get from arbitration of what is extra.
- Manu Jindal:** Got it. And sir regarding the order book, which you have mentioned where you have broken down the percentage wise completion stage. Just wanted to know, what is the general of all the order book, what is the general duration of these projects. Like, if you take the average duration, or, I don't know, like the metric which you trust for the durations of these projects, what is the average duration of for these projects?
- Rahul Agarwal:** Four years is what is the book to bill ratio right now.
- Manu Jindal:** Got it, and the revenue recognition is based on the milestone, like as and when the milestones are achieved, you invoice it to the customer. Am I correct?
- Rahul Agarwal:** So, it is on percentage completion basis, the revenue is booked and invoices in projects are on monthly basis, based on the quantity executed as per the contract.

- Manu Jindal:** Okay. And sir regarding the completion stage of below 10% where your order book is 6613 crores, as per the presentation. What is the order book which is not even started yet. Like, below 10% we know it's 6613 crore, but what is the order book that has not yet been started, what is the 0% mark, what is the value of that order book?
- Rahul Agarwal:** So. only one project which was L1 and now the LOA is received. Rest all projects have started, so there is no project which is stalled or anything.
- Moderator:** Thank you. The next question is from the line of Ananya Swaminathan from C square Info Solution Limited. Please go ahead.
- Ananya Swaminathan:** I wanted to know what is our plan for long term debt reduction, and will there be any interest cost saving?
- Rahul Agarwal:** See, interest cost saving is there in this year because of debt reduction happened, and long term plan is the term debt we want to make it nil over the next two, three years, there will be working capital debt based on some additional projects taken, some additional working capital debt may be taken, but the overall serviceable debt may not increase.
- Ananya Swaminathan:** Okay, sir. And is there any further revision for credit rating, is it possible?
- Rahul Agarwal:** So, it was recently upgraded to A minus from BBB+ post our March results. Next review may happen, probably after end of March next year.
- Ananya Swaminathan:** Okay sir. And what is your outlook for road sector, how much order we are targeting?
- Rahul Agarwal:** Sorry, I could not hear your question can you repeat please?
- Ananya Swaminathan:** What is your outlook for road sector, specifically like, how much order are we targeting?
- Rahul Agarwal:** Road sector is not a core focus target for us, but we will still look for projects and whenever we expect good projects to come.
- Kavita Shirvaikar:** Road project selectively we will bid for the project.
- Ananya Swaminathan:** Okay. So. any other focus area which you would like to highlight?
- Rahul Agarwal:** The focus area would be hydropower projects, pump storage projects, which are coming up newly 60 gigawatt of pumped storage projects are expected to come up in the next few years. So. that is one area which we see that lot of projects will come. Government budget also have given focus on that. Apart from that irrigation tunneling, all we are doing anyway, so that we will continue to do.

- Ananya Swaminathan:** Okay. So. what is the expected bidding in that area?
- Rahul Agarwal:** Right now, whatever 50,000 crores we identified is covering everything. Then maybe after six months, we will see more of new more projects will come.
- Ananya Swaminathan:** And any new projects in Northeast, from Northeast?
- Rahul Agarwal:** Yes, it is there Northeast also.
- Moderator:** Thank you. The next question is from the line of Ashika Trividi from Kedia Securities Private Limited. Please go ahead.
- Ashika Trividi:** Sir, my question is that in the opening comments, we have highlighted pump storage as a huge opportunity. So. have we executed any order in this segment in the past?
- Rahul Agarwal:** Yes, we are doing one pump storage project right now around four pump storage projects are being executed in India. One we are doing.
- Ashika Trividi:** So. are we doing it in partnership or standalone basis?
- Rahul Agarwal:** Standalone.
- Kavita Shirvaikar:** Standalone.
- Ashika Trividi:** Okay. And who would be our competitors in this space?
- Rahul Agarwal:** So. it is similar to what we have competition for hydropower projects.
- Moderator:** Thank you. The next question is from the line of Yashwant from Cogin. Please go ahead.
- Yashwant:** So. we are seeing a remarkable increase in our net profit. So. can you just highlight some points, because flat growth, we are really done very good at the bottom-line level. So. can you please highlight what has driven such a +25% growth at our bottom line so the consolidated numbers?
- Rahul Agarwal:** Majority would be reduction in the finance cost, because we have reduced finance cost by around 4, 5 crores. So. that is one of the major reasons and rest what we see is little this quarter, little EBITDA margin was higher when compared to the previous 1.1%.
- Yashwant:** Okay. Sir what is the plan for the whole FY25 towards their debt repayment?
- Rahul Agarwal:** See, debt repayment right now we have already made debt repayments for whatever money we have realized from arbitration awards, and also we had surplus money from QIP, which has been reduced, used to reduce the debt which may be used for working capital when the new projects

come in. And going forward as and when money get realized from arbitration awards or other non-core assets we will reduce the debt.

Yashwant: Okay. So, what kind of a growth guidance you would like to give for net profit for the year?

Rahul Agarwal: Net profit, see it is turnover and EBITDA is similar. So. net profit accordingly got savings in further and apart from that interest cost will be there from last year, so that will directly add to the net profit.

