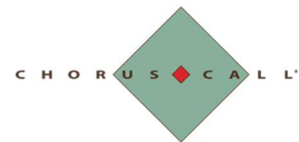




**“PSP Projects Limited  
9M & Q3 FY '26 Earnings Conference Call”  
January 30, 2026**



**MANAGEMENT:**

**MR. P. S. PATEL – CHAIRMAN AND MANAGING DIRECTOR**

**MS. POOJA PATEL – CHIEF EXECUTIVE OFFICER**

**MS. HETAL PATEL – CHIEF FINANCIAL OFFICER**

**Moderator:** Ladies and gentlemen, good day, and welcome to PSP Projects Q3 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 conference is being recorded.

I now hand the conference over to Mr. Arpit Mundra. Thank you, and over to you.

**Arpit Mundra:** Thank you, Heena, and good evening, everyone. Welcome you all to PSP Projects Limited 9M & Q3 FY '26 earnings conference call. To take us through the results and answer your questions, we have with us management of PSP Projects represented by Mr. Prahaladbhai Patel, Chairman and MD; Ms. Pooja Patel, CEO; and Ms. Hetal Patel, CFO.

Please note that the discussions that we may have today may contain certain forward-looking statements relating to future events and future performance. Numerous factors could cause actual results to differ materially from those in the forward-looking statements. Please note the audio of the earnings call is the copyright material of PSP Projects and cannot be copied, rebroadcasted, attributed in press or media without specific and written consent of the company.

Now I would like to hand over the call to Ms. Pooja Patel, CEO, for her opening remarks. Thank you, and over to you, Pooja.

**Pooja Patel:** Thank you, Arpit, for the introduction. Good evening, everyone, and welcome to the earnings conference call of PSP Projects Limited to discuss the financial performance of the Q3 & 9MFY26. We concluded our Board meeting earlier today. Let me begin with the financial highlights of quarter and nine-month period.

During Q3 FY '26, the company delivered its best ever quarter revenue, reporting INR771 crores from the operations, representing 24% year-on-year growth and an 11% quarter-on-quarter increase. For the 9MFY26, revenue stood at INR1,978 crores, reflecting a 9% year-on-year growth. The improved performance was driven by strong project execution supported by better workforce availability and improved labor deployment.

As of 31st December '25, the company's outstanding order book stood at INR9,178 crores, registering a 43% year-on-year growth. Of this, within group project accounts for 59% while the external project constitute of remaining 41%, that is INR3,738 crores. We observed that the breakup of the order book is missing in the current investor presentation. Accordingly, we are sharing the details of major external projects for your reference.

SMC high rise building INR835 crores; Gati Shakti Vishwavidyalaya INR325 crores; deployment of Dharoi region INR280 crores; construction of Fintech building at GIFT City, Gujarat INR264 crores; Sabarmati Riverfront Development Phase 2, INR245 crores.

Company order inflow during Q3 FY '26 amounted to INR957 crores, marking 151% year-on-year increase. Since inception, company has completed INR253 crores, with 82% from the private client and remaining from the government clients. As of the quarter end, the company is executing 67 ongoing projects, of which 88% are in Gujarat, while the remaining 12% as spread across Karnataka, Uttar Pradesh, Delhi and Maharashtra.

During Q3FY26, the company successfully completed 5 projects, including major projects among those includes Veer Savarkar Sports Complex Ahmedabad, 1 of the first stadium for Commonwealth 2030, and aiming Olympics of 2036. Terminal 1 and Terminal 2 forecourt area development at Ahmedabad Airport; Studio Building for CEPT University; Industrial project for tea processing facility for Waghbakri Group.

The company currently has a bid book of INR6,600 crores with 60% from group projects and 40% on external projects. We are pleased to say that within the external bid book, the company has emerged as the lowest bidder for Ambaji Corridor Development Project valued at INR965 crores.

Now let me share a certain project level update. SMC, we have completed major work of core and shell for the project and currently MEP and finishing work is going on and facade work will be starting soon. RVNL, out of 3 building, 2 buildings core and shell is completed, third building is going on as per schedule. Currently, MEP and finishing activities are going on. For Dharoi Project, Phase 1 is a -- on a handover phase and Phase 2 project all the major activities are going on as per schedule.

Other than that, in the matter of PSP versus Bhiwandi, PSP projects received a favorable arbitral award dated 11th January 2026. The arbitral tribunal has directed BMCMC to pay PSP Projects a principal amount of INR61.44 crores. Additionally, BMCMC is required to pay interest at 9% per annum, a third up to the date of award within 60 days from the date of award.

