DILIP BUILDCON LIMITED
INFRASTRUCTURE & BEYOND

March 17, 2023

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

Scrip code of Listed NCD: 959525/959643

Subject: Audio call recording link and transcript of the Analysts / Institutional Investors Meetings

In continuation to our letter dated March 14, 2023, please find enclosed herewith the Audio recording link and transcript for the Analysts/Institutional Investors Meetings under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 held on Tuesday, March 14, 2023 at 02.00PM, conducted through digital means.

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

https://www.dilipbuildcon.com/wps/portal/dbl/investors/shareholders-centre

This is for your information and record.

With Regards,
Sincerely yours,

For, Dilip Buildcon Limited

Abhishek Shrivastava
Digitally signed by Abhishek Shrivastava
Date: 2023.03.17 17:07:54 +05'30'

DILIP BUILDCON LIMITED
Company Secretary
BHOPAL

Abhishek Shrivastava
Company Secretary
Encl: Audio call recording link and transcript.

Dilip Buildcon Limited

Investor/Analyst Meeting

March 14, 2023

"Incred Capital Investor Conference Call"

MANAGEMENT: MR. ROHAN SURYAVANSHI – HEAD STRATEGY AND PLANNING

Rajarshi Maitra: Few more will join in a few minutes. So good afternoon everyone. So this is Rajarshi Maitra from Incred Capital, welcoming you all to incredible India building resilience conference. We are thankful to the corporates who are participating in this conference. In this meeting, we are hosting Mr. Rohan Suryavanshi, Head of Strategy and Planning at Dilip Buildcon. The investor participants with the Mr. Nikhil Chowdhary from Kriis PMS, Jainam Doshi from Kriis Portfolio, Chinmaya Garg from Dron Capital, Chinmayi from MoneyBee Investment Advisors, Harsh Mudgal from Green Portfolio, Nirali Gopani from Unique PMS, Kapil Malhotra from Tata Mutual Fund and Saif Gujar from ICICI Prudential Mutual Fund. Please note that this meeting is being recorded for compliance reasons. I now invite the management, Mr. Rohan Suryavanshi for his opening comments post which will have the Q&A for the team.

Rohan Suryavanshi: Thank you, Rajarshi Sir. I welcome all the participants who are here today, it's an honor and a pleasure to speak to all of you some that I may know from before and some that I'm having the first opportunity to speak to but nonetheless very, very happy to speak to you and to share with you what we're doing here at DBL. Let me first give you a little background about me and company. So I'm a second generation into the business. I've been involved with the company for over a decade now. I primarily look at strategy and planning aspects of the company. And I've been doing that ever since my MBA. For the company, so we are DBL, we're based out of Bhopal, Madhya Pradesh. It was founded by my father Mr. Dilip Suryavanshi ji, our headquarters is in Bhopal itself. Originally my father was in civil engineering started the construction firm with the idea of doing building such that was the norm at that point of time kept on doing that, from 80s till end of 90s. He kept primarily focused on building construction, because that was major thing happening at that point of time, infrastructure that we see today. Public infrastructure had not really began in that phase and manner as we see today. In the early 2000s he switched into road sector and started this first project and started growing that business. So today, I mean, starting from notes today we do all sorts of public infra's we do roads, bridges, tunnels, airports, water supply projects, dams, metros, urban development projects, mining etc. So we do the whole gamut of infrastructure today, and it's a fairly diversified. So while roads continues to be a mainstay, which is about 50% of our order book. The other things, basically the other 50% that we do. So we basically do both EPC and beauty. In beauty primarily, we only do HAM projects. So we don't usually like to take revenue risk. So that has not been our model, we like to have like a sort, stable kind of revenue model. So we do a mix of both EPC and HAM. And our business model has forever been to do our own projects by our own people using our own equipment. So we've built our own homogenous equipment fleet. We've about confirmed 30,000 people working full time for the company to do this. And we have spread across 20 states today to working in almost every major state in India except Kashmir in North and Kerala in South and the Northeast, besides that we've either working or have worked in all the other states in India. So doing that in terms of the road sector, we probably the largest road construction company in the country. And overall infrastructure probably second only to L&T but obviously it's a huge difference, too. But that's what we do. And primarily what we were known for is for our execution capability and we were able to do projects before time. Obviously COVID has definitely punctured that for all of us and projects went because of the COVID and because of a model. We also took a few vets on the chin. So we are in the process of cleaning up all those, finishing all those projects and looking for work towards a better future. So the current order book is about 26,500 crores. We are currently around that kind of it. And with all those that I mentioned, that's the brief about the company, I think it'd be better to go forward because I think most of you already know, this part of the company, I think we can have like more robust discussions with people asking whatever questions they have. And I'll try my best to answer it now. And in case I have short on any facts and figures, I'll get my team connected with you in future. Thank you.