Yashwant: Okay. And sir we have our current order book standing as on June is around 17,800 crores. So. what is the timeline, when we expect, for the '25 how much do we expect in terms of the revenue, and going forward for the '26-27 from the current order book?

Rahul Agarwal: So. this is a book to bill ratio of four times. So, accordingly the revenue will be there.

Yashwant: Okay. And sir last one, please accept my condolences towards Mr. Patel's sad demise, but after the key professionally the Company has been very successfully handled by you, Kavita ma'am and other professional team. So. what kind of a confidence have you faced anything, any problem while applying for any tenders or receiving any tenders, about the change in management, or how is the response?

Kavita Shirvaikar: So. tender is based on our Company pre-qualification, so there is no issue as such. We are continue bidding for the projects.

Yashwant: So, there is a positive responsibility?

Rahul Agarwal: See all staff, senior staff, and all they are there for the Company for very long. So. that thing continues, there's no change as such at that location.

Kavita Shirvaikar: So. for us, business as usual, we are continue bidding for the projects. Our execution at all project sites are also going on as per schedule.

Yashwant: Yes, the Company has been handled for past couple of days, but there are sentiments. So, I just wanted to understand response from the management.

Kavita Shirvaikar: No, you are right, correct. So. bidding, there is no issue as such.

Yashwant: Very good. And sir are planning to materialize anything from the land sell or the asset sell, which we have to monetize, or we will keep it on a hold again to see the where it is coming up for....

Rahul Agarwal: So. we will keep on discussing, we are not in a rush to do it. We will keep on discussing as and when we get good offers, we will go ahead.

- Moderator:** Thank you. The next question is from the line of Snehal Pawar from PSV Capital. Please go ahead.
- Snehal Pawar:** Sir my question was, which projects or sector will you prioritize in the upcoming years?
- Rahul Agarwal:** So. we would like to maintain a similar mix a hydro pump storage projects would be maximum portion of the order book rest other segments will cover balance 40% to 45%.
- Snehal Pawar:** Okay. So. one more additional question sir, main factors behind improve margin that we have seen in this quarter Q1 FY25?
- Rahul Agarwal:** No, it's just about the mix of the work.
- Moderator:** Thank you. The next question is from the line of Manu Jindal from Thorin Technology. Please go ahead.
- Manu Jindal:** Sir, my another question is regarding the competitive intensity like recently, four to five months ago there was a news article which was mentioning that Patel's share of hydro electric energy sector is like 45%, it has jumped from 25% to 45%, just wanted to know, like 45% is a pretty huge market share. What is it that, Patel Engineering enjoys as a competitive advantage, which bigger players are unable to match that kind of heft in this market?
- Rahul Agarwal:** So, we have the experience factors which is there, for very long we have been working most of the projects of hydropower projects come in the Northeast, J&K, Himachal, and we have been working there since ages. So. we know the terrain well, so we are able to plan well, and we have that experience staff, equipment's and everything, because hydro is again a specialized work.
- Kavita Shirvaikar:** We are known for our unmatched capabilities in successfully undertaking challenging and time consuming projects in the hydro segment. So. we have a team of like technical team, strong technical team and capabilities which differentiate us from rest of the others.
- Manu Jindal:** Sure. And ma'am my last question is about the technology upgrades which happen in this sector. Like, how do we essentially ensure that we are upgrading the technologies. How do we get this knowledge transfer, is that by visiting other countries or how does it exactly happen?
- Kavita Shirvaikar:** So. like see, we have a mechanical head. We have a procurement and source head, we have a technology head who is evaluating and assessing whatever latest technology available in the market, we try to implement, like recent example, at our Kiru project, we developed, and assembled tower build system for the concreting, mass concreting. So. we did on our own, this is first time in India we did actually. So. these kind of innovation, research and development, we have a special team allocated for these task also.
- Rahul Agarwal:** And they go across all the world to look at and identify new technologies.

- Moderator:** Thank you. The next question is from the line of Ananya Swaminathan from c Square Info Solution Limited. Please go ahead.
- Ananya Swaminathan:** I wanted to know as China is expanding over Brahmaputra, so do you have any idea what Indian Government is doing, are there any new hydro projects come, is Government planning so that to prevent flood or anything?
- Rahul Agarwal:** So, there are multiple projects identified in the Northeast, and so they are coming.
- Ananya Swaminathan:** Okay. Apart from Northeast, Himachal or Uttarakhand are there any new upcoming projects from Himachal?
- Rahul Agarwal:** Yes, so Himachal, Northeast, Uttarakhand, J&K, Nepal, these are the main places where upcoming projects will be there.
- Moderator:** Thank you. Ladies and gentlemen as this was the last question. I will now like to hand the conference over to Mr. Jainam Savla for closing comments.
- Jainam Savla:** Thank you everyone for joining the conference call of Patel Engineering Limited. If you have any queries, you can write us at research@kirinadvisors.com. Once again, thank you everyone for joining the conference call.
- Moderator:** On behalf of Kirin Advisors, that concludes this conference. Thank you for joining us and you may now disconnect your lines. Thank you.