With this, I would like to now hand over the call to our CFO, Ms. Hetal Patel, to share the financial performance of the company.

**Hetal Patel:**

Thank you, Pooja. Good afternoon, everyone. The financial performance during the quarter ended December 31, 2025, is as below:

Q3FY26 vs Q3FY25

- Revenue from operations for the quarter is Rs. 771 crore vs Rs. 623 crore, increased by 24 % YoY basis
- EBITDA for the quarter is Rs. 52 crore vs Rs. 35 crore, increased by 47% YoY basis.
- EBITDA Margin is at 6.73% vs 5.67%.

- Net profit for the quarter is Rs. 16 crore vs Rs. 6 crore, increased by 159% YoY basis.

During the quarter under review, Employee benefits expense increased from 33 cr to 41 cr mainly due to increase in provision for gratuity and leave encashments as a result of application of new labour code notified in November 2025.

Increase in depreciation from 19 crore to 24 crore is mainly attributable to additions in asset block during current financial year.

During Q3 FY 26, company has incurred capex of 80 crores and year to date capex addition is 153 crore. Gross block as on Dec 31 2025 is 762 crore and net block is 414 crore.

Would like to mention few of the important balance sheet numbers as on December 31, 2025.

- Long term borrowing: 25 crores including short term maturities of 16 crore
- Short term borrowings : 364 crores excluding short term maturities of 16 crore
- Net Unbilled Revenue 648 crore
- Trade receivables 635 crore
- Trade Payables 436 crore
- Retention – 163 crore
- Mobilisation Advance: 524 crore
- Inventories of 344 crore comprises of 175 crore of construction materials, 149 crore of work in progress and 20 crore of Finished goods.
- Out of total sanctioned credit facilities of Rs.1497 crores, company utilised non-fund based facilities of Rs.703 crores and fund-based utilisation is 294 crores. Limits available for utilisation is Rs.500 crores
- As on December 31 2025, The company has total fixed deposits of Rs.215 crores out of which lien free deposits of Rs 43 crores, FDs worth Rs.147 crores are under lien with Banks for credit facilities and FD worth Rs.25 crores are given as security deposit to clients.

Work on hand as on December 31, 2025 is Rs. 9178 crore.

This comprises 27% order value from Government projects and 73% from private entities. Work on hand within Gujarat comprises 82%, Maharashtra 14% and rest 4% from other states.

Outstanding value of projects from entities within group comprises 59% and external projects are 41% of total work on hand.

That concludes the update on financials, and we are now open the floor for Q&A.

**Moderator:**

Thank you. We will now begin the question and answer session. The first question is from the line of Shravan Shah from Dolat Capital. Please go ahead.

**Shravan Shah:**

A couple of questions. So first, on the guidance front. So last time, we said around INR3,200 crores revenue for FY '26. So considering 9% growth in nine month or the fourth quarter, the Ask rate is too much. 86% kind of a growth, INR1,200 crores-odd something. So first, on the revenue front, how much are we looking at for the fourth quarter?

So for the entire FY '26, and if possible, for FY '27, how one can look at the revenue? And that too also if possible if you can bifurcate in terms of the Adani and non-Adani Revenue, that would be helpful, sir?

**Prahaladbhai Patel:** Shravan, first of all, to answer the first question related to overall revenue for this year, I think we have committed around INR3,100 crores to INR3,200 crores, we'll stick to that figure because we are confident that the projects which are now at their finishing will be able to make up by March time.

For the revenue contribution for the next year, I think it is a little early, but mostly, it will be somewhere in the range of INR4,000-plus crores. We are sure because of the order book which we have and the commitment which we have made for next year.

**Shravan Shah:** Sorry, sir, for this year, you said INR2,300 crores?

**Prahaladbhai Patel:** INR3,100 crores to INR3,200 crores, which I already committed in last call also, that we stick to that. So probably there won't be any problem in getting that revenue as far as the planning is concerned, the pace of the work which is going on, and most of the projects are in the phase of MEP and finishing. So it will be able to make up that revenue.

And for next year, it is too early to mention about the revenue, but once we complete this through 2026, but looking to the commitment, which we had done, it should be somewhere in the range of INR4,000 crores to INR4,500 crores minimum.

**Shravan Shah:** Okay. Got it. So the way the work is going on, sir, so in the fourth quarter, we should be able to do INR1,100 crores to INR1,200 crores kind of a run rate to get INR3,100 crores, INR3,200 crores?

