DILIP BUILDCON LIMITED
INFRASTRUCTURE & BEYOND

May 13, 2025

To
BSE Limited
Listing Department
P.J Tower, Dalal Street
Mumbai – 400001

Stock Symbol -540047

To
National Stock Exchange of India Ltd.
Exchange Plaza, C-1, Block G
Bandra Kurla Complex,
Bandra (E), Mumbai – 400051

Stock Symbol –DBL

Subject: - Transcript of the Analyst/Investors conference call

In continuation to our letter dated May 02, 2025, please find herewith the transcript of the Investor conference call for Investor and analyst held on Friday, May 09, 2025 at 09.00 AM. (IST) related to the financial results for the quarter and year ended March 31, 2025, conducted through digital means.

The aforesaid information is available on the website of the Company i.e.

https://dilipbuildcon.com/investors/shareholders-centre/

This is for your information and record.

With Regards,
For, Dilip Buildcon Limited

ABHISHEK SHRIVASTAVA Digitally signed by ABHISHEK SHRIVASTAVA Date: 2025.05.13 18:05:30 +05'30'

Abhishek Shrivastava
Company Secretary

“Dilip Buildcon Limited

Q4 and FY '25 Earnings Conference Call”

May 09, 2025

MANAGEMENT:	**MR. DEVENDRA JAIN – MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER – DILIP BUILDCON LIMITED** **MR. ROHAN SURYAVANSHI – HEAD STRATEGY AND PLANNING – DILIP BUILDCON LIMITED** **MR. SANJAY KUMAR BANSAL – CHIEF FINANCIAL OFFICER – DILIP BUILDCON LIMITED**
MODERATOR:	**MS. JILL CHANDRANI – S-ANCIAL TECHNOLOGIES PRIVATE LIMITED**

Moderator: Ladies and gentlemen, good day, and welcome to Dilip Buildcon Limited Q4 and FY '25 Earnings Conference Call, hosted by S-Ancial Technologies Private Limited. 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 touch-tone phone. Please note that this conference is being recorded.

I now hand the conference over to Ms. Jill Chandrani from S-Ancial Technologies. Thank you, and over to you, ma'am.

Jill Chandrani: Thank you, Manav. Good morning, everyone. Welcome to Dilip Buildcon Q4 and FY '25 Earnings Conference Call. From the management, we have with us today, Mr. Devendra Jain, Managing Director and CEO; Mr. Rohan Suryavanshi, Head, Strategy and Planning; and Mr. Sanjay Kumar Bansal, Chief Financial Officer.

Before we proceed with the call, let me mention the standard disclaimer. The presentation that we have uploaded on the stock exchange, including the interaction in this call contains or may contain certain forward-looking statements concerning our business prospects and profitability, which are subject to some uncertainties, and the actual results could differ from those.

Now I request the management to take us through the key remarks, after which we can open the floor for question-and-answer session. I now hand over the call to Mr. Rohan Suryavanshi for his opening remarks. Thank you, and over to you, sir.

Rohan Suryavanshi: Thank you, Jill. Good morning, everyone. On behalf of the entire DBL family, I welcome you all to join us today on this conference call. The results and presentation have been uploaded to the stock exchanges, and I trust you've had an opportunity to review them.

To begin, let me provide some updates on the broader industry landscape. As you all know, FY '24, '25 has been a muted year, marked by low ordering activity from most government agencies. This was very surprising to the whole industry as we all expected since FY '24 was a mute year given an election year, we were expecting better. But however, for reasons unknown to us, it hasn't panned out in the way that the industry expected.

According to government data, MoRTH has constructed 8,330 kilometers of roads, although ordering activity was only 4,874 kilometers up to February 2025. On the execution front, NHAI constructed 5,614 kilometers of national highways in FY '25 surpassing the target of 5,150 kilometers.

For the next year, the government has set an ambitious target of constructing 10,000 kilometers of highways. It includes the development of 1,100 kilometers in the Northeastern states and 750 kilometers in tribal regions. These plans provide us strong visibility for order inflows in the coming year, along with a lot of hope.

Our Union Minister, Honorable Shri Nitin Gadkari Ji recently underscored the vital role of infrastructure development in propelling India's growth. He reaffirmed his ambitious goal of constructing 100 kilometers of highways per day.

And expressed confidence that India's road infrastructure will surpass that of the United States within the next 2 years. This vision backed by the government's continued commitment presents companies like us with significant opportunities to grow and strengthen our order book.

In the Airport segment, the government has outlined plans to undertake 50 airport development projects over the next 5 years. This includes both the construction of new airports and upgradation of existing ones. All these projects will be executed through public-private partnership model, presenting new opportunities and renewed optimism for infrastructure companies.

In the Tunnel segment, significant opportunities are also emerging. According to recent reports, 78 new tunnel projects spanning a total length of 285 kilometers and valued at INR1.1 lakh crores are set to commence soon. And DBL is a strong player in that segment.

