

Ref. No.: NCCL/Reg.30/Transcript

Date : November 12, 2025

National Stock Exchange of India Ltd

Exchange Plaza, C-1, Block G

Bandra – Kurla Complex, Bandra (E)

Mumbai - 400 051

Symbol: NCC

BSE Limited

Phiroze Jeejeebhoy Towers

Dalal Street, Fort

Mumbai – 400 001

Code: 500294

Dear Sir,

Sub: Submission of Transcript of the audio conference call held on November 7, 2025

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the transcript of the earnings audio conference call held on November 7, 2025, with analysts discussing the performance & financial results of Q2 of the FY 2025-26. The transcript is also available on the Company's website at <https://www.ncclimited.com/analyst-column.html>

Kindly take the above on record.

Thanking you,

Yours faithfully

For NCC Limited

Sisir K Mishra

Company Secretary

Encl: as above



“NCC Limited
Q2 FY26 Earnings Conference Call”
November 07, 2025



MANAGEMENT: **MR. R.S. RAJU – DIRECTOR OF PROJECTS – NCC LIMITED**
MR. SANJAY PUSARLA – EXECUTIVE VICE PRESIDENT – FINANCE AND ACCOUNTS AND CHIEF FINANCIAL OFFICER – NCC LIMITED
MR. NEERAD SHARMA – HEAD STRATEGY AND INVESTOR RELATIONS – NCC LIMITED

MODERATOR: **MR. VAIBHAV SHAH -- JM FINANCIAL INSTITUTIONAL SECURITIES LIMITED**

Moderator: Ladies and gentlemen, good day, and welcome to the NCC Limited Q2 FY '26 Earnings Conference Call hosted by JM Financial Institutional Securities 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 touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Vaibhav Shah from JM Financial Institutional Securities Limited. Thank you, and over to you, sir.

Vaibhav Shah: Thank you. On behalf of JM Financial, I welcome everybody to Q2 FY '26 earnings conference call of NCC Limited. We have from the management, Shri R.S. Raju, Director of Projects; Shri Sanjay Pusarla, Executive Vice President, Finance and Accounts; and Shri Neerad Sharma, Head Strategy and Investor Relations.

Now I hand over the call to the management for their opening remarks, followed by Q&A session. Over to you, sir.

Neerad Sharma: Hi. Good morning, everyone. This is Neerad. It gives me great pleasure to welcome you all to our earnings call for the second quarter of the financial year '25-'26. At the very outset, I would like to thank each of you for joining this interactive session and for your continued interest and trust in NCC. I have with me my colleagues, Mr. R.S. Raju, Director, Projects; Mr. Sanjay Pusarla, our CFO.

Yesterday, we announced our unaudited financial results for second quarter of the current financial year, which have been uploaded on our website and shared with the stock exchanges. We believe you have had the opportunity to review the financial statements and the investors presentation.

Before we begin, I would like to draw your attention to the standard disclaimer, which is also available in the investor presentation. This presentation may contain certain forward-looking statements concerning NCC's future business prospects and profitability, which are subject to several risks and uncertainties. The actual results could materially differ from those indicated in such forward-looking statements.

This interaction is broadly divided into 3 parts. I will first present a brief overview of the business environment, operational highlights and our outlook for the remaining part of the financial year. In the second part, our CFO will cover the financial performance for the second quarter. In the last part, we will take up your questions and clarifications.

Due to the challenging external business environment and elongated payment cycles, we have decided to withdraw the guidance for the financial year '26 and will be able to share any update by March '26.

As of 30th September '25, our order book stands at INR71,957 crores compared to INR7,087 crores at the end of the previous quarter. During the quarter, we booked new orders worth INR6,223 crores, which is mainly from Buildings, Water and Irrigation divisions. In the second

quarter of the FY '26, the company has reported a turnover of INR4,585 crores as against INR5,224 crores in the corresponding quarter of the previous year. The EBITDA margin stood at 8.7% on a consol basis.

For the first half of FY '26, the company achieved a cumulative turnover of INR9,793 crores compared to INR10,782 crores in the same period last year. The cumulative order inflow for H1 FY '26 stood at INR9,881 crores. Now I will break down the order book segment-wise as of second quarter.

The order book in the Building division stands at INR22,492 crores, which is about 31% of the total order book. The Transportation division has an order book of INR17,361 crores, which is about 24% of the order book. The order book in the Electrical division stands at INR15,013 crores, which is 21% of the total order book.

The Water and Railway division holds INR7,553 crores, which is about 10% of the total order book. The Irrigation division has INR5,394 crores, which is about 7% of the total order book. The Mining division order book stands at INR4,137 crores, which is about 6% of the total order book.