**Prahaladbhai Patel:** Right. Right.

**Shravan Shah:** Yes. Sir, second is on the order inflow and margin. So still we are not able to see the improvement in the margin. So in the fourth quarter, how one can look at the EBITDA margin and for next year or maybe the next two years also, if somebody has to look at 8% to 9% margin, which we normally used to guide, is it possible to achieve in FY'27, FY28?

And for fourth quarter, how one can give the revenue will be a significantly higher, so we can see a kind of 8%, 9% EBITDA margin in the fourth quarter itself?

**Prahaladbhai Patel:** See, Shravan, if you have heard Hetal, she already mentioned that there is an incremental operating expense in -- because of employees benefit, which is to the tune of INR8 crores, which is in this quarter only. If you led to INR54 crores, which we have already shown as EBITDA, it comes to INR62 crores. So if you consider that part also, then we have almost reached to 7.71%.

So what we told you that we'll be near to 7% to 8% this quarter and probably on an average 8% to 9%, that's still achievable. So, though it shows 6.71%, but that is an impact of 1% directly because of this New Labor Code.

**Shravan Shah:** And sir, this INR8 crores employee cost from fourth quarter, this run rate will continue? Or this is for the onetime that we have done?

**Hetal Patel:** No, no, it will be onetime effect only. We have already taken the effect, this past service cost, so that we have taken to the P&L. And now from next quarter onwards, there won't be any effect of this.

**Shravan Shah:** Okay. Okay. And sir, now in terms of we already have a INR5,000 crores order inflow. So, in the fourth quarter, how much more are we looking at? And this INR965 crores would have been said in the start that we have already got from the Adani. So just to clarify on that.

**Prahaladbhai Patel:** Out of the INR955 crores, it is 100% Adani Group only.

**Shravan Shah:** Okay. So I can say that we have got close to INR5,900 crores so INR6,000 crores, we are -- our order inflow till now. So how much more one can look at by March end?

**Prahaladbhai Patel:** Out of this, INR3,000 crores, which is under discussion.

**Shravan Shah:** So INR3,000 excludes this INR965 crores or it includes?

**Prahaladbhai Patel:** It excludes.

**Shravan Shah:** Okay. Okay. And then next year onwards, this INR7,000 crores, INR8,000 crores run rate one can look at in terms of the order inflow?

**Prahaladbhai Patel:** We should look at it as per our performance if we're able to make with the requirements of the group. I think INR7,000 crores, INR8,000 crores is to be considered for next year.

**Moderator:** The next question comes from the line of Vaibhav Shah from JM Financial.

**Vaibhav Shah:** So, the issue that you are facing on the UP project. So now there are no overruns in Q3, right?

**Prahaladbhai Patel:** Right.

**Vaibhav Shah:** So only one-off in the quarter was regarding the Labour Code, otherwise, the other costs are normal?

**Prahaladbhai Patel:** Yes.

**Vaibhav Shah:** And secondly, on the depreciation front, now this run rate should continue of INR24 crores, INR25 crores per quarter?

- Hetal Patel:** Yes, it should continue because we have already added INR153 crores in the current financial year. So it will impact every quarter going forward...
- Vaibhav Shah:** So what capex are we targeting for the entire year?
- Prahaladbhai Patel:** Yes. This is basically to be utilized for the next 2 years, most of the projects which we have started for Adani Group, all these projects regarding new shuttering materials, new equipments like crane and other equipment. So this will be -- most probably, this will remain as a part of depreciation. But at the same time this revenue will start in next year.
- Vaibhav Shah:** And capex target for the entire year?
- Hetal Patel:** So for 9 months, we have expended INR153 crores and further around INR40 crores to INR50 crores we might be incurring.
- Vaibhav Shah:** Around INR200 crores for the entire year?
- Hetal Patel:** Yes.
- Vaibhav Shah:** And going ahead, FY27, FY28 also, this should continue? Or we may see some fall in the capex number?
- Prahaladbhai Patel:** If you consider the part of the project which we have received from Adani Group, which is in the tune of INR6,000 crores and if you consider the 2% to 3% as the equipment part, I think that's what we have spent. So probably from next year onwards, there will be a little bit less capex cost for this project, which has already started, but for any new project which is coming up from the group, I think there will be requirement of capex, as and when required, but maximum, overall, we will stick to 3% to 4% of our overall revenue, which we all will pay and which is what we have spent every year in past few years also.
- Vaibhav Shah:** Okay. And sir, lastly, regarding the Bhiwandi award, so INR61.4 crores, so this should directly come to us, or the client can again go in arbitration and go in the further court?
- Prahaladbhai Patel:** The court has given a commitment payment time of 2 months. So after 2 months, if they do not go to the court, this has to be reimbursed. And for again, beyond 60 days, that interest rate is announced at 11%. Presently the interest for -- after the announcement till date is 9%. Later on, once the 60 days is over, it is 11% interest. So let us wait and watch whether they go to other court and not.
- Vaibhav Shah:** Okay. And sir, what would be our receivables from the SDB now? I think some amount was pending.
- Prahaladbhai Patel:** The receivables still remain the same what we were having in last quarter. Only thing is now, it will be paid as with interest as they are committed, but it is same as last quarter.