Rajarshi Maitra: Thank you, Mr. Rohan. So now, with that, we can start with the Q&A session. So if any of the participants have any questions, please go ahead. You can also use your raise hand icon and then go ahead as you wish. So by when come to participants to ask their questions right.

Dipen Vakil: So I'll start with the first question that we have basically from our clients. So sir, can you help us with order flow expectation & impact in FY24? And how will your focus be in the coming years?

Rohan Suryavanshi: Sure. So, our order flow expectation, even for this coming financial year, would be in the range of 10,000 to 15,000 crores, that is what we have targeted even this year, to get coated about 10,000 to 12,000 crores of orders that we will do. So we are in that range only. And we suspect, there might still be some more orders because now NHAI is also in the process of opening a lot of tenders. So let's see how that pans out. Otherwise, there is a huge pipeline that NHAI and MORTH, especially in the road sector that they've done besides the other sector that we look at. So we're expecting them, if not, by end of March, they will start they will open up in the first quarter of next year. So total order flow for next year, we're targeting is about 10,000 to 15,000 crore growth, given the growth that we're expecting in terms of revenue, and the order book that we will need to continue. See our idea has always been to keep an order book visibility of two and a half years to three years that kind of want to build visibility that we always kind of knew that. So at our top line about 10,000 crores, anything between 25,000 to 3000 crores of orders to have fun in here is a good order flow, that's the kind of order that we want. So 10,000 to 15,000 crores of orders will do for us.

Rajarshi Maitra: Rohan sir, related topic on the order flow lead. But one observation that I have is as we come close to the general elections, usually the focus on awarding new projects, it kind of tapers off and it only picks up after the elections. The results come out and the new Government with a five year visibility they come back. So do you expect something similar, this time round as well that maybe the ordering will taper down after let's say a five six month period as the elections draw close draw near.

Rohan Suryavanshi: So you very right. Usually in an election year we see a dip and then the order flow picks up again. The Government has for this time announced a never ever before kind of 10 lakh crore of investment in infrastructure. So obviously, they will be trying to do most of it in front ending it because I'm guessing the general elections are in May of 2024. And I think like by December's kinds, they should be like pushing for most of the orders by December or January because then the Government employees kind of get caught up in the election duties and everything else, so I think it should be heavier. I don't know the exact sort of how many orders will get awarded or not. But what is also unique about this budget and usually also election year we see Government pausing on infra spending like even in the budget and they will kind of start focusing on some of the other or like also put primacy on other things. But at least just budget like a jump from last year's seven lakh crores to now ten lakh crores like role of infra investment shows that they are more focused on building long term infrastructure. So, while it should but I think there should be enough orders that should come in. See, the other thing that has happened in the sector is that competition intensity has definitely increased over the last few years. What happened way back in 2014, when the Government first came to this Government came to power, we had just gotten, a lot of infra companies were reeling under a lot of different issues, and the bigger players of yesteryears were no more competing in bids. So the first five, six years of on like the first tenure of the BJP Government, basically, there was much docile competition intensity, because a lot of players of our size, whether it's any of our peer groups companies, which are listed all of us are much smaller in size. But we had a big grand runway to grow, because there was no one above us and the ones below us very small. Now, the ones who are acting as subcontractors to a lot of my peers that should also grown in size. On top of that state Governments are not ordered as much as national Government has kept on increasing the order book. So they have started participating more and more in the National Government orders. So while order book has increased, they've also seen competitive intensity increase in projects. So those are two things that have happened. Also, the Government after COVID had brought in some reductions in the bidding sort of criteria, which increased the competition, but then the Government realized that, basically, they were ordering more, but the projects are not getting off the ground, because of this reduction in things. There were people who probably should not have gotten some of the projects, but they got it, which is why you saw highway construction, the kilometers per year that was being constructed, which has dimmed in the last 1 and a half year also, which was continuously growing. So that also happened.