Now I will hand over to Mr. Sanjay Pusarla with a request to take us through the detailed financial performance of the company. Over to you.

Sanjay Pusarla:

Good morning, ladies and gentlemen. This is Sanjay Pusarla, CFO from NCC Limited. I'm pleased to announce the financial results of Q2 of FY '26 of NCC Limited. My announcement will be in the sequence of order book, revenue, profitability, debt movement and some of the important balance sheet items. To start with order book.

Our order book stands at INR71,957 crores at the end of September '25. You are aware the order book at the beginning of the year is INR71,568 crores. Orders received in Q2 is INR6,223 crores. And cumulatively, as Mr. Neerad said, we have received orders, including the orders in the month of October stands at INR17,420 crores. So the order book of INR71,957 crores includes stand-alone order book of INR64,326 crores and INR7,632 crores of the subsidiaries.

Coming to the revenue. Turnover reported in Q2 of FY '26 is INR3,774 crores as against turnover of INR4,480 crores in the corresponding quarter of the previous year, which was a decline of 16% at the stand-alone level. When it comes to 6 months, the turnover for Q2 for the H1 of FY '26 is INR8,204 crores as against INR9,227 crores, which was a decline of only 11% at the consolidated level.

The turnover reported in Q2 FY '26 is INR4,585 crores as against the turnover of INR5,224 crores in the corresponding quarter of the previous year, a decline of 12%. When it comes to 6 months for the H1 of FY '26, it is INR9,793 crores as against INR10,783 crores shows a decline of 9%.

Let's get into the profitability. At the stand-alone level, we achieved EBITDA of 7.45% for Q2 as against 9.03% of the corresponding quarter of the previous year. PBT, we achieved 3.1% and

PAT we achieved 2.68% in the current quarter, that is Q2 FY '26 as against PBT of 4.86% and PAT of 3.58% reported in corresponding quarter of the previous year.

At consolidated level, we achieved EBITDA of 8.66% and PBT of 4.51% and PAT of 3.37% in the current quarter as against EBITDA of 8.52%, PBT of 4.79% and PAT of 3.12% reported in the corresponding quarter of the previous year. Let's get into the debt movement.

The debt at the beginning of the quarter stood at INR1,852 crores and net debt after cash and cash equivalents is INR1,497 crores. At the end of quarter 2 FY '26, it stood at INR2,115 crores and net debt of INR1,890 crores. And at the end of Q2 FY '25, the same is INR1,773 crores and net debt of INR1,624 crores. There is an increase in debt by INR263 crores. The debt-equity ratio stands at 0.28 at the end of Q2 FY '26 as against 0.25 at the end of Q2 FY '25. And beginning of this year, it was 0.20.

So coming to the working capital, excluding cash and margin money deposits. At the end of Q2 FY '26, it stands at INR5,406 crores, which is 33% of the turnover. In terms of working capital days, it is 110 days. Debtors outstanding at the end of Q2 has decreased from INR3,296 crores to INR3,277 crores and the number of days increased from 77 to 78 days in the current quarter. It is 65 days for the corresponding period of the -- corresponding quarter of the previous year.

Coming to unbilled revenue. It stands at INR6,662 crores, which is 41% up for Q2 as against INR5,937 crores at Q4 of the last year. Retention money stands at INR1,993 crores for Q2 as against INR1,870 crores at the beginning of the year.

Coming to the mobilization advances. Advances stood at INR2,961 crores as at the end of September '25 as against INR2,944 crores as at the end of June, a net increase of about INR17 crores. Of these mobilized advances, 63% are interest-bearing and the average interest comes to around 9.17% and interest-bearing advances decreased from 79% to 63% during the half year.

Cash and cash equivalents, it is INR224 crores as on 30th September '25 and INR355 crores as at the end of June '25. Margin money deposits, INR671 crores at the end of September and same is the number at the end of June '25 also.

Coming to the capex. We have incurred a capex of INR77 crores in Q2 and cumulatively, we incurred INR169 crores for the first half of '26 as against the budgeted capex of INR1,050 crores for the regular projects. Earlier -- in the earlier call, we said the INR750 crores is the capex, but the capex now revised to INR1,050 crores.

Coming to the investor-related ratios. The ROCE stands at 9.82 as against 14.61 at end of February -- financial year '25 end. Return on net worth is 9.53 as against 14.43. EPS stands at INR1.61 as at the end of Q2 FY '26 as against INR2.55 for the corresponding quarter. Inventory stood at INR1,725 crores as at end of September. The investments are INR1,191 crores as at the end of September.