**Vaibhav Shah:** Sir, what was the number?

**Hetal Patel:** INR90 crores.

**Moderator:** The next question comes from the line of Rahul Kumar from Vaikarya Funds.

**Rahul Kumar:** Just on execution, I think whatever the execution we have done in Q3, is it in line with your expectation? Or were there any challenges during the quarter?

**Prahaladbhai Patel:** No, it has been in line with our expectation as in the last quarter also I shared that we will be -- whatever things have happened in last 2 to 3 quarters because of the extra costs which we have incurred in the projects related to UP, now that has been streamlined.

And overall, the project which we are doing is 60% from Adani Group and most of the projects in Gujarat from other, non-Adani. I think it is as per expectation, all within this INR8 crores provision made that it has made EBITDA 1% lower. Otherwise, 7% plus 1% is about 8%, which I've already said that we'll try to match 8% to 9% from next year onwards.

**Rahul Kumar:** Okay. Okay. Sir, I was actually asking, in terms of more on execution of the projects. Is that in line with your expectations?

**Prahaladbhai Patel:** See, it is always better to have more and more, we said, we can do better and better. But what happened is usually the environment, which there's the deployment of labor, availability of labor and the weather, these 3 permit, we've always wish that one should go on smoothly.

But depending on the type of project, sometimes some of the projects may have not have clearance in terms of design or in terms of clearance, in terms of approvals that can hit during the good season for construction. But overall, I feel that we may have fall about INR50 crores less, otherwise it is within my expectation.

**Rahul Kumar:** Okay. Okay. And so during the quarter, I mean, were there any issues of labor availability? And has that sort of improved?

**Prahaladbhai Patel:** No, I don't think so, maybe it believe depending on type of project and the fund availability, there can a shortfall of 8% to 10%, but not as such as the crisis of labor, as we generally see in the season of April to June. So overall, it can be a shortfall of 8% to 10% depending on situation and location of the project.

**Rahul Kumar:** Okay. And I think you mentioned that there's 14% projects which we're doing -- are done in Maharashtra. So just with respect to that, how is the receivable situation over there?

**Prahaladbhai Patel:** Yes. I think the major projects which we are doing today is Mahim, and that project already, the sheet piling has been done, excavation, the last layer of excavation is going on. So probably by March, we should be in the position to start a foundation, and we'll be able to generate more revenue from then onwards.



**Rahul Kumar:** Okay. Okay. But are you facing any challenges on the cash flow front on that project?

**Prahaladbhai Patel:** No. As such, there is no requirement. There is -- as such today, there is no problem of cash flow in that project because it's investment from Adani Group.

**Rahul Kumar:** Okay. Got it. And I think, in this quarter, you have seen a decline in the gross margin on a Q-o-Q basis, I think, by 70 bps. So what would have driven that?

**Prahaladbhai Patel:** As I already told you, there was a hit of INR7 crores to INR8 crores because of the labor code decision, that has given you a drop of 1.5%, otherwise last year, it was 6.5% to 6.71%, it could have been 7.71% if that impact of labor code would not have been taken.

**Rahul Kumar:** Actually, I was more referring to the gross margin front and not exactly the EBITDA margin front?

**Prahaladbhai Patel:** Gross margin. You meant to say, from quarter-to-quarter?

**Rahul Kumar:** Yes. Versus Q2, I think it has declined by 70 bps?

**Hetal Patel:** Construction cost you are saying?

**Rahul Kumar:** Yes. Construction expense and cost of materials combined?

**Hetal Patel:** Many of the projects are newly started, right? So they are at the initial level of execution. So that margin might be affected in initial stages. As we already mentioned in last quarter also, we have started many of the new projects. So because of that, that effect can be there on the project.

**Rahul Kumar:** Got it. Okay. And I think on the order flow front, I think if I see Q2 versus Q3, I think we have seen that institutional and government order book has actually declined. So can you just help us understand the trends, how is it looking, let's say, now versus September?