At DBL, being a diversified EPC player, we are exploring opportunities in all these segments, including roads and highway, irrigation, water distribution, metro, railways, airports, tunneling, coal mining, and the recently added segment that is optical fiber laying under the BharatNet Project.

Overall, we are participating in orders of upwards of INR1 lakh crores. We are very confident in the long-term growth prospects of India's infrastructure story and are fully geared up to capitalize on the opportunities in most of the high-growth sectors.

As you can see, the government's focus on the sector is evident through a continuous increase in allocations towards the infrastructure sector. We can anticipate positive developments in the next few quarters.

Now coming specifically to our company's performance. Like the industry at large, DBL also witnessed muted order inflows over the past 24 months, with just INR2,100 crores of new orders in FY '25. This has resulted in a 21% decline in our top line in the quarter on a year-on-year basis and a 15% full year basis compared to the previous fiscal on a stand-alone basis. Our CFO will delve deeper into the details of our financial performance in the subsequent remarks.

So, while we anticipate robust order inflows in the coming quarters, execution will take time to ramp up and translate into revenues. Assuming some order inflows in the next few months, we expect around 5%-7% decline in stand-alone revenue for this fiscal with an operating margin of around 10%-11%. However, at the same time, we are expecting a 10%-15% growth in consolidated revenues.

And if you look at even this year's consolidated PAT, that consolidated PAT will continue to grow even furthermore next year. So even in the face of a lot of headwinds on the EPC front, the steps that we have taken in the past along the coal and the road asset business, both of them will keep us in good stead going forward and provide company with predictable cash flows.

Now let's talk about our investment portfolio in HAM assets. As previously discussed, we have successfully concluded the Shrem InvIT deal during this financial year. Under this agreement, we have received the full consideration, both in cash and InvIT units. On an opportunity basis, we have sold 1.27 crores unit and realized around INR136 crores in the last financial year.

This is in addition to a cash distribution of INR120 crores received from Shrem InvIT during the last financial year. As of March 25, we are holding around 6 crores units, which could generate annual cash distribution ranging from INR70 crores to INR80 crores from the Shrem InVIT.

Moving on to our InvIT partnership with Alpha, we are progressing in line with our strategic plan. So far, we have transferred a 26% stake in 8 assets out of a total of 18 assets included in the deal. Among these, 7 assets have achieved COD and 1 asset has achieved pre-COD and accordingly, annuity payments have commenced, concluding the first tranche of the Alpha deal.

The remaining 10 assets are under construction as scheduled and will be divested upon achieving COD. The formation process of our publicly listed InvIT is progressing well. The InvIT has filed draft offer document in March '25, and we are expecting the approvals within this quarter.

Now coming to our coal business. Our coal MDO operations are progressing at a rapid pace. In our Siarmal MDO, I'm pleased to share that we have exceeded our production targets by achieving 18 million metric tons in FY 2025 against a target of 15 million metric tons. Please bear in mind, even the 15 million metric tons was a revised target, While our original target was only supposed to be as per the original agreement of 7 million metric tons -- I'm sorry, 10 million metric tons. We are well equipped to exceed our targets for next year as well, and we hope to achieve production volume of about 25 million metric ton as compared to the target of 18 million metric ton. So, it is growing well ahead of target.

In our Pachhwara MDO, we have achieved production of 6.9 million metric ton in FY 2025, which is a peak production. This is a 7 million metric ton capacity coal MDO. As per the concession agreement, we will continue to achieve similar numbers for the next 53 years. So that's now kind of stabilized at that level.

Lastly, let me touch on our vision for DBL 2.0. I'm proud to report that both are long-term revenue-generating business, that is coal MDO and the HAM portfolio are progressing strongly. These will offer us predictable cash flows, improved return ratios and a more risk-balanced profile. If I may add, even this year, while we had a depleting order book and revenues depleted, we ensured that our stand-alone debt remained at the same level.

What is also very interesting is that at the DIPL level at the consolidated level, where CPPIB had also put in capital, we have reduced in FY '25 that number by about INR200 crores of debt reduced there. Plus, in this year already from the start till now, we have already reduced another INR100-plus crores. In total, from last financial to right now, where we stand, about INR300-plus crores of debt has been reduced at the DIPL level.

Besides that, let me also add that in this year, we will completely pay off the whole DIPL debt. Besides that, paying off the debt of DIPL, which is in the range of about INR400-odd crores, we will also be reducing stand-alone debt in this financial year of about INR500 crores. The revenue, like I mentioned in the financial year earlier, will see some hit, but even with that, we will still be reducing our stand-alone debt.

Our EBITDA also, like I mentioned, because of reducing, will be a little on the muted side. But consolidated, if I could talk about even consolidated debt, on a consolidated level, our debt will reduce by more than INR2,000 crores. And the revenue like I mentioned earlier, will increase at a 10%-15%, and the PAT will also increase.