Rajarshi Maitra: Okay. So on the I mean, so the next obvious question that comes up, since you spoke about competition and how earlier there used to be in the first five years of BJP, you had a situation of low competition, now it has increased. So now going forward, we're coming to the margins, so understand the opportunities there in terms of execution for the entire sector. But do you see structurally that the margins for the industry, actually, more importantly, the margins for you, Dilip Buildcon, can come under pressure because of this aspect of higher competition than let's say what you had seen earlier? And on the related question about your margin profile, if I see over the last three, four quarters, it is significantly lower than what we what we are used to, for the Dilip Buildcon history. So where do you think it will stabilize? How do you what is your view on margins for your company and the industry?

Rohan Suryavanshi: Sure, absolutely. So, we definitely realized, even like four or five years ago, as we were growing, we had ambitions to grow bigger. So we realized that there will obviously be a certain plateau in terms of ordering that will come and also relate intensity, as the sector is increasing in size, more and more competitive intensity will happen in this sector. So we started diversifying into different sectors before this only so some of the other sectors that we diversified into the more the competition has been much more docile. So because our order book is now 50:50 it is not compulsory for me to do a road project only if my equipment is mostly fungible. So we ended up doing it and even the sectors that we diversified into the idea was that wherever our equipment are fungible, we should be looking at diversifying and doing those kinds of projects. So that is one that for us, we saw that and that's why we kind of did. Obviously, none of us saw or thought something like COVID to do with our model of fixed costs where we had our own people and our own equipment. Obviously, when a project went from two to three years, that one year of additional cost we had never calculated and thought. And the Government obviously is not compensating players for that. The guys who are subcontractors we removed those people or reduce those and got them away. For our case we continued having those fixed costs, so that impacted the margins. Also, earlier what used to happen was they were these early completion bonuses that the company continued to get. So for us as a company we won about 600 crore early completion bonus. So that used to add another one and a half to 2% to our bottom line which is the direct addition. Besides it the indirect effect of early completion, which is when you do a two year project in a year and a half, the six months of savings of whether it's interest, whether it's equipment, EMI, whether it's manpower, demand for manpower costs, all those, I used to add another 2%, two and a half percent, at least to our bottom line. Now, both those components, we use to have margin the range of 16% to 18%. So, now obviously, because of that, we've seen a reduction of all of that, and along with it, because the hits that we took, so there was obviously been some margin shrink. But what is happening now is that we are in the process of completing the older projects, we're also in the process of monetizing the projects that we have. So the older sort of projects that HAM projects and all that we're doing, we are monitoring them, so we are getting a decent sort of value, including that. So that will all as that money keeps coming in, all of that will help shore us up, make good for some of the older things, and then the new projects as they're getting online, the margin will improve. So for us, I think we've given the guidance about 12 to 13%, for this year of EBIDTA, which is obviously lower from before, but I mentioned because some of these things. Also what's happened, Rajarshi and everyone else earlier, five, seven years ago, when the Government was making some of these roads, they were doing, relatively plainer simpler roads today, whenever you go to see a highway, there are so many flyovers, their vehicle under passes, there is parallel a safety. So, let's say six years ago, eight years ago, that was building 100 kilometers, it had less items that were being that we had to look or do into today, the items and things and the amount of luxury that has been increased. But the time that is being given is the same kind of thing. So basically, the number of things that you're doing is also kind of increased in terms of the complexity of projects has increased, even though there's, so that also makes it much more difficult for not just for us, but even for others as well. So you will find lesser of that, early completion bonuses for most companies happening. So you'll have to find, do and make sure that your own costs much better. So that those are what we're kind of focusing on. And other sectors that we do, there is no early completion bonus involved, like whether there is nothing in the metro or integration project, or mining, we don't have any of those bonuses. So obviously, we've kind of accounted for all of those things as well and thought about it. Idea and agenda always kind of do better. So we won't do so being in sort of regime of high inflation of late. So that is also kind of all the inflation doesn't get passed, you always account for certain things based on past track record, given that has, it has crossed some of those limits, we have those things, but I think the number that we have quoted earlier also in the public, or the disclosers, we feel like we should be able to do that. And for the rest of the industry, I think it might be a bit more difficult for people who are just focusing on one sector or people are focusing on one state, because even if those guys who focused on one state or sector have invariably now had to move out beyond their comfort zones or areas, whether it's number of states geography or trying to look at other opportunities, but if you're looking to grow. If they're not, or if they're just looking to be at that same level, then I guess even within that, there are definitely challenges. But that's basically what it is that currently.

