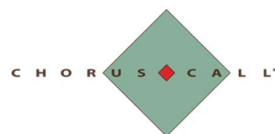




“H.G. Infra Engineering Limited  
Q2 & H1FY '26 Earnings Conference Call”

November 13, 2025



**MANAGEMENT:** **MR. HARENDRA SINGH – CHAIRMAN AND MANAGING  
DIRECTOR–H.G. INFRA ENGINEERING LIMITED  
MR. RAJEEV MISHRA – CHIEF FINANCIAL OFFICER –  
H.G. INFRA ENGINEERING LIMITED**

**MODERATOR:** **MS. SALONI – GO INDIA ADVISORS**

**Moderator:**

Ladies and gentlemen, good day, and welcome to H.G. Infra Limited Q2 FY '26 Earnings Conference Call. 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 call is being recorded.

I now hand the conference over to Ms. Saloni from Go India Advisors. Thank you, and over to you, ma'am.

**Saloni:**

Good afternoon, everybody, and welcome to H.G. Infra Engineering Limited earnings call to discuss the Q2 and first half of FY '26 operational and financial performance hosted by Go India Advisors. We have on the call Mr. Harendra Singh, Chairman and Managing Director; and Mr. Rajeev Mishra, Chief Financial Officer from H.G. Infra.

We must remind you that the discussion on today's call may include certain forward-looking statements and must be, therefore, moved in conjunction with the risk that the company faces. We now request Mr. Harendra Singh sir to take us through the company's business outlook and performance, subsequent to which we will open the floor for Q&A. Thank you, and over to you, sir.

**Harendra Singh:**

Thank you, Saloni. Good afternoon, all. I trust that this festive season has brought light, prosperity and joy to you all and your families. May the year ahead be filled with renewed energy, growth and continued success for all.

Looking forward at H.G. Infra, our unwavering focus remains on building stronger connections between cities and driving our journey towards greater achievements. As we embark on this new samvat, we reaffirm our commitment to elevating India's transportation infrastructure and advancing our initiatives in green energy, ensuring sustainable growth and a brighter future for all stakeholders.

At H.G. Infra Engineering Limited, our journey spans more than 22 years dedicated to strengthening the backbone of India's infrastructure. In line with the nation's evolving needs, we are scaling for success by accelerating innovation and building smarter, faster and safer infrastructure solutions.

Driven by our belief that infrastructure should reflect the dynamism and diversity of India, we are strategically entering in new sectors such as solar energy, railways and battery storage. This commitment enables us to diversify our order book and secure high potential projects in these emerging areas.

Our proven execution capabilities, technical expertise and decades of industry experience position us well for the next stage of growth, allowing us to create a sustainable long-term value for all stakeholders and play a pivotal role in India's ongoing infrastructure transformation. I'm filled with pride at how far H.G. Infra has come and how much more we are poised to achieve.

What began as a road-centric EPC company over 2 decades ago has now today transformed into a diversified infrastructure conglomerate, while road construction remains our core strength, and we have evidenced by 17-plus highway projects across 10 states having 66% share contributed by the highway segment out of the total order book, and we have strategically ventured into the high potential verticals such as railways, metros, solar and battery storage and recently into transmission infrastructure.

Our diversified portfolio now includes more than 29 active projects spread across 13 Indian states, including 7 rail metro projects and our order book as of September '25 stands at INR13,933 crores.

Moving on to some updates on the infrastructure sector. Regarding road and railway, which is the transportation sector, under Vision 2047 as Viksit Bharat, the Government of India envisage a modern, sustainable and efficient transportation network that meets the needs of growing urban population.

The focus is on decongesting roads through the expansion of expressways, smart traffic management and the development of integrated urban infrastructure. Improved road connectivity between cities and rural roads aims to boost economic growth and reduce travel time. Recently, under Bharatmala Pariyojana, over 26,000 kilometers of highway projects have been awarded and plans to develop 50,000 kilometers of expressway by 2036-37.

To ensure a seamless intercity mobility, and simultaneously, the railway sector is undergoing a major transformation with increased electrification, advanced signaling system and the safety upgrades to enhance speed and reliability. More than 45,000 kilometers of rail routes have already been rectified, and government targets 100% network electrification by 2030, and the major expansion plan are in the pipeline of adding more than 40,000 kilometers of rail track within the next few years.

The expansion of metro network in major cities that promote public transport, reduce pollution and ease pressure on road traffic, but together, these initiatives form the backbone of a sustainable technology-driven transport ecosystem that supports India's goal of becoming a developed nation by 2047. Given the healthy project pipeline into the road infrastructure and rail, we remain optimistic about securing a share of upcoming opportunities, which should support our growth prospects in the medium term.