So, when I keep speaking that we need to like now keep looking at rebuild, we are looking to make a more leaner company. We're looking to make sure that the debt at the stand-alone level reduces completely, and that exercise is on. Even on the consolidated level, only during the construction time, we will be keeping and the rest, the assets will continue moving year on year.

Now with that, I would like to hand over the call to our CFO, who will provide a detailed overview of our financials.

Sanjay Kumar Bansal: Thank you, Rohan Ji. Good morning, everyone. I welcome all the stakeholders to our earnings call. Let me present the results for the quarter ended 31st March and year ended 31st March '25. On quarterly performance, year-on-year basis, the revenue of stand-alone revenue decreased by 21% from INR2,931 crores to INR2,315 crores. The EBITDA also decreased by 41% from INR353 crores to INR209 crores.

The profit after tax decreased by 62% from INR124 crores to INR47 crores. On full year basis, FY '25 versus FY '24, the revenue decreased by 14.55% from INR10,537 crores to INR9,004 crores in FY '25. The EBITDA decreased by 30% from INR1,299 crores to INR903 crores. The profit after tax decreased by 26% from INR422 crores to INR311 crores.

Now let me brief about the consol performance. So, as Rohan Ji briefed in his opening remarks, the consol performance of DBL is improved within this year. On year-on-year basis, the revenue decreased by 8% from INR3,366 crores to INR3,096 crores. The EBITDA increased by 100% on year-on-year basis from INR330 crores to INR661 crores.

This is on account of the completed HAM assets and coal business performance. Profit after tax also increased significantly between this quarter 4 FY '24 from INR3 crores to INR276 crores on yearly basis. The consol performance, the revenue decreased by around 6% from INR12,012 crores to INR11,317 crore.

The EBITDA increased by 51% Y-o-Y basis from INR1,422 crores to INR2,151 crores. This is on account of good performance by the coal SPVs and completed HAM projects. The profit after tax also increased 4x from INR201 crores to INR840, that is also because of the better performance by the completed HAM projects and the coal business.

This is all on the stand-alone and consol performance of Dilip Buildcon for FY '25 and quarter 4 FY '25. Now we can open the floor for the questions and answers.

Moderator: We have our first question from the line of Shravan Shah from Dolat Capital.

Shravan Shah: Sir, first, I wanted to understand on the order inflow front. In the opening remarks, you have mentioned that we are looking at INR1 lakh crores kind of opportunity. So, a couple of things to understand. First, if you can help us broadly how many orders, we have bid where outcome is yet to come?

Second, out of this INR1 lakh-odd crores, how much would be from the road? And also, are we looking at the HAM and the BOT toll also?

Rohan Suryavanshi: Yes. Thank you, Shravan Ji. So currently, already that bids have been put in, about INR10,000, INR15,000 crores of orders, where bids have already been put out, and we're awaiting, we're opening. In terms of the split between different sectors, that I'm unable to give you, and that's not something that the company anyway shares.

Now to answer the second part of the question. Yes, we are looking at a mix of HAM, BOT, EPC, all of it because we also have a large partnership with Alpha, where there is a steady inflow and predictable inflow of equity coming in.

So, we have various partnerships in place, which will ensure that we have a good return on whatever equity we want to put in for any of these projects. So, we are looking at all of these different opportunities across segments and across different model types as well.

Shravan Shah: Okay. And now for this year, FY '26, total, how much more -- obviously, for the last 2 years was muted on order inflow. So now how much order inflow are we looking at? And at the same time, why I'm trying to understand in terms of the HAM and toll because the actual execution will take a much longer time, at least 9-odd months to start once after the awarding.

So, in terms of the guidance that we are looking at 5% to 7% decline in FY '26. So also trying to understand if we are more looking on the BOT toll or a HAM, maybe this can have even slightly more decline and even FY '27 also have some impact.

Rohan Suryavanshi: See, Shravan Ji, a very good question. There are a bunch of points that I think I would like to make out here. See the bulk of our business is EPC because the HAM model is only in the road business. Now road itself has become a small part of our overall order book. So, when you look at the company, even if you look at the presentation that we have given, almost 80% of the business that the company is doing right now is EPC.

So that, I think, should be able to answer that bit. Now coming to how the revenue would pan out. We have also taken a similar kind of mix when we have given our production modelling and told you that these estimates that we've given you is on the basis of what we expect the orders will flow. We also understand that like you rightly pointed out, EPC will start sooner and HAM takes a bit more time to start and show revenue.

So the numbers that have been given to you according to that. One, there are a couple of good things that have happened. In the road sector, the government has taken notice of the challenges that they have faced because of reducing their credential criteria for bidding of projects. They have really struggled to get projects off the ground and also have started struggling on the construction quality front.