Rajarshi Maitra: Okay. You said something interesting that the plain vanilla projects versus let's say, the more complex ones, for example, you had organized a site visit to your Zuari Project Goa some years back. Obviously, that is more complex, I mean it would be the take pride of place once completed, obviously. Now my question is, is it a case that these complex projects, the percentage margins are lower? And what makes up for it is more the size of the project? I mean, it's a little counterintuitive, because you would think that the more complex the project, you would actually get better margins in those projects. On I mean normally so what are your views on that aspect?

Rohan Suryavanshi: So the margins are always based on the bidding that you do, like how many people are doing and that so you always account for that you always obviously building more comforts and like you try and have more cushion around. And ultimately, whether you win it and both levels or not that we want to determine what it is. So it's not I'm not saying it for, like specificity complexes, I'm saying in general, even like, just recently, the honorable Prime Minister sir, when opened or inaugurated one of the highways that we put away pretty desperate for us, Bangalore - Mysore, as a project, we just, he just opened up shared pictures on his Twitter. And when you look at those pictures, you realize, the quality and the kind of infrastructure that is being built in India is of a very different level now from what you should see maybe 10 years ago, and a lot of effort and a lot of thought has been put into even security and safety kinds of things, which was not there, because India has one of the highest incidence of road dead in the world, not one of them is in fact, actually the highest. So, obviously, it is of great importance for the Government to look at all those things, which is why earlier what used to happen whenever there was a village, they would not be a vehicle underpass, and or people would cross the road and main highways and those will cause action towards animals will do that. So now there are underpasses and all those overpasses being built, just to avoid all of those kinds of situations. So those kinds of things, those come at additional cost. There is more work that you need to do to do that kind of thing that I was saying that while those things have increased, it's not like the time has greatly been changed or increased in terms of contract timing. So hence, I was talking about it even in general projects, it's just there are much more items and things to do now, and which is why a lot of the smaller players have struggled to open up and do projects on time because what was happening in state projects, the same level of work, the same, complexity is not there as much unless you're building like expressway for a state, whenever you bring somebody in the corridor, you do go to expressway or some of those marquee once that's different, but the regular PWD projects in our state do not have that kind of they don't have those kinds of complexities. So that's why players who bid, they didn't realize that all of those things are also happening. So they're also aligning themselves. So this is some of that fraud battle happening right now. And players will then realize, I guess, after some time, how those things will work and things will normalize.

Rajarshi Maitra: Okay. One other aspect, so you spoke about the completion bonus, which used to be 1.5% to 2% off the bottom line. Now, I understand that as of now, the situation is this that because of COVID, because of various delays, the current order book, it might not be possible to get that early completion bonus. Also, you mentioned that in other sectors other than roads, there is no concept of early completion bonus. But what about, let's say after these projects get exhausted in let's say, FY25? Or FY26? I mean, do you expect this to be a permanent feature, the lack of completion bonus in the roads space, even going forward two years out.