Regarding renewables, which are solar based and green hydrogen, India's battery energy storage sector is entering a period of a dramatic expansion, expected to scale from just 0.2 gigawatts in 2024 to nearly 66 gigawatts by 2032, unlocking more than \$5 trillion economy in the market. So this growth fueled by ambitious renewable energy targets, declining battery costs and the robust policy support positions BESS as a critical infrastructure layer for grid stability and round-the-clock clean energy supply.

As battery storage transitions from early pilots to large-scale tenders and active deployment, industry leaders and new entrants are making bold investments across the value chain. At this pivotal moment, H.G. Infra stands committed to accelerating BESS innovation, contributing to

India's energy self-reliance and shaping the future-ready grid that delivers resilient, sustainable power to all.

As India transitions a move to green hydrogen as well as ammonia and with the mission to reach green hydrogen level of 5 MTPA by 2030, H.G. Infra will continue to play a pivotal role in the same and has already taken first step by participating in the recent tender of Numaligarh Refinery Limited.

This tender is for the purpose of green hydrogen of 10,000 tons supply. The large component of operational cost of green hydrogen comprises of RE power, which will have to come from combination of solar battery and hybrid of wind, wherein H.G. Infra already has secured, is in the process of successfully executing the same.

The move to green hydrogen has a widespread strategic alignment with H.G. Infra's foray into providing clean energy solutions. Regarding the transmission and distribution, where the government envisages a robust modern and green power grid to meet rising energy needs with a major investment in high-capacity lines, advanced substation and HVDC systems over the next decade.

Strengthen interregional links and smart grid adoption with integrate renewable energy, enhance the reliability and support a low-carbon economy. India's One Nation, One Grid, One Frequency has unified all regional grids, enabling 112,250 megawatts of interregional transfer for stable, reliable nationwide power.

In FY '26, in this H.G. Infra aims to secure transmission and distribution projects worth INR1,000 crores, already has secured 1 project valued at approximately INR350 crores. We remain active in the transmission space and continue to participate actively into the upcoming tenders.

As H.G., we are driven by strength, agility and steady growth, and we are poised to capture emerging opportunities in renewables, power transmission and road sector. And with power execution -- proven execution, technical expertise and industry experience, we are ready to deliver large-scale infrastructure projects that power India's total long-term development vision.

Let me begin with a glimpse of our operational highlights. So as of Q2FY26, the company's total order book stood at INR13,933 crores, comprising INR9,163 crores from roads and highways, INR2,720 crores from rails and metros, INR1,620 crores from BESS, INR132 crores from solar and INR296 crores from transmission and distribution. The segment-wise road is having 56%, rails around 20% and renewables around 14%.

As of now, the update on EPC project is the Ganga Expressway project, which is a very prestigious project of ours and around INR4,800 crores, almost completed at 99%, and we are expecting COD anytime in the few months from now. The UER project has been completed and handed over, open to traffic. The completion certificate is anticipated to be recently -- to be received shortly.

The Jamshedpur elevated project is running smoothly with the current progress of 23%. The Neelmangala-Tumkur project is gaining execution momentum now and has reached at 48%. Regarding HAM projects, the Karnal Ring Road project has reached 82% completion, marking steady progress and likely to be completed in Q4FY25.

As shared in the previous quarter, the provision completion certificates for Raipur Visakhapatnam project of OD-5 OD-6 already received and both projects remain close to completion. The Raipur- Vishakhapatnam while AP-1 project, which is also nearing completion, where the provisional completion certificate with effect from May '25 being received very recently. These all projects of OD-5, OD-6 and AP-1 continue to be on track for 100% completion, that is COD in quarter 3 and 4 of this year.

The Khammam-Devarapalle project, KD1 and 2, PCC already received, which are at 95.3% and 91.8% completion. Both the projects are expected to be 100% completed by in quarter 3 and quarter 4 of this year.

The Chennai-Tirupati HAM project is progressing well at about 28%. The appointed date, which is provisional appointed date for Varanasi Kolkata Corridor Package 13 has been received with effect from 30th September '25 and for Package 10 is expected to be received in this quarter only. The project progress of Package 13 is around 13%.

The Kosi Parikrama Package 6 of Ayodhya, where the concession agreement is signed on 21st of June '25, the appointed date is likely to be declared in this month, and the project execution has just started. For the Narol Sarkhej project, the financial closure achieved in the appointed date declared on 19th of August 2025 and the execution stands at 4.2%.

Now to railway projects. The DMRC metro project is nearly 92% completed and as per the scheduled time line is likely to be completed within this quarter. The Bilaspur RVNL project, which is around 75% complete, and we are targeting for completion in Q4FY26. And so the Kanpur railway station project is around 33.4%, where the progress is quite slow because of the CONCOR execution not yet started. However, we are expecting to pick now.