So very recently, about a week or so ago, they have changed on the EPC model and made the eligibility criteria more stringent and similar steps are expected in the HAM model as well. So, we are expecting now that the competition should be more moderate. If you look at the last year's data, in HAM, 91% projects were won by non-recognized or the smaller players, 91%, let that sink in. And in EPC, that number is even higher.

So, while the government has awarded these projects at record low prices, there is definitely certain question marks on the quality and the project progress that they'll be able to achieve. Hence, they have taken these corrective measures. So, we are hoping that flows in line in this financial year. Did I miss out any points that you...

Shravan Shah: No. Just the one thing that for this year, how much are we looking at in terms of the order inflow for full year?

Rohan Suryavanshi: Yes, yes. very right, sorry. So, we are looking at about a INR20,000 crores order inflow this year. INR15,000 crores to 20,000 crores at least what we're expecting because last 2 years have been quite muted. So, we are looking at that, and we hope the government will really push the pedal on the ordering.

Shravan Shah: Okay. And on the stand-alone margin, you mentioned 10% to 11% that -- the margin that now should be the case for even for ongoing FY '26 and going forward also?

Rohan Suryavanshi: I'm just speaking for FY '26 right now, Shravan Ji because going forward is a very long journey. So, once we have more numbers at the end of now this financial, that would be a better predictability in how the ordering has shaped out and all because right now, what all of us, either you or us would be doing would be just guessing. It would be a pure guess work.

While the EBITDA numbers that we have tried to keep to you are more rooted in certain calculations, which is that, how much orders we will be able to secure, how many will start, what kind of order sort of profitability we will see in those. So that's been based on some of that. So, I think it's better that we should just look at this right now.

And how the next year after that pans out, we should see that closer to the end of this financial year.

Shravan Shah: Got it. And now on the debt front, you mentioned that further another INR500 crores reduction will be there in FY '26. So, by FY '27, what our stand was, we will be a net debt-free. So that remains intact?

Rohan Suryavanshi: Yes, yes. That remains intact. That remains intact. But like I mentioned earlier during this year as well, that ideology has remained intact. The timing of it may change, defer to external circumstances beyond our control, which is ordering, but it's only a timing sort of issue that has happened. It's not a change in our philosophy. It's not a change in the direction that we are taking the company.

That is very much there that we will be a net debt 0 company in the next 2 years. And like I mentioned, when you're looking at, because you always look at these things in a great amount of detail, and we've always been appreciative of the larger analyst community, which ask us all these questions.

So that's why I'm trying to say while this year, we know that the payments of Jal Jeevan Mission were very, very problematic and slow almost 9-10 months, we didn't see any of that payment coming in, which kept our stand-alone debt levels elevated. But at the end of it, those payments realized, we were able to bring that down.

But at the same time, we made sure that even our consolidated debt was reducing. So, our agenda is very much in line. And like I mentioned, next year, stand-alone debt will be less by INR500 crores and the consol debt will be at least INR2,000 crores will be reduction in that as well.

Shravan Shah: Got it. And sir, on the MDO front, is there a way that we will be setting the profitability number or any value unlocking that are we looking for MDO assets?

Rohan Suryavanshi: Sir, on consol level we won't be sharing independent numbers. Like I mentioned, this is all in the consolidated that you will get. Value unlocking in all of the system is a function of market demand. If there is any such sort of opportunity where our investors feel that this is in the best interest of the company, then we will take it at an appropriate call at appropriate time.

Otherwise, that is how it is. But rest assured, if at all some strategy work to evolve, it will be done keeping in the interest of all the stakeholders, especially the minorities were given and with all their blessings and guidance.

Shravan Shah: Okay. Sir, I have 2, 3 questions, but if there are more questions, I can come in queue.

Moderator: We have our next question from the line of Deepak Purswani from Swan Investments.

Deepak Purswani: Yes. First of all, congratulations especially on the debt reduction and MDO performance. Sir, firstly, I wanted to seek some clarification. If I were to look into the order book, last year at the beginning of the year, we had an order book of INR17,400 crores. And this year, at the end of the year, we have INR15,000 crores and revenue has been to the extent of INR9,000 crores.

So implied order inflow appears to be the INR6,500 crores, whereas in the presentation, we had reported INR2,100. So just wanted to check whether has there been any change in scope of work in the existing order book? That's the reason there is a deviation in overall listing?

Rohan Suryavanshi: Sir, you're very right. Because when you look at last year, till then, we were not adding the coal MDO orders, which should have been rightly done because that is a pure visibility for us. And at the end of last year, that was not being added. But in this financial year, we started adding that.

From first quarter, we had started that practice. So, which is why that order that you see even in our presentation, we mentioned, that 3 years of coal orders, which we have a clear visibility and which is there, that coal MDO, is also being added in the order book, which earlier was not.

So that was a mistake, error on our part that revenue, which was going to come, was not being added to the order book. So, it's only that revenue that is being added to the order book right now.