With this, I conclude my results announcement. Thank you. Over to Neerad.

Neerad Sharma:

Yes, Mr. Vaibhav.

Vaibhav Shah: Yes, sir. We can start the Q&A.

Neerad Sharma: We can start the question-and-answer session now.

Moderator: We will now begin the question-and-answer session. The first question is from the line of Mohit from ICICI Securities.

Mohit Kumar: My question is, what exactly has changed compared to the last quarter that you have dropped the guidance despite having very large order book. Is it that the work has not started for a very significant part of the order book and you're finding it difficult to book revenues?

Sanjay Pusarla: It is very clear, sir. Even Mr. Neerad has covered in his initial opening remarks. There is unprecedented rains that happened in the Q2. In addition to that, there were elongated payment cycle. These are the 2 main reasons which has caused a drop in the turnover. And nothing else than that. And order book is strong, and we are able to execute, and we are positive in the coming quarters.

Neerad Sharma: The other thing is -- yes, Mr. Mohit, please continue.

Mohit Kumar: So my question is why drop the guidance? Why not give some guidance for the H2 and something like? Is it possible to have 5% growth in the entire fiscal compared to F '25?

Neerad Sharma: This is the decision of the management. So this decision...

Sanjay Pusarla: No, at the moment, it is very difficult to predict because considering the situation, it is very difficult to predict what is going to happen. That is the reason even Mr. Neerad said at the end of the year, we'll be able to give a concrete picture.

Mohit Kumar: Understood, sir. And are we seeing a recovery now, sir, as you're already in the midst of Q3, middle of Q3. So are you seeing a recovery some sort of which can help us post a better number compared to last year -- last year H2?

Neerad Sharma : We have already shared with you, Mr. Mohit, that we will update you, give us some time. We will update you by end of March, we will have more clarity, and I hope the situation improves, then we should be in a position to talk about this.

Mohit Kumar: Understood, sir. And sir, how is the order inflow environment? Are you seeing the weakness also percolating to the ordering environment in general?

Neerad Sharma : I mean ordering, if you really see the number of orders that we have bagged as today, this continues to be healthy in line with what we had anticipated. And as we speak, we already have as of today, INR17,420 crore orders. So I mean we -- the order inflow is moving in line with our anticipation.

Mohit Kumar: Understood, sir. Thank you very much and All the best.

Moderator: The next question is from the line of Shravan Shah from Dolat Capital.

- Shravan Shah:** I understand that we withdraw the revenue guidance, but still trying to understand further in which segment. So broadly, if I look at the numbers, it seems that the Building and Water segment, we have seen a decent degrowth, where particularly the Building segment, which is in terms of order book, if you look at even for last 3, 4 quarters also, it is in the similar line.
- So not able to understand is it that there, again, we are facing major issues apart from whatever the recent projects that we have bagged in last 6 to 9 months, there obviously, it seems that the execution has not picked up. But still not able to understand why we are withdrawing the revenue guidance?
- Neerad Sharma:** Yes. Let me -- I think my colleague, Mr. Pusarla, has already answered this question, but let me try to reiterate. Firstly, what we have seen is in the second quarter, we have had extended and aggressive sort of monsoon. So some of the projects got impacted. The second one is some of the projects that we had anticipated would pick up pace in this quarter has not happened. Some of the permission, some of the ROWs, they have delayed the start of those projects.
- The third and important reason is we have -- I have already talked about this at the very outset. We have noticed elongated payment cycle. The clients are not able to make the stipulated payments on time. So these are the 3 important factors that has sort of convinced us to revisit the guidance. And we believe that in the fitness of things, it is always better to communicate openly with the market. So this is what we have done.
- Shravan Shah:** Okay. Got it. Second, in terms of the margin also, so there previously, we are looking at 9%. So already in 1H, we are 8.3%. So there still one can see the similar 8%, 8.5% in the second half or there is a possibility that we can even have a 9% in the second half EBITDA margin?
- Neerad Sharma:** Mr. Shah, it is very difficult to say. When we say that we have withdrawn the guidance, we have withdrawn the guidance, right? It is very difficult to anticipate. If it was possible, I mean, we would have shared that number with you. But we will revisit all these things and come back to you by March.
- Sanjay Pusarla:** But one thing is that we are very near to whatever lower band we have given. And it depends on how it will move in Q3, okay? If you see that the turnover revenue was low in the first half. And when the turnover is low, obviously, it is understood that absorbing the fixed cost will be low. So depending on the turnover, depending on the situation that improvement that will happen in Q3, we may reach the lower guidance.
- Shravan Shah:** So lower guidance is the 9% or what's the lower guidance?
- Sanjay Pusarla:** It is 9%.
- Shravan Shah:** Okay. And is it even to some extent with some probability this third quarter till now whatever the October and November 7, we are here, still we are seeing the degrowth kind of on the execution front? Or are we -- have we seen the improvement? A broader sense, I understand we have withdrawn the guidance because now it is becoming a very, very difficult. So that's what I'm trying to understand.