Rohan Suryavanshi: Sir, so it's not a lack of completion bonus in the road sector. So earlier what used to happen, we used to be one of the only ones who was winning completion bonus, then a couple of other players also won in select projects. And this was not the norm, you've got would be bidding 20 projects and getting it in one or two. But even that, the unfortunate bit within I think, our Government system is that whenever they feel that there is something additional that a contractor is making. The idea behind an early completion bonus, was to get people to do work before time. Because if you look at historical data, and this is tabled in the parliament as well all the projects that were done all the large infrastructure projects that were done from 1995 to 2015 report tabled in 2016 around this 2016 or 2017 the sustainment of all the breaks down into those 20 years 83% projects had gone into delay and cost of 1000scrores of losses to the Government 83% projects. So only 17% projects were done on time. So when there is so much delay and so much loss of public money that is happening, it is better to incentivize someone to be able to do work before rather than be thinking oh, this is an additional, sort of bonus that someone made all of us as business guys are doing this only because we want to make margin that we are motivated to make additional margin that is how capitalism and how human nature works. But the Government in between realized or felt that Oh, no, we need to like make this a bit much more difficult. So they kind of kind of went on that track that they were like second guessing or the number of the time that were given. So they've tried to make it a bit more difficult on that and like I said, they have gone with that singular metrics, they've not looked at a holistic safety, okay. It's not just and we've seen, it's not just that the project. It's not just the complex, like, they just weren't that Oh, last time, if five years ago, we used to give 100 Kilometer project for two year's timeline, we should give 100 Kilometer project for two years' time or even right now, without thinking and knowing that, oh, there's so many flyovers that are coming if there is a railway bridge happening, a railway bridge, sir, to seek permission from railway, that alone takes six months to get that permission and everything else in place. So all those things that happen, they there is a whole process that you need to account for before you get a permission, you can't do the work, because permission India also take a certain amount of time. So there is it's a very cookie cutter approach rather than a more boutique and a more thoughtful approach in that they're doing it more widely like that. So long term, I don't know how the industry will do. It's a cyclical industry, once they face certain losses in like the Government themselves realize that this is not working. They might change their approach, just like how they did when they first reduced the criteria for bidding and then they realize this was working counterintuitive to them, they kind of brought colder criteria, or made it higher again. So those things is very difficult to predict how the Government behavior will be. So I can't really comment how long term things should be. But that's anyone's guess right now, I guess.

Rajarshi Maitra: Thank you, Mr. Rohan. So for now, let's set back in the queue. There are a few questions from some participants. Let's hear about that.

Rohan Suryavanshi: Sure. So thank you.

Dipen Vakil: Thank you, sir. So, we have one next question from Saif Gujar. So he has asked about he has inquired about the order pipeline, and he sees like, going ahead, what do you see how the order pipeline would be for water supply, irrigation, and Metro? So that was his first question.

Rohan Suryavanshi: What is the order book?

Dipen Vakil: Yeah, so what is the order pipeline?

Rohan Suryavanshi: So the new orders for Metro is a state subject. So always whenever we're looking at, we keep looking at different states, the good thing is there are a lot of metros being built across the country, in every state under the smart city and everything else, but there's lots happening there. So there's a decent amount of things that we do are looking at that. The Metro work for us is quite similar to our flyover work, the equipment that we have and how we do it. So we're focusing primarily on that. So there's a reason that and for different states, I don't have the handle on each state numbers right now, also, we do not share that detail publicly as well. Because it could talk about where we all are looking at, but there is decent, whatever we need it we already have for you know, training our equipment and everything else we do it but we have constantly on the recovery. In terms of education, different states are coming up with more and more irrigation projects, a lot of them supported by the center as well and the Jal scheme. So we are we are looking at that we recently won something in Madhya Pradesh. Well, we are looking at more projects that are coming in that. So that's also an area of excitement for us.

Dipen Vakil: Thank you so much. So I think his second question was not mortally on judgment mission on me, which you mentioned. So he was inquiring if the project's predict awarding and delamination have been have they been exhausted or picked out? Are there still more to come?

Rohan Suryavanshi: No, there is a lot happening in irrigation because different states that are asking and taking that there is decent amount of work that's happening in that and even in I think the current budget is when the Government talks about it. So I think there is it's not like its completely exhausted because the Government is keep there is getting potable water, we household building all those from water suppliers to tanks or a tanks to getting piped water. So there is a there is a huge amount of work that the company wants to do in that. I don't see that ending or exhausting anytime in a country as large as ours.

Dipen Vakil: Thank you so much. So one follow up question from my side. So when you were talking about the other sector and apart from roads, so where do you see the most opportunity coming in which sector in the coming years, like whether it will be from water supply, metro or some irrigation or some other.