Deepak Purswani: Okay. And secondly, sir, just continuing on the order inflow point of view, like you mentioned about the bid pipeline of INR1 lakh crores. And yes, I mean just wanted to get your sense -- I mean, this bid pipeline was also there in the month of December, and there was a -- I mean, we do understand there has been a delay from the ministry level in terms of awarding.

But you can give a broader sense what is causing this delay at the first place and whether this problem is getting resolved? And how confident are we -- I mean, incrementally, this would flow it out probably in the next 6 to 12 months, the order inflow guidance of INR15,000 to INR20,000 crores. That's a part one.

Secondly, if you can also give the breakup of this INR15,000 crores to INR20,000 crores, what is the awarding we are expecting from the road sector and which are the new verticals which would contribute in terms of the order inflow?

Rohan Suryavanshi: Sir, just to answer your first question, the delay in the government ordering is best asked to them. But from whatever we have understood till now, because the last 2 years and more than actually that, where the government -- where they saw a significant number of new players and smaller players emerging and taking larger share -- so they were facing challenges around financial closure of the HAM projects.

They were facing challenges around even once they're getting started, there is because they have been bid at some really ridiculous numbers, they were seeing challenges in progress. So, I think there has been a rethink within the government that this whole process, they don't want to make a repeat of the 2009, '10, '11 era, where a lot of players came in and the government got great deals, but none of those deals actually materialized.

So, I think there has been a rethink in the government that you don't want to have that because then it's a problem that they will have to again solve, whether it's for banks or whether it will be for the industry. And ultimately, the net loser in that whole scheme is the government. If you have to recapitalize the banks, if you have to solve for projects that are not done, escalated cost of projects.

So, I think all of that rethinking is happening, precisely which where there is an improvement in the qualification criteria that they are doing now. And it's better that these projects are now going to be awarded once that qualification criteria is done.

So, for us as well, when we are looking at INR15,000 crores, INR20,000 crores of orders, obviously, I can't give an accurate split of how it will pan out in the end of the year because once you bid for a project, there is always a small probability of what you will end up winning.

So, we've continued to bid across different sectors that we are working in. Now we are also looking at some new sectors opportunistically. But as and when those things materialize, I think it's a better time to speak about that rather than counting our chickens before they're hatched. So that's the first part of it.

Second, you were asking what sir that you wanted to know the exact split?

Deepak Purswani: Yes. INR15,000 crores to INR20,000 crores which we are expecting, what is the broader segmental breakup we are looking at out in terms of the overall awarding of this...

Rohan Suryavanshi: The sectors that we've already mentioned in the presentation that we are already working, you should look at that only as a broad breakup. So, we are looking at all those sectors. What will eventually materialize, those percentages might change a little bit here and there.

But that is the segment-wise and even the model-wise, both those splits that we have given in the presentation on slide 7, you would be able to make an educated guess around how that should work out. We obviously do not give exact numbers of our bidding strategy, but that's how you should kind of think about it.

Deepak Purswani: Thirdly, just continuing on the order inflow point, we also mentioned there is a 78 new tunnel projects worth INR1.1 lakh crores, which are also coming out. If you can also give some broader sense on this in terms of the RFQ criteria for these projects as well as I think this project would also require some capex investment to the extent of TBM.

So, if you can give some broader sense, I mean, what is the capex we are looking out for this year? Or are we incrementally looking out for buying some TBM machine to bid these projects? Or how should we look into all these?

Rohan Suryavanshi: Sir, so the various projects that I mentioned, that is an announcement with the Government of India. This is spread over a period of 5 years. A majority of those projects are under DPR stage and not all of them will need the TBM. The tunnel that we are also doing, we're doing through boomers, and the project that we will also target will be the ones that use our current equipment only.

Now in terms of capex for the company this year, we are not expecting to do any capex in this financial year per se. So, if there is some very small replacement capex that we have to do, that will happen. Otherwise, we have no targets of any capex. There's no planned capex this year.

Deepak Purswani: And also continuing on that part, I mean, if you can also give a broader sense in terms of the working capital, how should we look into it? And I mean, last quarter, we had INR100-odd crores the Jal Jeevan mission. I mean this time; it appears to be the relatively better working capital.

If you can give us just quantum what has been the reduction in terms of the debtor at the current juncture and whether the execution and payment cycle has normalized in the Jal Jeevan Mission project? And how should we see the opportunity going ahead in this segment?

Rohan Suryavanshi: Sir, the Jal Jeevan Mission payments thankfully have come at the end of the financial year, which provided relief to all the players because they were stuck for a while and had led us for an elevated working capital cycle. Luckily, the overall working capital cycle came down by the end of financial year. We are expecting the next year's working capital cycle to also be in a similar range only.

We are looking to make improvements, but making improvements is a function of how the government payments happen, how the ordering happens, a lot of different factors working on. We're looking to make improvement. It will be in the same ballpark region. I think that should be the headline number there.