Sanjay Pusarla: No, I think Mr. Neerad has sufficiently answered on this. He has told very clearly that we'll be able to help you out maybe over the year-end.

Shravan Shah: Okay. Got it. So -- and on the finance cost front and the data points on the loans and -- to subsidiary and associates. So if you can share the number there? And finance cost, will it remain in the similar the current run rate quarterly?

Sanjay Pusarla: It has gone down.

Shravan Shah: Yes. It is 4.3% down in 1H. So the similar INR150-odd crores quarterly will remain for next 2 quarters?

Sanjay Pusarla: It is like this. If you see the finance cost, it is 3.25%. So it will be in the similar lines.

Neerad Sharma: Hopefully.

Sanjay Pusarla: Hopefully, it will be on the similar lines.

Shravan Shah: Got it. And on the data point on the investment -- total investment in subsidiaries and associates, if you can spell also break it into the loans to subsidiary and associates.

Sanjay Pusarla: Investments into subsidiaries INR1,191 crores and loans to the group companies INR179 crores.

Shravan Shah: INR179 crores?

Sanjay Pusarla: Yes.

Shravan Shah: Okay. So it seems there is a significant repayment on the loan front would have happened from INR452-odd crores, which was the number from March to INR179 crores.

Sanjay Pusarla: No, this is other body corporate, which is Vizag Urban, which is there. That was not part of this number what I told you. That number was INR391 crores.

Shravan Shah: Got it. And lastly, on the JJM payment, so last time we said INR1,700-odd crore kind of a receivable were there. So have you seen some payment coming in or still the debtors are at INR1,700-odd crores?

Sanjay Pusarla: Some traction is happening, but it is very, quite confidential to reveal anything about client information today given the situation. So it is moving, there's some traction is happening.

Shravan Shah: Thank You.

Moderator: The next question is from the line of Parikshit Kandpal from HDFC Securities.

Parikshit Kandpal: First question is in the last call, you had said that almost INR28,000 crores of the orders yet to receive the notice to proceed. So out of the current order book, the work has not started on what quantum of the orders?

- Sanjay Pusarla:** It is like this. Last time we said INR28,000 proceed to work that was orders received in the month of March. That is the reason it was told that orders had to be started for execution. So same is the case even the orders which have come in March '25. Generally, what happens, you will have a mobilization period, one. Second thing, you will have a design clearances that are required to be done and also the clearances which are required to start the work at the work front.
- These are all the things which generally take 5 to 6 months, it will take. So now all those orders, which have come in the month of March '25 will start getting executed maybe in Q3 and Q4.
- Parikshit Kandpal:** Okay. The second question is again the continuation of the same. So besides these INR28,000 crores of orders of the order book, are there any orders where -- if you can quantify where the approvals like NGT or environmental issues or other approvals have not come in from the statutory bodies and we have not been able to execute. So is there any other -- any further pipeline of orders beyond the INR28,000 crores or that is included in INR28,000 crores?
- Sanjay Pusarla:** No, INR28,000 crores is not that it was held back because of some clearances or NGT order or other things. Those orders that have come in the month of March at the fag end of the last year. So that was the reason the execution getting happening only maybe in Q3 and Q4.
- And the second question, you're asking that as at the moment, are there any orders which have been stalled because of these reasons. At the moment, there are no orders which have been hampered because of this.
- Parikshit Kandpal:** Okay. Now on the building side, sir, I mean, when we look at the other developers of the players, we have seen very strong build-out in the private sector building orders, especially on the residential side. So I just want to understand how is your thought process on the private building orders on the resi side? Are we bidding there? Are we do we have order books there? And what's the outlook on that segment beyond the government buildings, which we typically do?
- Neerad Sharma:** Yes. Mr. Kandpal, we are actively looking at the private capital development space as well. And we do have some projects from the private sector as well.
- Parikshit Kandpal:** Private residential, I'm talking about, sir. So private residential sector, I'm talking about players like...
- Neerad Sharma:** A couple of them, a couple of projects we have for the private developers.
- Parikshit Kandpal:** Okay. And just lastly, on the JJM outstanding receivables, which was INR1,700 crores last quarter. So what's the number now? And what would be overdue beyond 6 months here where you would have like -- should have come. So I just want to understand on the debt side, if these numbers would have come in, so what our debt would have been?
- Sanjay Pusarla:** It is almost similar to those numbers, okay? There are -- we are waiting for some certifications from them. Once the certifications happen, the money flow also will happen. It's almost on the similar lines.