The Dhule-Nardana has achieved 17.9% progress. The Gaya-Son Nagar and Karanjaon projects are at 15.4% and 13% completion. Progress across these projects was badly impacted due to abnormal rains, but is expected to pick in the coming quarters. The appointed date for the New Delhi railway station project has been declared at 6th of August 2025, and execution has commenced and the project is at an initial phase with 3.7% completion done.

Regarding the solar project, during the last financial year, when H.G. Infra diversified into renewable energy sector by securing 183 solar power plants with a total capacity of 700-megawatt DC, out of which entailing a total EPC value of INR2,243 crores excluding GST. The land lease agreement with the power purchase agreement with DISCOM being done successfully.

And as of now, overall project progress stands at approximately 94.1%. With plant installation activity advancing largely as per the schedule, bearing 2 sites, however, which experienced delay because of the prolonged and the heavy monsoon conditions, and despite of the local challenges,

the company remains confident of commissioning all plants within the contact time line in the next few months.

This progress will also facilitate to draw down the remaining debt, thereby supporting overall liquidity.

On the financial front, approximately 89% of the required debt funding has been sanctioned, where around 79% of the disbursement already done. The remaining disbursement and the further balance sanctions will happen after the commissioning of these installed plants.

Due to these pending disbursements, we had borrowed from banks to mitigate the gap to complete the project on time. And as a result, our overall debt is coming on higher side at company level. Further, out of the total equity requirement into these projects of INR721 crores, INR705 crores has been infused as of September '25.

In BESS project, the company has executed a binding agreement with GUVNL and NVVN for a 435MW/ 870-megawatt hour project, scheduling completion on November '26 and December '26, respectively. In May '25, we have secured additional 300MW/600MWh project from GUVNL, an agreement for the same is scheduled to be signed in November '25. With this, the cumulative contracted capacity stands at 735 megawatts/1,470-megawatt hour. The procurement process for BESS project has been initiated and the orders for key components like power transformer, switchgear system, GIS has been placed and vendors for BESS container supply has been shortlisted and final orders for the same is likely to be placed by January 2026

Equity requirement for all these 3 projects remains INR500 crores and INR120 crores is anticipated to be infused in FY '26 and balance in '27, '28. Upon completion and commissioning of all these BESS projects, the company expects annual revenue of INR225 crores from BESS.

On monetization of 5 HAM projects, over the past few months, our leadership team engaged into intensive discussions with several prospective investors to monetize our second lot of 5 HAM projects. These projects include Raipur-Visakhapatnam Corridor Package AP1, OD5 and 6; Khammam-Devarapalle Package 1 and 2, Our goal was to secure a partner who could provide both financial strength and the sector expertise to maximize value of our stakeholders.

During August '25, we executed a binding offer document with Neo Infra Income Opportunities Fund. Under this agreement, our holding company will sell 100% of its equity stake in these 5 wholly owned subsidiaries managing these HAM assets. So this achievement reflects the successful execution of strategic negotiation and underscores a strong market trust in the value of potential returns of these infrastructure initiatives.

Further to this, we have also executed the share purchase agreement of Raipur-Visakhapatnam OD6 Package project recently, and remaining 4 SPA is targeted to be executed in this quarter only.

The enterprise value of the transaction is INR3,584 crores. Total investment, equity investment and total debt obligations in all these 5 HAM assets are INR767 crores and INR2,200 crores, respectively. We had already initiated to fulfilling the compliance of the condition precedents as

per the binding offer, which includes clients approval, lenders consent and other representations and warranties. We expect to conclude these formalities and expect to conclude the transaction within this financial year.

This transaction will deliver significant strategic benefits to the group by strengthening the balance sheet and reducing the leverage, thereby enhancing our financial flexibility. The realized funds can be deployed into new HAM bids, road expansion and other high-return infrastructure opportunities. We believe this deal achieved a robust valuation, positions the company for accelerated growth and value creation in the coming years.

Regarding the equity requirement for balance HAM projects, the total activity requirement for 11 HAM projects is INR1,709 crores. As of 22 September '25, INR1,165 crores has been infused. Of the remaining amount, INR195 crores is scheduled for infusion in 6 months from now, that is FY '26, followed by INR163 crores in FY '27 and INR186 crores in FY '28. Moving on to the financial highlights of quarter 2 FY '26, this is the first half of FY '26.

So the stand-alone financials revenue for quarter 2 FY '26 reached INR1,154 crores with an EBITDA of INR147 crores and EBITDA margin of 12.7%. PAT for the Q2FY26 stood at INR67 crores with a margin -- PAT margin of 5.8% compared to INR89 crores and the PAT margin of 8.3% in quarter 2 FY '25.