That will be in that same ballpark region, working capital cycle, which is very much where the industry is at. So, while we'll do that, even with a reducing order book and even with lower revenue numbers, the larger bit will be we'll be still reducing the debt. The stand-alone debt will keep reducing. So, the debt equity ratio will improve furthermore.

Deepak Purswani: Okay. And if you can also give the quantum of the debtors from the Jal Jeevan Mission at the end of this year?

Sanjay Kumar Bansal: Sorry, what, sir?

Deepak Purswani: Sir, if you can give the debtors outstanding for Jal Jeevan mission at the end of this year?

Rohan Suryavanshi: Let me just look into -- sir, we can take that offline. It's not -- I don't think so at the end of...

Deepak Purswani: Sure, sure. And finally, just final question from my end. In terms of the interest expenses, with the reduction in the debt, how should we look into interest expenses for FY '26?

Sanjay Kumar Bansal: So basically, for the revenue of INR8,500 crores, we are expecting interest cost around INR400 crores.

Moderator: We have a next question from the line of Prateek Bhandari AART Ventures.

Prateek Bhandari: I wanted to understand about the Siarmal coal mine. So, what I wanted to understand was once we are done with the coal production and we are able to clock that 50 million metric tons per annum, what are the further plans do we have in place? And what kind of grades of coal are we extracting from there?

Rohan Suryavanshi: Sir, what do you mean by further plans after 50 million metric tons? I'm not sure...

Prateek Bhandari: You mentioned about the coal handling plant that should be built...

Rohan Suryavanshi: Right. So, the coal handling plant construction will start within the next 2 years. Sorry, next 2 years, we'll finish that. We will keep bring that online. So all that planning for the coal handling plant is going. So that will remove the transportation that we're doing currently via trucks, and it will be done via that.

Prateek Bhandari: And what would be the estimated capex for the same?

Sanjay Kumar Bansal: So, the coal handling plant capex is around INR850 crores. And we will start constructing coal handling plant from next quarter, and it will complete in 2 years' time. So, before the scheduled completion date.

Prateek Bhandari: All right. And what kind of the grades of coal are we expecting from that Siarmal coal mine? What is the grade...

Sanjay Kumar Bansal: G11 grade coal we are expecting.

Prateek Bhandari: G11.

Sanjay Kumar Bansal: Yes.

Prateek Bhandari: Is it only the one category of grade? Or are we expecting other categories as well?

Sanjay Kumar Bansal: No, no. It is G11. The mine is G11. So, the same grade coal we are expecting.

Moderator: We have our next question from the line of Shravan Shah from Dolat Capital.

Shravan Shah: Sir, 2, 3 things. First, in terms of the remaining Alpha 10 assets that we'll be transferring. So this year would be 7 assets and the next year would be 3 assets. That's the way one can look at?

Sanjay Kumar Bansal: Shravan Ji, total transfer the money is INR550 crores. And out of that, we are expecting INR360 crores we will receive this year. And it is close to 7 assets we are expecting by March, 26% can be transferred.

Shravan Shah: Okay. Got it. And sir has mentioned that INR400 crores of DIPL debt, so that's the DBL...

Sanjay Kumar Bansal: Sorry, sir, I could not get you.

Rohan Suryavanshi: Shravan Ji, your voice is gone. Can anyone hear the voice of Shravan Ji?

Moderator: No sir. We can't hear. We will move on to the next participant. We have our next question from the line of Parikshit Kandpal from HDFC Securities.

Parikshit Kandpal: Sir, my first question is on NHAI ordering. So, when do we expect a pickup in NHAI ordering, so which quarter like first half, second half? So how do you think this year will be for NHAI ordering?

Rohan Suryavanashi: Sir, we're expecting second quarter onwards, it should pick up significantly.

Parikshit Kandpal: Second quarter. Okay. And do you think -- I mean, any sense on what kind of measures government is planning or they've already taken in terms of like the smaller players either in terms of like increasing the qualification criteria, making it more stringent. So, what do you think would change this competitive intensity in the near to midterm?

Sanjay Kumar Bansal: Parikshit Ji, basically, there are 2 parts. EPC project, the government has already taken the steps to increase the qualification criteria pre-COVID level. So, they have increased the performance guarantee requirement, the technical requirement, and they have increased in terms of the technical and financial criteria, EPC is done.

Now they are considering for HAM also in the similar way. So automatically, the unrecognized players competition from them will reduce.

Parikshit Kandpal: The other question is on the diversification beyond the existing segments. So, road has been a nonstarter for the last 2 years. Nothing much is happening there and outlook also right now looks a little uncertain given there has been no major awarding from NHAI. There has been some state awards.

I think we've not been able to get these awards from the state. So, in absence of these large segment in ordering, so what are the other segments you're looking at to mitigate the impact of slowdown in those awards?