- Parikshit Kandpal:** How much is overdue on this? I wanted to know that if the timely payments that have come in, so...
- Sanjay Pusarla:** Generally, this is a running bill contract. So what happens in the construction contract, they keep on paying. And if you go on existing on first in, first out basis, generally, the outstanding will be well within the limits.
- Parikshit Kandpal:** I'm saying, sir, how much of this INR1,700 crores is overdue right now beyond 6 months, I mean, which should have come in. So I understand that last time we had INR4,000 crores of order backlog from JJM and we were planning to execute this entirely in this year. So against that INR4,000 crores of pending, how much should have been the working capital or the debtor is outstanding? It was more generalized basis rather than being overdue right now?
- Sanjay Pusarla:** Yes. So the order -- let me give you some picture on this Jal Jeevan projects. We have about INR7,000 crores of order pending to be executed, okay? Then that is a number that includes not only the projects of UP, the projects which are there in other states also, which are under the same mission. So INR9,000 crores is the -- INR7,000 crores is the order book that need to be executed.
- And as far as the receivables are concerned, it is also in the similar range as like what we said at INR1,700 crores. It is in the similar range.. We are also expecting some payments to happen in this month, maybe month end or so or maybe the first week of -- first fortnight of December, we are expecting. Once these things are coming, probably the improvement will be there in all these cases.
- Parikshit Kandpal:** My question was, sir, out of this INR1,700 crores, how much is overdue. I mean client -- because of the delay, the client is not paying. So the receivable collection would have passed from the deadline, which was originally supposed to happen. So how much is the overdue in this INR1,700 crores?
- Sanjay Pusarla:** There is no overdue as such because last time we said INR1,700 crores, even now also the same level. But we used to keep billing and we are getting money also. The money is getting churned and the outstandings will become latest. It's not the overdue.
- Parikshit Kandpal:** Okay. Okay. So let me put it another way. What is the revenue from JJM in this quarter, sir, in Q2?
- Sanjay Pusarla:** In Q2?
- Parikshit Kandpal:** Yes.
- Sanjay Pusarla:** INR1,000 crores. So it was up to H1, it was INR1,082 crores. And if you take Q2, it will be around INR600 crores.
- Parikshit Kandpal:** So you have collected INR600 crores in Q2 from the government?
- Sanjay Pusarla:** It is about that money only, near to that.

- Parikshit Kandpal:** Okay Understood. Thank you.
- Moderator:** The next question is from the line of Ashish Shah from HDFC Mutual Fund.
- Ashish Shah:** Sir, just wanted to dwell a little bit more upon
- Moderator:** I'm sorry to interrupt in between. Your voice is not audible.
- Ashish Shah:** Yes, is it better now? Yes. So sir, what I wanted to probably understand a bit, you said that there is obviously the heavy rain impact and there is elongated payment cycles. Now you just mentioned to the previous participant question that you've done about close to INR600 crores in JJM in the second quarter.
- So is that what you're primarily referring to by saying that because of elongated payment cycles, you have not been able to execute? Or are there other areas, other sectors or other projects where also you're not able to execute because of this payment cycle?
- Sanjay Pusarla:** I think we need to give a little elaborate reply on this. So like if you see in other states, like in AP, you have got heavy rains, which are even continuing even today. In Maharashtra, you have got heavy rains. In Karnataka, you have got heavy rains, which are unprecedented, unexpected rainfall was there in this year. And UP, same thing.
- So considering all these things, the impact is there. It is not only the UP projects. It is also the projects which are being executed in other states because of these rains, heavy rains. If you see the rains, which were unprecedented and if you see the rains in south, like in Karnataka or in Andhra Pradesh, the rains were so heavy that it was never expected, maybe the heaviest rainfall. And even beyond the season, the rains are happening. So that is the reason why there was a reduction in the execution.
- Ashish Shah:** Understood. On the rain part, it is understood, sir. What I'm also saying is in terms of slow payment cycles, it is obvious that Jal Jeevan is moving slower. Besides the Jal Jeevan, is there any specific thing that you want to highlight where the payments are probably slower than expected, hence, you're not able to execute as much as you would have liked?
- Sanjay Pusarla:** No, sir. It was only those payments which are related to the water project. But otherwise, we are okay with all other areas.
- Ashish Shah:** Okay. So just hypothetically, if -- as you are saying by the end of November or December, if some of the payment issues are getting resolved, there should not be other constraints according to you apart from what we've already discussed, okay?
- Sanjay Pusarla:** You are right.
- Ashish Shah:** Okay. The other thing, sir, is you said INR7,000 crores is the total JJM. How much of that is UP?
- Sanjay Pusarla:** You see right now, I don't think I have right on my hand, 1 minute. It is INR3,840 crores.