Revenue for first half FY '26 reached INR2,863 crores with an EBITDA of INR382 crores and EBITDA margin of 13.4% and a PAT of first half FY '26 stood at INR193 crores with a PAT margin of 6.7% compared to INR228 crores and a margin of 8.9% in first half of FY '25.

On a standalone basis, our gross debt stands at INR1,634 crores. This comprises INR550 crores in working capital debt, INR400 crores of NCD and INR684 crores on term debt, current maturities and trade limit.

Regarding the consolidated financials, the revenue for quarter 2 FY '26 reached INR905 crores, with an EBITDA of INR206 crores and an EBITDA margin of 22.8%. PAT for quarter 2 FY '26 stood at INR52 crores with a PAT margin of 5.7% compared to INR81 crores and a PAT margin of 8.9% in quarter 2 FY '25.

Revenue for first half FY '26 reached INR2,387 crores with an EBITDA of INR466 crores at an EBITDA margin of 19.5%. PAT for first half FY '26 stood at INR151 crores with a PAT margin of 6.3% compared to INR243 crores and a margin of 10% in first half FY '25.

As informed in the previous quarter, the dip in the consolidated revenue and PAT is mainly due to the elimination of intergroup transactions with SPVs of solar projects, which are recorded as capital work in progress in consolidated accounts. Since September '24 quarter till this quarter around INR2,111 crores of revenue and a profit of INR380 crores has been eliminated in the consolidated financials.

While the stand-alone results reflected EPC revenue and taxation and tax, the tax cost remains in consolidated results until the SPV start generating operational revenue, after which margins will improve.

Turning on to our future strategy plans and the future outlook. In the year ahead, our priorities at H.G. Infra will focus on sustaining a steady growth trajectory anchored by strong financial fundamentals. Operationally, we aim to tighten working capital cycles, ensure on-time project delivery, strategically allocate capital and enhanced monetization efforts. Both targets have been set for FY '26, where we plan to secure INR10,000 crores to INR11,000 crores of new order inflows.

And by FY '27, we intend to expand our non-road infrastructure portfolio to around 35%. Looking ahead, we are focused on expanding into building construction and real estate, green hydrogen and other emerging sectors. Our team is actively working to explore opportunities and contribute meaningfully into these sectors. At the same time, our strategy continues to diversify into high potential areas, such as water management, tunnels, transmission and distribution and smart urban infrastructure.

We remain committed to strengthening our digital and automation capabilities, enhancing ESG performance at the strategic level and delivering scalable, impactful projects across diversified geographies. Together, these growth levers will drive H.G. Infra's evolution in the broader multisector infrastructure platform, creating long-term value at its core.

**Management:** With this, we would like to open the floor for the Q&A.

**Moderator:** Thank you very much. The first question is from the line of Vaibhav Shah from JM Financial. Please proceed.

**Vaibhav Shah:** What would be our HAM and solar receivables? Last time you indicated that solar receivables are quite dated. So have we received them?

**Harendra Singh:** What is solar and debt receivables?

**Vaibhav Shah:** HAM?

**Harendra Singh:** Total debtor, and -- you're talking of debtor?

**Vaibhav Shah:** Yes, yes, yes.

**Harendra Singh:** So total SPV receivables into debtor is around INR255 crores in solar and INR557 in HAM. And this contract asset is INR235 crores in solar and HAM is INR529 crores.

**Vaibhav Shah:** Okay. Sir, we saw a sharp increase in the debt levels in the second quarter. So any reason for that?

**Harendra Singh:** So basically, there has been 3 significant areas where we have invested this debt -- increased debt. One is the advances to our vendors, that is around INR150 crores, we did into that because of procuring few of the core kind of material, which are required for debts and this thing. So mobilization advance also has been there, where INR250 crores of mobilization advance is there.

So there is a significant decrease into that because in newer projects, we could not receive any mobilization advance till date. And the payables also has decreased where the retention has been



paid because of the many other projects, which we have recently completed where the vendor payment of the retention has been paid.

So this I have explained into this remarks that the total around INR490 crores of debt is still to be received from the HAM bank's disbursement. So this is, again, adding to this particular increase in debt, which was again to quarter 1 as well.

**Vaibhav Shah:** So once that comes, the debt should go down?

**Harendra Singh:** Yes. Debt, we are expecting in quarter 3 and quarter 4, significant decrease is likely to be there, and we will be roughly around some normalcy as we were in earlier quarters.

**Vaibhav Shah:** Sir, lastly, on the margin side, we have seen some softness in the last 2 to 3 quarters. So were there any one-offs in this quarter because margins were 12.7%? And how do you see it going forward?

**Harendra Singh:** The margins were on track only. There are exceptionally a few of the projects, say, especially Ganga, where we have taken a hit because of the change in law, there is likely that we would be taking that to the arbitration. We are going to seek this kind of an opportunity where it would be paid. It is a payable kind of a thing. But outrightly, now the client is not agreeing to that. So there is one number which we discounted immediately into our quarter's number.