Rohan Suryavanshi: So it won't be like a one thing, because it will always have to be a mix of things that are happening. So, like we are excited about all these things are out. I mean every sector that we entered. We saw that okay at that point of time it fit some of the criteria that we had for ourselves with. Whether it was cool location, whether it meant like it had similar equipment that was needed to do it, or we saw that there was a pipeline of city pipeline, what is coming in. So we do see. At any given year they might be something might be more than the other. It will all be the same zip code, but there might be some ups and downs. Mining is one area that we started a while ago. We are fairly happy with that sector. And now we want 2 large NDO's and we've started work on both of them, which is very, very things, so that both of them, in their full revenue capacity, will add more than 2,000 crores of top line to us, and those are long term contracts. So as the company we wanted to mix of both long term contracts and short term contracts. So I think every company will have a different goal and a different idea for us, whatever our goals are, and we are trying to kind of align our strategy to meet all those goals. And win those projects in that area, so having, like a long-term contract like MDO contract, gives us all like the revenue, is already for a long time and avoids us. You know that constant competition in a sector. You know that you are doing that, and that revenue will be stable, and you'll keep coming. There is a takeaway by the Government. So then, those are fairly well balanced contracts. And with docile competition, not everyone will want to get in it because a lot of these mines are looking in area which are a lot of other socio-political problems, whether it might be an accelerate problem whether it might be something else, but because of that not everyone wants to go there and get their hands dirty.

Dipen Vakil: Thank you sir, that was very much helpful.

Rajarshi Maitra: Rohan sir, I have a question, I suppose it's important for any infrastructure company. The aspect of the leverage. So the financial leverage of the company. Now, obviously one can deal with the leverage situation, either by raising equity or by divesting some assets like Dilip Buildcon has in the past. You have divested certain assets, hybrid activity projects or the other. The last ways obviously to increase the revenues and the profits in the company which provides a better interest, cover, etc. So if you could tell us a little about your plans over, let's say, the next 2, 3 years on all of these things equity raising, asset sale and also increasing the top line and the profits of the company.

Rohan Suryavanshi: So we have always identified ourselves primarily as an EPC company. So even when we do PPP projects, it is to enable our EPC to do that. So which is why, whenever we do like a Ham project idea is to build it to good quality and then monetize it. That is what we have been doing successfully in the past. We've done it 2 times already first time we sold a batch of 24 asset projects. And now we have sold 13 projects, 10 to flem and 3 to cube, so our idea is always to keep monetizing projects as they get built, and keep you rechurning that equity. So when you talk about leverage, there are 2 kind of leverages. One is a standalone level. One is the consolidated leverage. On the standalone level there is 2 leverage that the company takes. One is the working capital leverage, and the second is the equipment leverage, because we buy our own equipment. Because we have made a public commitment, and that we will not be investing in heavy equipment and the level and the manner that we used to in the past, because earlier we used to be buying 5, 7, crores of equipment in a given year. We were growing also in that phase and we're doing everything. So we have a gross. So equipment book of about 4,000 crores of gross. This thing net like it will be much lower, obviously. But those equipment now, since we are not investing in equipment any or like, we're only doing like we've mentioned like for the next 2, 3 years, we're only looking to put somewhere 40 to 60 crores of equipment, which is more of a replacement capex it is not more. So by the end of this 24 financial year, our equipment debt would be all paid off. The only working capital debt right now current, debt-to-equity is about 0.66 or 0.67 somewhere in that zip code. Once we complete all our equipment like next year, we' not buying, and we pay it off. This will all further drop, even. Furthermore, so that's on the standalone level. And we'll continue to keep reducing it like the leverage like that on the standalone level. On the consolidated level the only debt that we take is for the asset, the VPP Assets, the Ham projects. In that our model is very simple that as soon as you build the project we keep selling them. Also, it's important to know that we do not take a revenue risk, so all our projects are very well kind of funded, so they are all automatically. They make money, and they're servicing everything on their own, and that has always been the case, because in an annuity project you can't also take a lender for a ride as used to happen in the toll projects where you would give ghost revenue numbers. So from a consolidated level, like even right now, when we let go of these 10 projects. As soon as the 51% shareholding gets transferred to the by, which is Shrem. In this case all that level it will go off our books, so we will see reduction of 3-4,000 crores of debt, or whatever is that actual number, so some of that will reduce from our book as soon as those projects go out. Definitely, we keep seeing, reducing to just and capital we keep seeing we are our ideas, the producing leverage. The next 2, 3 is even the standalone one completely bring it to a much lower level from where it is that already maybe in that kind of point 2, 5, or something like that.