**Prahaladbhai Patel:** As far as order inflow is concerned, now being a partner with Adani Group. We are having plenty of inquiries from their side. And we would like to maintain our presence in the market by thinking about 15% to 20% non-Adani and 75% to 80% from Adani group. And that's how we are not also bidding for the smaller projects of the government side. And the project which we have bidded of INR967 crores of this Ambaji corridor.

It was one of the largest and prestigious project of Gujarat where we have already stood lowest and we are waiting for that order. So order inflow in terms of government or the non-Adani will be on selection basis because as far as the group is concerned, we are having plenty of work to do.

**Rahul Kumar:** Okay. And currently, what is the split of Adani and non-Adani order book?

**Prahaladbhai Patel:** 40%.

- Moderator:** The next question comes from the line of Vishal Periwal from PL Capital.
- Vishal Periwal:** I think one question is on inflow. You did mention in the PPT, order inflow of almost like INR5,000-odd crores. But if we look at the order book, which we generally give on a quarterly basis, so it looks like the inflow is, I mean, like some different number. So there is certain cancellation of orders are also there. So is that fair to understand?
- Hetal Patel:** So basically, see, once certain orders are -- certain projects are over, we have to foreclose certain amount because even during this quarter also, we have closed certain orders. So order value -- remaining order value, we need to short closed. So because of that and also -- within existing orders, there are certain orders where we have short closed certain amount. That amount has been reduced. So that amount can be the differentiator.
- Vishal Periwal:** Okay. Okay. Because I think that number comes to almost like INR3,700-odd crores
- Hetal Patel:** No, It cannot be that much. It's around this year only, INR100 crores to INR150 crores.
- Vishal Periwal:** Sure, sure, ma'am. And second, I think in terms of the inflow that we get from the group, I mean, Adani Group. So what is the nature of the project? Is it largely a real estate? Because the reason I'm asking is we have seen residential pie has increased in the segmental order book as well as the institutional one, which wherein like generally we do work of say educational institutes or I mean hospitals. So just thought to check?
- Prahaladbhai Patel:** No. As far as Adani Group is concerned, I think we have a less order book from realty. Most of the projects are institutional or their own capex, whether it's residential colony for their Mundra Plant, whether it is a residential colony for the Dharavi Project. There are a few projects related to airports and there are a few projects related to their own institutional requirement at Ahmedabad, but not much on realty side.
- Moderator:** The next question comes from the line of Bajrang from Sunidhi Securities.
- Bajrang:** Sir, congratulations for both growth and execution side. So my question pertains to Dharavi side. If you could guide what is the development because in the recent BMC elections we have seen all the 5 blocks have been won by non-BJP candidates from Uddhav camp and the Shinde, the other NCP camps. So how do you see that whether this will put some sort of delay mechanisms or some sort of chaos there for the development part?
- How do you see this development in terms of Dharavi project? And also some insights on the Commonwealth Games side, how is the progress, when the tenders are expected and how this thing is going to go through?
- Prahaladbhai Patel:** First of all, this is the news, which I'm hearing from you that there was -- the participant has won the election. So anyway, it is actually not my job who is going to rule as corporators or how it is going to impact on us. But till now, there is no impact. And we should not worry about that impact also because it is at the end of the day, group level's call. We are just a part of

construction. And as far as construction is going on we are almost at the finishing of excavation and probably maybe 1 or 1.5 months we'll start the foundation.

**Bajrang:** Okay. So sir, in terms of new order intakes on the Dharavi side, any broader guidance or the guideline that you can give, how much that probably we are expecting in the near to medium-term time frame?

**Prahaladbhai Patel:** We are in the discussion of one more project of Dharavi which is on the Matunga block, which will be in the range of INR2,000 crores.

**Bajrang:** Okay. In the near term?

**Prahaladbhai Patel:** Yes. Mostly it should close before March.

**Bajrang:** Okay. And sir, what about Commonwealth Games that tendering and the expectation?

**Prahaladbhai Patel:** Commonwealth, that will be announced and I think what we are hearing from the news, the same thing which you hear and we hear is the same. But probably what we are knowing much as far as the tenders, etc. There are a few tenders which are going to come for both stadium, which is yet to announce. So we are waiting for those tenders to come, but technically within the INR7,000 crores to INR8,000 crores. But that will not be one that is maybe gets distributed into 2 or 3. So we are still waiting how the tender starts and will be given.

**Bajrang:** Okay. So this will go into FY '27? Nothing is expected till March, right?

**Prahaladbhai Patel:** No, no. I don't think it should be completed within these 3 months. So it should be from the government that they should be in a position to close it before March, to announce the tenders, but probably for contacting firms like us, then you can say it can be in next year.