**Vaibhav Shah:** What was that amount?

**Harendra Singh:** This is -- in the first quarter, it was around INR40 crores, and in the second quarter, it is around INR35 crores.

**Vaibhav Shah:** So going forward, there is any other expectation or it is now over? Or are there further...

**Harendra Singh:** All projects are very -- running very smoothly and perfectly within the right margins as we envisaged. So it's only one of the projects which we have taken at discount because we don't want to keep those numbers where the margins are likely, definitely there as per the contract conditions, but it may take a few quarters to realize that.

**Vaibhav Shah:** So now that is completed the provision or it can come further in Q3 as well?

**Harendra Singh:** No, no. We are all done into these first quarter 1 and quarter 2.

**Vaibhav Shah:** Okay. And sir, lastly, on other income, it is INR17 crores in second quarter. So why it is so high?

**Harendra Singh:** So I'm not seeing that because the FDR is also there where some maturity would have been there. Other than that, I don't know -- let us see, and I will get back to you.

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

**Shravan Shah:** A couple of questions. So first, broader guidance on the top line front. So now given the muted relatively in the 1H to achieve a INR7,000 crores, we need a 19% kind of a growth rate in the second half. So how do we now see?

**Harendra Singh:**

The growth in first half of this year is almost as per the plans only, we are around INR2,800 crores, around a 10% to 11% growth. So for the balance portion, definitely with the rains subsided and the appointed date of this Varanasi-Kolkata Package 13 received, Ayodhya is likely to be there within a few days, and Package 10 would be followed in next month only.

So with that, we are estimating that a significant number would be in quarter 3 and quarter 4. So definitely, we are not very much sure that we would be touching INR7,000, but something around INR6,500 crores to INR7,000 would be our number which by end of this year, we will be able to -- comfortably, we will be able to reach.

**Shravan Shah:**

Okay. And for next year also, earlier, we were looking at INR8,000. So given the -- if we can get a INR10,000 crores, INR11,000 crores order inflow. So INR8,000 crores is doable in FY '27?

**Harendra Singh:**

With the balance order of about INR14,000 crores, if you do around INR4,000 crores in the balance, even it's around INR4,000 crores in the balance part of the year. So we would be left with INR9,000 crores in the year, and again, with the likely addition of the new order, where now the orders from -- even from the government or from any private line. So those are the orders which we do not expect much of the delay in the appointed date.

So whenever the orders would be placed, likely within a few months, the appointed date would be in, say, there because of the land availability and everything has been improving a lot. So with that, we are expecting that we will be touching around INR7,800 crores to INR8,000 crores in the coming year at about 15% growth as we have earlier estimated.

**Shravan Shah:**

Okay. And now from the third quarter onwards, we should be having a 15% to 16% kind of EBITDA margin and that should continue for 2, 3 years?

**Harendra Singh:**

Roughly, the margins because that has been impacted because of the few of the projects, which I already have discussed. So there, we have taken a hit of those margins immediately in the current quarters only.

**Moderator:**

The next question is from the line of Sarvesh Gupta from Maximal Capital.

**Sarvesh Gupta:**

Just one clarification again on the margin front. I think last quarter also, you alluded that most of the Ganga Expressway-related onetime provision has been taken in the last quarter only. But in this quarter also, we have seen INR35 crores that you have mentioned. I'm not sure, even if one includes that, I'm not sure whether it is going up to 13 -- 16-odd percent, which we used to be a normal track record on the margin side. So can you please help us.

**Harendra Singh:**

That would be only one project, which you had taken this hit, not because the client is not eager to pass on this claim. There is change in law and there is one COS. So there is an interchange which has been constructed as a variation, which we have not considered as a revenue because the client may take some time for approving that into -- as a variation claim.

So in NHAI project or this kind of a project, there are 2 different things, which are -- because the client always consider anything, which yes, definitely qualifies your claim. So here, in this

case, we are putting into our consideration that we may or may not qualify it immediately. So it is a matter of time. Definitely, these are all the numbers which we have taken as a provision or a margin has been discounted for the basis. Otherwise, it's not that the margins are not there.

They were all there, and we were likely to see this number also coming in the future quarters within, I think, 3 to 4 quarters, this can be improved even.

**Sarvesh Gupta:** But in second half, sir. Now, can we expect to get back to a normal 15%, 16% margin or it will remain in 12%, 13%.

**Harendra Singh:** See, all the projects, we have good margin. So we are expecting to come back to this normalcy.

**Sarvesh Gupta:** Okay. And second, sir, on the order inflows. Now if I compute your order inflows for first half, it is coming to around INR1,500 only against the INR11,000 crores sort of the expectation in the beginning of the year. So what gives us the confidence that we will be able to -- in the remaining 4.5, 5 months, we'll be able to get to INR10,000 crores order inflow, sir?