Rajarshi Maitra: Any immediate plans on any form, plans of asset sales. Now that is happening, or is it something that is your thought process, but there is nothing to announce as of now.

Rohan Suryavanshi: So the plan of is always as soon as we keep completing. So, besides the ones that we've already to Shrem. There are now another new bunch of projects that we can complicated. So we have started conversations with other players, and the people who are interested in buying those as well. So we will continue to keep monetizing those assets as they keep getting completed. So whenever there is something that happens in complete. We obviously update the market participants whenever there is something that happens.

Rajarshi Maitra: And in terms of interest from these buyers of these assets. So you have been, I mean, like you mentioned, your business model, has been to keep divesting assets as and when completed you look at yourself as a pure EPC company. So from the interest side, do you see that the interest over the last let's, say the 5-7 years it's increased. It's in purchasing these hybrid annuity assets. So once completed, or has it gone down over the last few years. How do you see the environment in terms of buyers for your assets.

Rohan Suryavanshi: That's definitely increased. I mean, if I look at 2014, 15 & 2016, there was less interest in assets. A lot of companies are also going for a lot of the problem. And we didn't have enough buyers there. Today we have a lot of people who are looking at it, and because of the whole invit, regulation and model. There is a very the reed, and then it is a very safe and secure vehicle for investors who are looking to part long term or more looking at long term, return with the stable cash flows because those are very tax efficient as well. So I think more and more companies are looking at that. I think what is needed for this sector to further expand is, if there are better regulations from like right now we have, the EPFO which is seeing recording flows. We have the insurance companies which have a lot of capital, but they're not able. And this is domestic patient, long term capital, but they're they haven't been able to invest in this asset class so much because the regulations are not conducive. So I think there is some bit of education, some bit of Government intervention, all of that that will be needed like even mutual funds, currently the way they structured. And now SEBI expect them to disclose their sort of NAV. All those things obviously have not led to that growth. Otherwise, I think all of this is a matter of time given that they're already foreign guys like think about the NHAI invit. We had foreign guys buying 50% of that invit who are looking for foreign pension funds, while in Indian Pension funds could not, because of the regulation not being. So, I think, as the Government realizes and as these guys also realize the regularity, for whether it's insurance regulator, or whether it's a pension from regulator on for mutual fund JV, as they realize more and more this product becomes more broad-based, I think the need for such long-term assets with long-term fixed revenue. Especially annuity the Government of India Revenue security scheme, stream that you are getting for the next 15 years. When you buy a Government bond you buying it at 7 and a half to 8 rate now. You buy HI bond last, I think, NHAI when they issued bond at 8 and a half, or something like that. So this is kind of similar kind of thing, but you're getting it a much better return. So I think obviously, the interest of getting right now the invertors that we speak to, the larger houses, the larger pension fund, to the larger buyers, are actually struggling to find good assets in bulk like they may, and they don't want to deal with the smaller companies who have one or 2 or 3 or 4 assets. They want to deal, larger where they can cut a $500 million check, or a $300 or something like that. At least it has to $200 million plus kind of check for them to like. You know the larger ones for them to be like really excited about putting that kind of capital to work. So for them someone like us and some of our larger. I think we couple whoever so portfolio size which mirrors our size, their first port of call. That's what I kind of feel.

Rajarshi Maitra: Okay. Just to complete this question, any equity raising thoughts on that from the company?

Rohan Suryavanshi: We don't have any plans for equity raising thoughts as of now.

Rajarshi Maitra: Obviously, you're speaking about these rates and invit and basically the foreign pension funds. I think one risk and I want wanted to just check your views on it is the current risk. So if you for Canadian Pension Fund, investing in a portfolio of completed Ham projects completed. Yes, the revenue risk and rupees is not there. They know the kind of revenue that will come through, and they know the capex that has already happened. Basically, the valuation can be done appropriately. I think the only concern happens If, let's say suddenly, over a 2 year period will be different appreciates by another 10% of the 15%, because then, despite it being a good low risk, investment in rupee terms for someone putting in a foreign money, it might not turn out to be a good investment. So what are your thoughts on this aspect?