Sanjay Kumar Bansal: So basically, you can see from our presentation, slide 7, I believe, the vertical-wise and the segment-wise order book, we expect orders from all these segments, though road is reduced, but we'll be getting the new orders from all the segments. We are continuously bidding in all the segments.

Parikshit Kandpal: Sir, anything on the T&D side or the building segment, which can add incrementally to the new order...

Sanjay Kumar Bansal: We are not looking for any building construction.

Parikshit Kandpal: And on transmission side, anything on transmission, battery storage-related HAM projects, anything on that side or solar EPC?

Sanjay Kumar Bansal: Parikshit Ji, we are looking for transmission very closely.

Parikshit Kandpal: And renewable side, so basically, the question was what could be the opportunity for us in the renewable, which seems to be a bigger theme now? And how do we want to play that theme? So either both on investment on equity side as well as on the EPC side?

Rohan Suryavanshi: Parikshit Ji, obviously, as a company now, given that we have certain -- build up certain capabilities, both in terms of equipment and manpower, we are looking at opportunities across the sector, not just the sector that we are currently doing, but even beyond that. To give you a very specific sort of idea about our strategy going forward would not be possible in that.

So those are things that the company likes to keep close to the chest. But we are looking at different, different sectors. And wherever we find an opportunity that arises at a good pricing, we will definitely be taking that.

Parikshit Kandpal: Anything being evaluated in international markets?

Rohan Suryavanshi: Yes, sir, we were evaluating international markets as well. We were evaluating a coal block in Mozambique as well. So yes, we were evaluating, we were looking at different, different opportunities in different areas. So, we are looking at different areas.

Moderator: We have our next question from the line of Aakash Raval from Buoyant Capital.

Aakash Raval: Sir, I have just one question regarding the coal MDO part. So, our execution has been very good on the coal MDO front. So, are we looking to bid for other coal MDO projects, which are there in the pipeline going forward?

Rohan Suryavanshi: Yes, sir, we are looking at bidding for more projects. Coal now is a sector that we've been involved in since almost 2016. So, it's been almost a decade that we've been doing the coal sector in some form or the other. While the MDO sector is within the last 4-5 years only that we bid and got into it.

But now that we are on track with both these mines with one being at peak capacity, other one ramping up very swiftly, we are looking at other opportunities.

Moderator: We have our next question from the line of Sanjay Parekh from Sohum Asset Managers.

Sanjay Parekh: Yes. No, so my questions were answered around the coal MDO, which my colleague asked, the new projects there, you clearly have done exceptionally well. And so that is answered. One more thing, micro is -- order book is INR3600 crores, of mining, while both the coal projects is INR2800 crores. So, the balance -- is there an external mining contract you have? And can you have more of them?

Sanjay Kumar Bansal: So sir, it is this way. There are 2 types of work we are doing, DBL is doing for the subsidiaries. One is EPC work. So Siarmal MDO involves EPC works as well. And that CHP, the coal handling plant construction work also being done by DBL. So, the INR2,800 crores, which is added is basically O&M work, the coal extraction and transportation.

Whereas if you add the EPC work, which is coal handling plant and like constructing other infrastructure for Siarmal, the total order book would be around INR3,600 crores, which is shown in the presentation.

Sanjay Parekh: Okay. Great. That's very, very clear. The second thing is INR14,923 order is executable over what period? And what part of this revenue could come in '26 and what part could come in '27?

Sanjay Kumar Bansal: So, sir, total revenue this year is planned around INR8,500 crores. And for '26, it is very early to estimate. But at the same time, our order book is around 2 to 3 years, and we will be adding new orders. So '26 will be basically from the existing order book and from the new order book.

Sanjay Parekh: Got it. Sir, just if it's possible, that of this INR14,923 crores, what is -- I mean, would it be INR7,000 crores, INR7,500 crores, which is executable this year, broadly also we'll find. Assuming -- I mean, we surely would win new orders. What I'm saying is for the current order book, what would be the executable revenue this year and next year, if possible?

Rohan Suryavanshi: Sanjay Ji, that's a very good question. Out of this order book, you can split this into 2 years. So, about INR7,000 crores of revenue should be able to come from this order book alone....

Sanjay Parekh: So very small order I understand will flow to '28. Largely, this order book will be executed in 2 years. Can we say that?

Rohan Suryavanshi: Largely, this order book is there. So, it provides us a very -- so from whatever we are targeting, almost 80% of that is like the revenue that we are targeting of, let's say, INR8,500 crores. So almost 80% of that will be coming from this order book already. So, we have taken a very conservative estimate for new orders and how much we'll be able to starting to execute.

Moderator: We have a next question from the line of Vishal Periwal from Antique Stock Broking.

Vishal Periwal: Sir, on this profitability for MDO, though you did mention like we are not sharing the numbers. But the numbers which you have shared, say, consolidated minus, if you do a stand-alone number, will that be fair to say that the remaining part is coal MDO that is running through in the business?