**Harendra Singh:** So there are 2 big expectations, which we are expecting. One is definitely at NHAI. So nothing much has happened in first half and because of the land and the prequalification criteria and many more things with now everything because the approval of many projects, the bidding pipeline is very strong and they would be awarding in subsequent months. This is one area we believe.

And the second is, as we have already successfully completed one of the projects of Adani, this is a Ganga Expressway project. So there also, the -- with a strong relationship with them, so we are expecting some private orders. So the rail, roads and the private orders, which we believe that within the future, say, the further 3 to 4 months balance, we would be able to secure at around INR10,000 crores of orders.

**Sarvesh Gupta:** Okay. And sir, lastly, on the MSRDC project, so that INR4,000 crores book is not available to us for execution. So given that sort of a situation and most of the order inflow, which will happen, let's say, in the next, what, 1.5 quarters, then I don't know whether -- how much you will be able to execute. So are we being too optimistic about INR7,800 crores sort of a run rate next year in revenues given that very little order book will be left for execution for next year?

**Harendra Singh:** So if you see the total order, if you just take out this order from MSRDC, would be -- balance would be around INR4,000 crores -- INR5,000 crores. So those are the orders, out of which almost everything needs to be done in FY '27 just bearing, I think, more -- not more than INR400 crores, INR500 crores, which would be out of -- just going beyond FY '27.

So this is one area, which we believe and that the orders which we are likely to secure now. So those are the projects which we are expecting, where the tentative -- the time which we actually -- it normally take is 1 to 2 years from the award date to the appointed date.

So this is not going to happen in future orders because it's only a time when the orders, if you just can see the LOA to the appointed date, it would be 2 to 4 months maximum. So this gives

us the opportunity and give us the confidence that we would be able to secure the orders as well as we would be able to deliver this much of amount of orders.

- Moderator:** The next question is from the line of Vishal from Antique.
- Vishal Periwal:** Just continuing on the previous question. Out of the INR14,000-odd crores, barring the Maharashtra order, are there any other projects where the appointed date is pending?
- Harendra Singh:** Yes, the appointed date as of now, which we -- one of the Ayodhya project, which we would be getting within a few days only. And the Jharkhand project, this is Varanasi-Kolkata Package #10 in the subsequent month only. So only the appointed date of this MSRDC project, that would be only balance.
- Vishal Periwal:** So total, you are mentioning total 4 projects, including the Maharashtra one, where the AD is pending, is it?
- Harendra Singh:** Correct.
- Vishal Periwal:** Okay. Fine, sir. And second, last thing is like in terms of financial closure of our -- the project where we have asset ownership, say BESS, even solar. So any update that can you provide, sir?
- Harendra Singh:** Solar financial closure already secured, 89% of the total project being sanctioned and 74% of the total disbursement happened. But still the big chunk of disbursement is yet to be done. But we have progressed almost 94%. So this is one bank which is SBI, which is they are just expecting because within the next 2 months, we need to complete the entire -- almost entire project. So within that timeline, balance of 11% would be sanction and disbursed, and the balance is already sanctioned would be disbursed in a few months from now.
- So apart from this financial closure, where the BESS -- one of the sanction, which we already have received from PNB Bank. And very recently, I think by a few of the other banks are also taking, participating in financial closure. So we are expecting for both the BESS projects, where the -- by November and December, we need to submit the financial closure.
- Moderator:** The next question is from the line of Parth from JM Financial.
- Parth Thakkar:** When can we expect the execution in the BESS projects to start?
- Harendra Singh:** Yes, execution of BESS projects is with us only, yes.
- Parth Thakkar:** No, when can we start the execution?
- Harendra Singh:** Execution, we already have started where the land is in there and engineering being done and advances to transformer and GIS and other systems already have been placed. So we have already started commence into both the projects of BESS.
- Parth Thakkar:** Can we expect any meaningful revenue to be booked in this left of the financial year from BESS project?