- Ashish Shah:** Okay. And the rest is primarily which other state besides UP?
- Sanjay Pusarla:** It is Odisha is there, Jharkhand is there and Karnataka is there.
- Ashish Shah:** Understood. The other thing, sir, is in terms of capex, we just mentioned that we've increased our capex outlook from INR750 crores earlier to INR1,050 crores. On what is this account, sir?
- Sanjay Pusarla:** We have received one major order in the mining in the month of October, okay? So for that, we have not envisaged before. So that is the reason we have increased the capex from INR750 crores to INR1,050 crores.
- Neerad Sharma:** Mr. Shah, it's a large order. It's a large order of INR6,800-odd crores. So that is the reason we need to incur that capex for this specific project. So that is the reason we have decided to increase the capex.
- Ashish Shah:** Understood. And as I understand, this is like a development order. Am I audible, sir?
- Moderator:** Ladies and gentlemen, the lines of the management has been connected. Thank you and over to you, sir.
- Neerad Sharma:** Yes. We can start.
- Ashish Shah:** Can I continue, sir? My other thing -- this is Ashish here. So my other question is that if I look at the numbers in terms of stand-alone and consol, this time, there is about INR50 crores incremental profit coming in consol accounts from stand-alone. Can you just broadly break it up from where is this coming? And is there any one-off there? Also, where are we capturing the value of the smart metering projects in Maharashtra? Is that getting captured in consol or in stand-alone? That's all from my side.
- Sanjay Pusarla:** So the profit increase in -- one second. So the profit is coming from subsidiaries like Pachhwara Coal Mining, Urban and also on the smart meters. And as far as your question for smart meters are concerned, the execution is happening at NCC level as an EPC contractor. And the profit is captured partly at the SPV level and also at the NCC level.
- Ashish Shah:** Okay Understood. Thank you.
- Moderator:** The next question is from the line of Parvez Qazi from Nuvama Group.
- Parvez Qazi:** So 2 questions from my side. We have already won about INR17,000-odd crores orders till October. In addition to that, do we have any other L1 projects currently?
- Neerad Sharma:** The value would be about INR1,000 crores to INR1,500 crores. What is your second question, Mr. Qazi?
- Parvez Qazi:** Also did I get it correctly that you said that the payment issues that we are facing are largely there only in the Water segment and in other segments, I mean, there are not really any great payment issues. Is that correct?

Sanjay Pusarla: Yes. Yes. You heard rightly.

Parvez Qazi: Okay. So then the related question is, I mean, of our overall order book, ultimately, the water projects are only around -- or projects where we are facing payment issues are maybe only around 10% of the order book. So if we remove that, then let's say, what are the kind of projects where work is yet to start because maybe we got them only towards March or so. In other words, what I want to ask is what is the current executable order book where work is already underway?

Sanjay Pusarla: So the entire order book is executable, okay? One thing is that about INR7,000 crores orders, which we talked about on the water projects. The second question is that some of the projects like tunnel project, which we are executing in Mumbai and also the coastal road project, which is being executed in Mumbai. These 2 are the projects where we require lots of clearances and all those clearances are now in place.

So even those projects also, which were not being moving in the last 2, 3 quarters, I think those projects also will start moving now. Rest of the projects, we are able to move. There is absolutely no problem. And those projects which have been awarded in the first and second quarters, maybe those projects will get start producing the revenue maybe in the Q4 onwards.

Parvez Qazi: Sure, Thanks and All the Best.

Moderator: The next question is from the line of Vaibhav Shah from JM Financial Institutional Securities Limited.

Vaibhav Shah: Yes. Sir, have we made any investment in smart meters in the second quarter?

Sanjay Pusarla: Yes, we have about INR230 crores of investment in...

Neerad Sharma: This year, we have made investment of in the first -- in H1 about INR140 crores. The last year, we had made about INR70 crores. So total, if you add this up, it would be close to INR210 crores.

Vaibhav Shah: And what would be the numbering...

Neerad Sharma: The numbering means?

Vaibhav Shah: Number of -- the total investment...

Neerad Sharma: Hello?