**Moderator:** The next question comes from the line of Prajwal from Equirus Capital.

**Prajwal:** Just wanted to have one clarification. The subsidiary that we have, the PSP Projects and Proactive subsidiary, are we doing any projects over there because there has been a jump in the revenues in the consolidated number as compared to the stand-alone number, which used to be similar. So how we should look at that particular subsidiary? And what kind of work and orders that subsidiary is doing?

**Prahaladbhai Patel:** See, there are 1 or 2 reasons that we have made that subsidiary a little live because we are getting few orders of MEP, which is going to be a part of new construction. So we take some of the orders of MEP in that part. Also some of the projects are split into labour and material. So there also we have taken as supplier materials with some profit and the orders are splitted into 2 as services and material.

So that is usually required by some of the clients where they're going to the end the project. So they usually ask for 2 parts of ordering system wherein 1 is material and service and 1 is material.

- Moderator:** The next question comes from the line of Balasubramanian from Arihant Capital.
- Balasubramanian:** Sir, earlier, Dharavi project has been delayed due to excavation and.
- Prahaladbhai Patel:** Actually it is not delayed, but because that project requires like when you are going in a basement and it is very difficult task in Mumbai for the excavation part till sheet piling is done. So first, the sheet piling that was much large as it's a huge basement. And at the same time, when you go beyond 6 meters, the project requires little bit time. So we are not allowed to do the blasting. We are now in a good position that almost the excavation will be over maximum within the next one month.
- Balasubramanian:** Okay, sir. QIP proceeds used for debt repayment and what is the targeted net debt-to-EBITDA ratio by end of this year and how much interest cost we can expect, say from next financial year?
- Hetal Patel:** QIP, we did 2 years back. So at that time, we have proposed that funds to utilize for that. Now the situation is like we have utilized our working capital facilities. But at the same time, we have incurred around INR150 crores of capex for this year. Even last year also, we have incurred a huge amount of capex.
- So against that, we haven't borrowed any long-term term loan against any equipment. So that is the reason our fund-based facilities utilizations are improving. At the same time, we have to pay advances to suppliers also because our high-value items they need terms of advances. And because of that, that fund-based facilities need to be expanded for that.
- Balasubramanian:** So can I say capex is majorly funded through internal accruals or any debt we are planning for that, madam because earlier that annual capex guidance was nearly 3 to 4 percentage of revenue, but we are also planning high-value cranes for precast. So it will lead to 4 to 4.5 percentage of sales.
- Hetal Patel:** Yes. So P.S. sir has already mentioned that this capex of INR200 crores for this quarter may not be happening at the same range in next year. So the revenue generation will happen in next couple of 2 years or so. It's like -- yes, as you said, 3% to 4% we have to incur. So that revenue will be generated in next financial year.
- Balasubramanian:** Okay, madam. Madam this Bhiwandi claim of INR250 crores and INR100 crores arbitration is still ongoing. So like when we can expect favorable outcomes and if there is any contingency? If it is there, how it will reflect our financials?
- Hetal Patel:** Regarding Bhiwandi claims, Pooja Ma'am has already mentioned in her speech that we have received a favorable response from arbitrator and that is around INR61 crores is passed and plus interest till the date they pay. So that arbitration process is over.
- Moderator:** Mr. Bala you may rejoin the queue for the follow-up question.
- Balasubramanian:** Okay, madam.

- Moderator:** The next question comes from the line of Aayush Saboo from Choice Institutional Equities. Please go ahead. As there is no response from Mr. Aayush Saboo, I need to move on with the next participant. The next is Hemkesh Khattar from Green Portfolio. Please proceed with your question.
- Hemkesh Khattar:** So the management in the previous earnings presentation guided for an order book of around INR14,000 crores to INR15,000 crores by the end of FY '26 as they saw significant order flow coming from Adani Group. So are we still confident on achieving that order book by the end of financial year?
- Prahaladbhai Patel:** See present outstanding order book is to the tune of INR9,100 crores. So probably if we had INR2,000 crores to INR3,000 crores, which we are expecting by March, so probably that will be in the range of INR12,000 crores minus the quarter. So may not reach to INR14,000 crores, but will be in the range of INR11,000 crores to INR12,000 crores.
- Hemkesh Khattar:** Okay. That's very helpful. And second thing, like can we talk about the EBITDA margin? So the EBITDA margins that you are expecting from Adani projects, is it in the similar range of 8% to 10%, which you have guided or is it on the lower or higher end of that?
- Prahaladbhai Patel:** We already said it will be in the range of 8% to 9%. We never said it will be in the range of 8% to 10%. But probably it is as we said cost plus percentage, probably that will -- should land between 8% to 9%.
- Hemkesh Khattar:** Okay. Thank you so much.
- Moderator:** Thank you. The next question comes from the line of Bhavin Modi from Anand Rath. Please proceed.
- Bhavin Modi:** Yes. Hi, thank you for the opportunity. I just wanted to ask with the recent increase in the commodity prices, so can that have impact on our margins and how should we look at going forward?
- Prahaladbhai Patel:** See, the commodity margin, majorly it is aluminium and copper, all those projects which we are doing with the government or there is a fixed price contract, but that covers in price variation with RBI index, that can have a little bit impact. But as far as Adani Group projects are concerned, anything related to the rising commodity is not going to hit the PSP profits.
- Bhavin Modi:** So the hike in the prices would be like a -- it would be like a pass-through for Adani projects?
- Prahaladbhai Patel:** Yes, it will be pass-through. Yes, 100% pass-through as far as Adani Group is concerned.
- Bhavin Modi:** Okay. Got it. That's it from my side.
- Moderator:** The next question comes from the line of Shravan Shah from Dolat Capital. Please go ahead.