- Harendra Singh:** Yes. Around, I think, roughly around INR150 crores to INR250-odd crores would be done within this year only.
- Parth Thakkar:** And I missed one of your statement where you said that the MSRDC revenue for FY '27. So can you just repeat it once, sir?
- Harendra Singh:** So once this order where we are expecting the land is still not in say, around 75%, 70% as per the terms of LOA. So because of that, delay has happened. But again, once the land is in place, the appointed date and the LOA do not have much of a difference. So in that scenario, we believe that once this year is over, and by the time which you have an appointed date is there, so a significant amount of work would be done in MSRDC project in subsequent year, '27.
- Parth Thakkar:** So can we expect it to come in this financial year or at the start of FY '27?
- Harendra Singh:** So we are expecting by this year-end only.
- Parth Thakkar:** And can we expect around INR500 crores of revenue from this project in this year?
- Harendra Singh:** Within this year, no. We are not expecting any revenue in this year. We are not regulating anything.
- Parth Thakkar:** And in FY '27?
- Harendra Singh:** FY '27, definitely, more than 50% would be done in FY '27, out of those total INR4,000 crores.
- Moderator:** The next question is from the line of Uttam from Axis Securities.
- Uttam Srimal:** Sir, my question pertains to the current bidding pipeline for HAM EPC and also for metro projects. Last time you had given some idea of gaining some projects from metro also and also from battery storage services market. So if you can highlight how much we have bidden in HAM and EPC and for the metro -- railways and metro and for other projects also.
- Harendra Singh:** So till date, whatever we have bidden, it's around INR12,000 crores of total bids, which are already there, where the results are yet awaited. It's around INR7,000 crores in HAM and EPC projects into various sectors and around the BESS and the solar is around INR5,000 crores.
- And as far as bidding pipeline is concerned, if you see into INR65,000 crores of order where the -- almost the land acquisition, and this is at an advanced stage from NHAI, where the HAM and EPC are there. We are not considering any BOT project into this. And also, Ministry is also expecting to bid around project equivalent to INR70,000 crores within this year.
- So this is put together around INR1,35,000 crores, which we are considering for the year with the bid pipeline of NHAI and Ministry is there.
- So apart from that, already we -- when we had completed one of the big projects from Adani as a client, the Ganga. So we are expecting that they are also in discussions with a few of the projects already available with them to look at the EPC partner.

- Uttam Simal:** Okay. And sir, the margin would be same, what we are getting in the Ganga Expressway project if we do some projects with Adani here going forward? Or it's really lower than that?
- Harendra Singh:** We are expecting this on the similar terms, we would be taking on the call on the similar terms. So roughly the same margin as we did in Ganga.
- Uttam Simal:** And sir, last one, what will be the time line for the asset monetization that we have already done with this new?
- Harendra Singh:** So in all 5 projects, we have received the PCC and the NOC and other obligations, which we already have started. So we believe that the COD, as soon as we receive the COD as well as we -- as soon as we get the permission of NOC from the client, which will likely to take not more than 1 to 2 months maximum from now. So by January -- continuity in January or February, we would be doing 2 of the projects. And then March, all 3 balance projects would be done within the year only.
- Uttam Simal:** And sir, the entire enterprise value, all these transactions were INR3,584 crores, if I'm not wrong?
- Harendra Singh:** So the enterprise value is INR3,584 crores. Out of this INR2,200 crores is going to debt and INR1,384 crores is the total amount, which H.G. would be getting.
- Moderator:** The next question is from the line of Mohit Kumar from ICICI Securities.
- Mohit Kumar:** My first question is, sir, can you please explain the change in law, which has impacted our margin booking in the quarter? What it is related to?
- Harendra Singh:** The change in law, basically, the aggregate being taken or being procured from out of state, that is interstates projects park. So there's a significant fee increase into that in UP. So whatever aggregate is purchased from out of the state of UP, that duty is being charged. So with that, it qualifies as a change in law. And there is a royalty change which also qualifies as a change in law.
- So in any of the projects of UPEIDA, they never has paid this change in law, this is the first time. In NHAI, it is a normal trend, okay? So that's why they are considering this particular event, whereas it is since the first time and they may or may not consider it. So that's why we have taken that though legitimate claim is there. So we are already have taken the legal opinion. So if they deny that, then we will be taking this through arbitration.
- Mohit Kumar:** But we are working for Adani, right? So Adani has to get this money and pass it on to us. Is that right understanding?
- Harendra Singh:** There are both things. So the contract clearly speaks that whatever we would be getting from the client, which is UPEIDA, the concession agreement, that only would be passed on to us.
- Mohit Kumar:** Understood. Understood. My second question is on the NHAI pipeline. I think NHAI has given us a very strong visibility, is saying that they will come up with the INR3.6 trillion kind of order awarding in the fiscal. Are you seeing the signs of that happening?

Or do you think it is -- the numbers will be much, much lower? And any outlook and any -- some color on the pipeline which exists as of now?

**Harendra Singh:**

Definitely, the NHA and ministry, they are all bullish around the strong pipeline because last 1.5 years, nothing much has happened, almost 2 years from. So again, the bidding is -- the pipeline is from, which -- what kind of a project is greenfield maximum. So into HAM, EPC as well as BOT, it's a mix of all 3. So taken together, it's around not less than INR6 lakh crores. But definitely, we cannot see everything would be done within this year.

So we are expecting because of the land. So there is a mandate from the ministry as well as the finance that you should bid -- you should award those projects only where the 80% or 90% of the land as per the contract is available.