Rohan Suryavanshi: So if I know these guys put money in India, they also always have currency hedging in place. And the amount of money that they have any much put in like. When you talk about a Canadian pension plan, let's see. I think they input, about almost $10 billion in India or more something like that across different asset classes, equity, debt, and so on. So there is a huge exposure that they have to India, and this is only increasing because the AUMS for all these pension funds have increased dramatically over the last 5 years. And they, coupled with that they are also now focusing on more on infrastructure like their set allocation to, and we as a television to India and Asia, has increased for them. So because all those things have happened, they are actually hungry for good assets in in these areas. Coming to currency base, that's something that anyways always have to manage and do long term, because these are long term assets that you're talking about. When you look at historical trend off, the currency appreciation as opposed to the dollar. Those there is a specific sort of range that will always at some point of time. They must always be some jumps and all depending on certain external factors, but long term it moves in a certain direction. You know the inflation rate difference here versus the difference there, and a bunch of other things that will. And you know that. Okay, this is what I need to account for every year, so I think they make all those judgments, and we based on which only they are making those calls in India. So I don't think so. The currency deposition is so much of a thing given all. You know, all the money that the move and you know the adding edges that they take in place. At least I have not heard of that as being from all the investors to go long term that so, because this is, that is a given. It's not like. Nobody is thinking that it's not going to happen. Everybody know it's gonna happen. We will re. It might be. How if are there going to be certain moments in between long term? Everybody who is going to want a certain direction, and people build their models accordingly.

Rajarshi Maitra: Yes, that is true. That is time, I mean it. It happens in jokes, but it is broadly printing people the direction of it, that is true. And the last question from my side is a very specific question regarding your order book, so versus other companies in the last 9 months, you have won quite a few orders. Now, while that is a good thing, what it has led to is that a lot of your awards are recent awards, and not yet under construction. So what is your expectation? Do you think that there can be delays in actually commencement of construction for a lot of your order book? Because, According to my calculations, about 40% of your order book, I think, is more recent, and therefore not really under construction yet.

Rohan Suryavanshi: So a portion of the order book is always going to be under construction, like you know, it's gonna be with it. There is always a cycle that happens. You might be only specifically looking at the road sector. But there are other sectors also that we had won orders. Then we started work. So there is a mix of different sectors. I do not have the exact to hold on numbers to say right now when you say we have a percentage and all. But that's a thing of a thing like it's a cycle that continues to go, and we always plan that accordingly. Some delays happen this year because of the old CBI thing that you guys are aware of that caused some of the delays that became a headache not only for us, but for all of our listed bears, whether it's GR because they show all of us face similar actions from the CBI on issues which we are all in testing, and everyone may have different facts and I can't comment on the exact specifics of the case. There might be section at least we know for our thing, we've got a probably disclosure on that, and we a fairly confident on where we stand. But nonetheless, all these are inconveniences that to impact on how you're doing business. You it to means investor, confidence and board as well, so you always work hard to build something. And then something like this comes along, and it’s hits a bunch of those things. But yeah, we're keeping a heads down, working out towards it. Order book just to come back to. I don't see it so much of a problem. They might be small inconveniences here and there, but we are fairly confident of the direction that we are kind of heading in.

Rajarshi Maitra: Thank you Rohan sir for answering the all those questions. If there any questions from any of the participants. Please go ahead now, else we proceed to end the call. I suppose there are no further questions now, so let's with that we will wind up the meeting on behalf of Incred Capital. I thank you all for your partner participation. I especially thank Rohan sir, for taking time out to for our conference and to attend this call. Thanks, everyone.

Rohan Suryavanshi: Thank you Rajarshi, thank you everyone who came and had whatever question there, and if anybody wants to have other questions, I look more than happy to answer it with me or my internal team or our IR team S-Ancial, since so Jill is there from there. So anyone has any questions please need to reach out and be happy to answer it.

Rajarshi Maitra: Yes, thank you.