**Shravan Shah:** Hetal Ma'am, what is the cash and cash equivalent as on December, which was INR192-odd crores in September?

**Hetal Patel:** See, mostly our cash and cash equivalent comprises of certain deposits, which are having maturity falling within 3 months, right? So we should talk about the overall deposit level. So this time, it is INR215 crores. And I think in September, it was on a higher side. It was around INR230 crores. So to that extent, it has reached.

**Shravan Shah:** Okay. But in terms of reporting the balance sheet, the way we report where we have reported in September, so that bank and cash totals around INR192-odd crores. So against that, if I have to look at, the number would be INR10 crores, INR15 crores lower only?

**Prahaladbhai Patel:** Yes.

**Hetal Patel:** Yes, it will be see, this cash balance will be falling under three different rates. But if you want to see purely short-term current asset cash, that will be on a similar level. It is INR48 crores currently.

**Shravan Shah:** No, I was looking at the balance sheet to balance sheet number. So September, the way we report the balance sheet, so there, if you look at, it was kind of INR192 crores, INR56 crores and INR136 crores, that the two numbers were there. So against that, I was looking at.

**Hetal Patel:** So it is the same only cash, cash equivalent INR48 crores.

**Shravan Shah:** Okay. And second, this arbitration, let's say, if we get it by March end, this INR61 crores, INR62 crores, so how this will get reported in the P&L? The entire will come in the revenue and there will be no cost. So entire will flow to the EBITDA level and there will be a tax -- normal tax rate?

**Prahaladbhai Patel:** Yes.

**Hetal Patel:** Yes.

**Shravan Shah:** And the interest 9%, that will -- any broad idea if, let's say, if it comes by the March, so this 9% starts from when?

**Prahaladbhai Patel:** Till now if you calculate it from the date of award to till date -- from the date initiation to till date, it is coming at INR79 crores as of today. So probably by March, it will be an addition of INR2 crores to INR3 crores, so we can say it will be around INR80 crores.

**Shravan Shah:** Okay, okay. Got it. And sir, the other projects of the Adani Group, particularly the airport side, the two projects that we are having in Ahmedabad, so how have we started the work there?

- Prahaladbhai Patel:** We are almost out of -- 75% we are out of basement and we are also on ground floor at some of the level. So that project -- both the projects, inside the airport and outside the airport, all projects are going on full fledged.
- Shravan Shah:** Okay, Got it, sir. Thank you. Thank you and all the best.
- Moderator:** Thank you. The next question comes from the line of Bhavik Shah from Invexa Capital LLP. Please go ahead.
- Bhavik Shah:** Hello, sir. Thanks for the opportunity. Sir, my first question is, what is the current bid pipeline for both Adani and non-Adani projects?
- Prahaladbhai Patel:** See it is, Adani, INR3,900 crores and the rest is INR2,600 crores, total order pipeline is INR6,500 crores, out of which I think the temple development at Ambaji is 965, we already are lowest.
- Bhavik Shah:** Sorry, sir, what's the last line you told, I was not able to hear.
- Prahaladbhai Patel:** Group project is INR3,900 crores bid pipeline. And non-Adani is INR2,600 crores. Out of this INR2,600 crores, INR965 crores is temple development at Ambaji, which we have put it in bid pipeline, but that tender is closed and we have stood lowest. We are waiting for that order,
- So in this 2,600, there were Ambaji temple project INR965 crores, commercial project at Thane about INR850 crores. It is a private project. There is Umiya Dham temple INR500 crores, residential tower for SB at GIFT city INR253 crores.
- Bhavik Shah:** Understood. And, sir, in case of Adani, INR2,000 crores is the Matunga project. And what are the rest projects?
- Prahaladbhai Patel:** They have different, different types of projects at, different, different locations. This is a mix of Vishram Gruh, some of projects are with -- compared to Mundra township, some of the projects are related to airports. So as and when the project starts, it comes to our bid pipeline.
- Bhavik Shah:** Understood. And sir, out of this pipeline, we are expecting INR2,000 crores to come in this Q4, right?
- Prahaladbhai Patel:** Yes.
- Bhavik Shah:** Okay. And sir, what will be your guidance for the next year in case of inflows? How much we are expecting in, say, FY '27?
- Prahaladbhai Patel:** We have already said that there will be minimum order inflow, minimum INR7,000 crores to INR8,000 crores from the Group as and when we start off with this outstanding order of INR11,000 crores to INR12,000 crores this year.