Vaibhav Shah: You have invested INR140 crores in the first half. What would be the number in second quarter?

Neerad Sharma: Your voice is not clear.

Vaibhav Shah: Sir, I mean in the first half, it is INR140 crores. So what is the number in the second quarter?

Neerad Sharma: Second quarter number?

Sanjay Pusarla: Second quarter, you mean to say investment?

- Vaibhav Shah:** Yes. Second quarter investment in smart meters.
- Sanjay Pusarla:** Yes, it was INR230 crores. In the first quarter, it was INR70 crores. The total investment what we have made so far is INR300 crores. The INR70 crores was up to March '25.
- Neerad Sharma:** Last year.
- Sanjay Pusarla:** And in the current half year, we have invested INR230 crores. The total investment that has gone into the smart meters till now is INR300 crores.
- Vaibhav Shah:** Okay. Fine. Sir, secondly, what would be our AP receivables?
- Sanjay Pusarla:** AP receivables as on date, they are very live because all the projects we started executing and whatever projects we are executing and billing, we are getting the money in time.
- Vaibhav Shah:** Okay. And sir, what is our current bid pipeline?
- Neerad Sharma:** We have already shared the number at the start of the -- we continue to see a very healthy prospective project pipeline. It would be about INR2,50,000 crores.
- Vaibhav Shah:** Okay. And sir, lastly, on the Vizag land deal, so what would be the outstanding loan to be recovered? And have we received any money this year?
- Neerad Sharma:** INR391 crores.
- Vaibhav Shah:** Okay. And have we received anything in first half?
- Sanjay Pusarla:** No, we have not received anything in the first half, expecting in the second half.
- Vaibhav Shah:** So what are you targeting to -- so what do we expect to receive in this year and next year?
- Sanjay Pusarla:** This year, we expect to receive as per the agreement about INR80 crores -- INR120 crores, sorry, INR120 crores.
- Vaibhav Shah:** And the remainder amount.
- Sanjay Pusarla:** Subsequent period.
- Neerad Sharma:** Next 2 years.
- Sanjay Pusarla:** 1.5 years. Yes.
- Vaibhav Shah:** Thank you.
- Moderator:** The next question is from the line of Darshil Javeri from Crown Capital.
- Darshil Javeri:** So sorry if my question feels a bit repetitive, but I think it's a bit in line with earlier participants. So just wanted to know, sir, like H2 is usually the better half execution, and I think rain has died

down in most of the parts of the country. So can we at least be able to deliver similar performance to last year H2?

Neerad Sharma: We have already answered that question that we have withdrawn the guidance. So it is not prudent to talk about H2. We will come back to you and update in the March '26.

Darshil Javeri: Okay. Okay. Fair enough, sir. But even if some kind of qualitative statement like how the work is going now better or that would just give us some kind of color, sir.

Neerad Sharma: We hope things to improve by -- on the basis of the media reports, it looks like that monsoon is already retreating and things should improve going forward.

Darshil Javeri: Okay. Very fair. Okay. And sir, I just want to know like we have been able to receive a lot of good set of orders. So how do we look at like next year? I know we're going to give a firm guidance. But in general, like our order inflow, at least that's nearly stacking up to the guidance that we've given. So how do we look at that right now? Like that will help us execute much better in the next year? Is that a fair assumption, sir?

Neerad Sharma: See, most of the orders that we generally bag will have some kind of time gestation period to report for the revenues. And all these projects that we have recently bagged will have different contractual milestones, different kind of prevailing conditions like permissions, ROWs. So it is not helpful really to generalize that. But depending on the situation, we should be able to make good progress. And for the future, we will come back to you and hopefully talk about how are we really looking at the future.

Darshil Javeri: Okay, Thank you.

Moderator: The next question is from the line of Saket Kapoor from Kapoor Co.

Saket Kapoor: Sir, we can understand for the reasons mentioned by you and our learned team that we are withdrawing the guidance and we are not in a position to guide about growth. But sir, as earlier participant and every participants have put forward that request that during the normal course of business, now set aside the monsoon impact and set aside the receivable passing on account of receivables, our debt has already gone up.

So if there is another 3 months that goes without any further movement in the same, how -- what has the company planned be to prepare to be -- to continue with the execution, number one point. And number two is in terms of the order intake, how will this affect even the order intake going ahead? How will this mismatch of the receivable days and the receivable amount will lead to affecting the prospective business going ahead?

Neerad Sharma: What is your question, Mr. Kapoor. The first question is about the...