Sanjay Kumar Bansal: So sir, how our consol is made basically stand-alone plus HAM completed and under construction HAM plus coal. So, there is profit from completed HAM also in the consol performance. All our subsidiaries are included. So, it's not just the coal business. It's all the subsidiaries of the company are included in there.

Vishal Periwal: Okay. And will you have that number, sir? I mean what would be their revenue share on a quarterly basis or anything even on an annual basis, if you -- will that be visible? The HAM basically, the revenue?

Sanjay Kumar Bansal: So, on the yearly basis, both the coal MDO were around INR265 crores profit and balance is from the under construction and completed HAM and other subsidiaries.

Vishal Periwal: Okay. Okay. So, coal MDO is INR265 crores at a PAT level.

Sanjay Kumar Bansal: Sorry, sir, can you come again?

Vishal Periwal: No, sorry, I just missed -- you mentioned INR265 crores is what number, sir?

Sanjay Kumar Bansal: Yes, INR265 crores from the coal MDO for this year.

Vishal Periwal: MDO. Okay. Got it. And then from a revenue front, I think though in the PPT, we have mentioned like the total revenue which one can get from, say, Pachhwara and that other block and then the total coal, which can be evacuated. So, in terms of rupees per ton, will that be a fair number to take when we are coming to an annual sort of revenue for next year or maybe like this year?

Rohan Suryavanshi: Sir, would you mind repeating the question again, please?

Vishal Periwal: Okay. Sorry. Yes, I'll just repeat. So, I think in the presentation, we have given 2, 3 numbers in terms of like total revenue, which these mines will give us over a period of next 10-15-odd years and also the total coal that we can extract from these mines. So basically, on that metrics, can we just work on that realization part and then we can come to our revenue for FY '25 and '26 number.

So the reason I'm asking is like is there any escalation which has been there, which we have built in to come to that consol revenue, which is we have given in the PPT for the coal MDO?

Rohan Suryavanshi: Sir, the total revenue, MDO business revenue that we have given in the presentation, basically, it's a calculation of the total coal reserves that the company has to extract, the balance the order book that is left at the current prices. So, we have taken it at the current pricing, like, let's say, the government is paying us x rupees per ton.

We have done that into a direct multiplication of all the tons that we are able to extract throughout the life of the agreementso without any inflation. So, this is a non-inflated number that we've done, including inflation index that will increase very significantly.

So, this is a non-inflation index number that we've kind of given just to give you an idea of the size of the business. So, it's a basic multiplication of total reserves that we still have to extract into current price.

Moderator: We have a follow-up question from the line of Shravan Shah from Dolat Capital.

Shravan Shah: Sir, is it now possible that we have shared this INR265 crores PAT for MDO business for FY '25? Is it possible to share the revenue and EBITDA?

Rohan Suryavanshi: Shravan Ji, that number will be coming in our balance sheet number when the consol balance sheet number comes for this year, which is how that was kind of shared. Future numbers, we won't be able to share at this juncture. Whatever that comes in future, you will see the balance sheet. So, FY '25, you can see right now what is there.

Shravan Shah: So, I was asking on FY '25, what's the MDO revenue and EBITDA in FY '25?

Sanjay Kumar Bansal: Sir, basically, I have given you the PAT number. So you are wanting the different, different EBITDA from all the subsidiary would be very difficult. So, we will submit the audited accounts and we'll upload on the website. So please refer there once it is approved by the shareholders.

Shravan Shah: Okay. Got it. Second, just wanted to clarification DBL Infra debt as on March is INR400 crores?

Sanjay Kumar Bansal: Sir, it was INR484 crores. And within this year, means April, we paid around INR120 crores. So, balance debt is INR366 crores precisely.

Shravan Shah: Okay. And we are planning to repay in this year itself?

Sanjay Kumar Bansal: Yes, yes. We are planning to repay entire debt of DIPL this year.

Shravan Shah: Okay. And sir, this other income of INR74-odd crores in FY '25, how much is the Shrem InvIT dividend or distribution?

Sanjay Kumar Bansal: So basically, please refer our discussion in previous floor, we said the Shrem InvIT distribution is two-third, one-third. So, one-third is the capital return, and two-third is interest and dividend. So total around INR120 crores we received. So, you can say the same ratio.

But the distribution we are receiving in 2 places, one DBL and DIPL level. So, the ratio will remain same.

Moderator: Ladies and gentlemen, this would be the last question for today. And I now hand the conference over to the management for closing comments.

Rohan Suryavanshi: Well, on behalf of everyone here at DBL, we'd like to thank all the participants who came down. And I wish a great next financial year for all of you guys. And we hope these turbulent times that we're seeing in the external environment cease through. So, be safe and keep your family safe, and we look forward to seeing you in the next quarter call. And if there is any more questions and concerns and doubts, please feel free to reach out to our team. Thank you.

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