So earlier, the practice was where the 30%, 50% of the land was available also was put to that awarding it. So now they are restricting the measures of it. And second is the quality of the DPR. So they are, again, considering this, okay, whatever DPR we should prepare, the DPR should not have many more variations, which are encountering the time loss as well as variations.

So these are the 2 big things, which are impacting the bidding. Otherwise, the pipeline is very strong. So we are expecting, yes, definitely, it is taking time, but many projects, which they believe, and we are also expecting would be bid within the financial year. And subsequently, I think there will be no delay in future years.

**Moderator:**

The next question is from the line of Parth from JM Financial.

**Parth Thakkar:**

Sir, when can we expect the execution to improve in the Delhi railway station redevelopment?

**Harendra Singh:**

New Delhi railway, the execution has already started. The improvement is likely -- definitely it's in the urban area. But whatever land and utility shifting, which was supposed to be there, so significant progress has been done. So we are expecting around, say, INR130 crores of the execution within this year only. So a significant portion would be done within this financial year when we have started the project now quite aggressively.

**Parth Thakkar:**

And can we expect to receive the monetization money by the end of this year?

**Harendra Singh:**

Yes, of course. As we are progressing and the COD is expected, all 5 projects COD is expected in the subsequent 4, 5 months only. So this is a mandate which we have kept that once the COD as well as NOC on the client, these are the 2 things which are -- which are the prime requirement for the transaction to happen.

**Moderator:**

The next question is from the line of Veenit from Investec.

**Veenit Pasad:**

Sir, there are various news articles indicating that Maharashtra MSRDC orders may get canceled and come up for rebidding. What are you hearing from the government authorities, how this should proceed given land acquisition still is at around 30%, 35% levels?

- Harendra Singh:** You're right. It's only a matter of land acquisition. So basically, there are 2 things. One is definitely without the land, nothing can be done, let's say, LOA or appointed date cannot be declared. So they are looking at this almost 1.5 years roughly, say, 1.5 years already has passed.
- But they are keeping it. But definitely once anything needs to be done, it will take the next 6 to 8 months. So they are expecting this order to be given. And now the land acquisition is quite expeditiously being taken. Earlier, it was -- there was almost dullness for around 6 months.
- So now it has been actively being taken. And every month, we are expecting -- we are seeing that there are 10% to 12% land being added into the equity. So with that, I think it's only a rumor part only.
- Veenit Pasad:** Okay. But sir, do you expect these orders, MSRDC orders to go for retendering in any case? Or you're fairly confident what have been the discussions with the awarding agencies on this?
- Harendra Singh:** Till date, there is no news as such, which is giving the sense, okay, these are going to be canceled and retendered. It's only a matter of time where the land acquisition is not, say, within as per the contract.
- Veenit Pasad:** Understood, understood. And sir, my second question was your comment on foray into building residential building segment and also green hydrogen. If you can throw some light on it, what type of orders are we looking for? How are we qualified? Will we initially go through JV route? Which type of orders we'll be targeting in those areas?
- Harendra Singh:** As such, in the hydrogen because all the refineries, they have been mandated to deploy or just install this hydrogen plant, which require green power. So one of the projects which we already have bidden with the JV partner only in the Numaligarh Refinery, so that gives us that particular sense, if we are setting up the plant where the green hydrogen is one area where the revenue would be coming backed by the total operation expense, which is the green power.
- So the green power setup would be much more than the green hydrogen capex. So that, we are considering, which L&T is the only player with -- until date, they have taken 2 orders from Panipat and Goa. So in all the refineries, this is to be done.
- And also the government is looking into many other public sector undertakings where the mandate is given for setting up the plant. This is one area, which we have picked, one of the trusted partner, which we have taken into our -- which we do have the patent for setting up the plants and indigenous components, which are now the prime requirement for the bids.
- As far as this is concerned, see, apart from this, if you are looking at the opportunity which are into building, residential building or commercial building. So we are looking into this opportunity once we have completed in Kanpur projects. So mostly done, the total building part already done. So we do not require any quality, or say, a JV partner. So we are looking into this opportunity where the building construction can be taken up, whether in the government or the private.
- Veenit Pasad:** Understood. And up to what sizes would we qualify in case of government orders there?



**Harendra Singh:**

Not a big number. It would be initially at INR300 crores to INR500 crores.

**Moderator:**

As there are no further questions from the participants, I now hand the conference over to the management for the closing comments. Over to you, sir.

**Harendra Singh:**

Thank you for joining us today, and we remain confident in our continued success and are here to address any further questions. So please feel free to reach out to us, our IR advisor, Go India Advisors. Thank you. Good day.

**Moderator:**

Thank you. On behalf of Go India Advisors, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.