Saket Kapoor: Sir, I just re-frame it once again. Sir, we are an engineering company, construction company. So there must be a normal course of business plan that we have set aside the growth number, what we have, what we were guided earlier, what we'll execute. But there is some normal business

activity that will go ahead irrespective of the receivable issue, irrespective of the monsoon impact.

So monsoon impact have receded or will muted by another 15 days. Receivable may or may not be achieved during the course of the business. So we as investor would like to understand what is the plan we have in terms of the execution going ahead if the receivables issue still persist going ahead? That is what my question is.

Neerad Sharma:

Mr. Kapoor, I mean, we don't only look at the revenue growth as a prudent measure, we also try to limit or try to look at the working capital that we commit for all the businesses. So that is also an important factor for us. If all the payments are not coming, there is no way we can continue to invest, borrow and invest, right? As an investor, that is in your ultimate interest. So we do have all those measures in place.

Sanjay Pusarla:

But I need to add something more to this. I just want to tell you that the projects which are being executed other than those projects where the receivables are held up, we have no problem in receiving the money. So as it is the project execution will continue to happen.

And we expect that the clients also continue to release the payments, except maybe in a few cases where there may be elongated payments. But other cases, we are even seeing them that they are releasing the payments on time. So we expect that in the normal course of business, it should happen.

Saket Kapoor:

Right, sir. Only the point I'm trying to make myself and the other people understand is if that is the case, set aside the slow-moving orders or the higher -- the elongated days of receivables, we have that understanding of how H2 will shape up.

So why is the management deferring to give some color to how the execution will be and will be speaking only in March. This has not been the case earlier in my recent memory. So that was the reason I'm asking the question. Even if we set aside the issues with the orders, we have a huge order book even excluding the one that is affected.

So as Neeradji, Neerad, sir itself mentioned that we will not be progressing in case the receivables remain elongated for further. And then you are also particularly with the fact that other orders are moving good and we are getting the payment on time. So then what stops us from giving us at least a picture of how H2 will look? That was my question, sir, question, and that's all.

Sanjay Pusarla:

I think we were discussing on about water projects where we said the order book at the beginning of the year was about INR8,000 crores and about INR1,000 crores were executed in H1, right? About INR7,000 crores is a big number, a tall number, okay, which a substantial portion is expected to be executed in the current financial year.

So if elongated payments are there in a particular segment, definitely, it will impact. And today, we are not in a position to predict and anticipate what will happen in the near future for those cases. That is the reason we are very optimistic that -- and we have given our withdrawal of the guidance.

Saket Kapoor: Okay Sir, Thank you. But it is not clear to me. We are only being hopeful now.

Moderator: The next question is from the line of Shubham Shelar from Antique Stock Broking Limited. Sorry to interrupt. Your voice is not audible to us.

Shubham Shelar: Yes. Sir, in terms of our earlier guidance, I mean, 10%-odd revenue growth, so what was -- I mean, like we were pitching for the JJM work that INR8,000 crore order book will fall to what level if we don't receive any orders in FY '26?

Neerad Sharma: Could you please repeat your question?

Shubham Shelar: I'll just rephrase it, sir. Sir, in terms of our JJM order book, what was our earlier thought process of executing this INR8,000-odd crores...

Moderator: I'm sorry to interrupt again. Mr. Shubham, your voice is breaking in between.

Neerad Sharma: Your voice is not very clear, Mr. Shubham.

Shubham Shelar: Yes. Sir, is it better now?

Neerad Sharma: Yes. Please ask.

Shubham Shelar: At the start of the year, almost like INR8,000-odd crores. So what was our earlier execution looking? you're looking when we have given a guidance of 10% revenue growth?

Neerad Sharma: Your voice is not clear.

Moderator: Sorry to interrupt, Mr. Shubham. I would request you to rejoin the queue again as your voice is not audible. Thank you.

The next question is from the line of Vaibhav Shah from JM Financial Institutional Securities Limited.

Vaibhav Shah: Sir, what is the incremental investment that we need to make in the smart city -- in the smart meter projects?

Sanjay Pusarla: Another INR280 crores we have to make.

Vaibhav Shah: And the time period?

Sanjay Pusarla: Our time period may be another 1 year to 1.5 years.

Vaibhav Shah: INR280 crores, right?

Sanjay Pusarla: Yes.

Moderator: Ladies and gentlemen, that was the last question for today. I would now like to hand the conference over to the management for closing comments.

Neerad Sharma: Thank you very much for a very enthusiastic participation. I thank all of you. Thank you very much.

Sanjay Pusarla: Thank you, everyone. Thank you.

Moderator: Thank you. On behalf of JM Financial Institutional Securities Limited, that concludes this conference. Thank you for joining us today, and you may now disconnect your lines.