And if we are able to make up a revenue of INR4,500 crores next year, so there will be an addition of minimum 1.5x to 2x from the Group side. So on an average INR7,000 crores to INR8,000 crores to be added from the Group.

- Bhavik Shah:** Understood, sir. This is quite helpful. All the best. Thank you.
- Prahaladbhai Patel:** Thank you.
- Moderator:** Thank you. The next question comes from the line of Vaibhav Shah from JM Financial. Please go ahead.
- Vaibhav Shah:** Yes. Sir, our order book in September was around INR9,900 crores, and now it is INR9,200 crores. And we have roughly received around INR880 crores of orders. So as per formula, the order book comes around INR10,000 crores. So there's a difference of roughly INR800 crores in the order book. But Hetal ma'am told that only around INR100 crores has been removed or the scope has been reduced. So what explains this difference?
- Hetal Patel:** No, actually, there are INR143 crores reduction and cancellation only.
- Vaibhav Shah:** Ma'am, but so order inflow for the quarter is how much?
- Prahaladbhai Patel:** Some of the project scope is reduced, so the order is revised. And some of the projects, the value is splitted also.
- Vaibhav Shah:** But all of that is INR143 crores, right?
- Prahaladbhai Patel:** Yes, it's an impact of both. Some of the projects are revised on a higher side and some of the projects are cancelled also.
- Vaibhav Shah:** So what is the total impact if you add both the things?
- Prahaladbhai Patel:** INR800 crores impact is right.
- Vaibhav Shah:** Okay. Okay. And sir, secondly, in our current order book of INR9,000 crores, do we have any Dharavi projects?
- Prahaladbhai Patel:** We have already -- Dharavi -- Mahim, we have already said Mahim is part of Dharavi project.
- Vaibhav Shah:** So what is the value of the order?
- Prahaladbhai Patel:** INR1,300 crores.
- Vaibhav Shah:** And another INR 2,000 crores we are looking in the near term, the Matunga one?
- Prahaladbhai Patel:** From Matunga, yes.



- Moderator:** The next question comes from the line of Het from Elara Capital.
- Het:** Ma'am, can you just provide me with the breakup of the order book again?
- Hetal Patel:** In terms of?
- Het:** In terms of the closing order book, the breakdown is not available in the PPT. If you can run by that again?
- Hetal Patel:** Yes, I have already mentioned that. I'll just repeat it. So the closing order book is comprised of 27% order value from government and 73% from the private entities, right. And from within Gujarat comprises of 82% and Maharashtra 14%, and whereas within group projects are 59% and 41% external projects.
- Het:** Yes. I just wanted the project-wise breakdown.
- Hetal Patel:** Okay. I'll just tell you the project-wise breakup. SMC highrise building is INR835 crores. Gati Shakti is INR325 crores, and Dharoi Dam project is INR280 crores, Fintech building, INR264 crores, Sabarmati Riverfront project INR245 crores. These are the major projects, external projects we have mentioned.
- Moderator:** The next question comes from the line of Balasubramanian from Arihant Capital.
- Balasubramanian:** What is current utilization for precast facilities? And what is our current construction level in terms of -- what is the external and internal consumption and external precast orders? And in external side, whether we are targeting industrial, residential or infrastructure clients for precast solutions? And secondly, what is the onetime impact related to labor code implementation in Q3?
- Prahaladbhai Patel:** We already answered that this is one-time impact and as far as precast is concerned, presently, I think 80% to 90% is captive only. We have a few orders from few other company like L&T and some of the corporate company. Rest is mostly in-house for our projects and Adani projects.
- Balasubramanian:** Sorry sir, utilization level, it's completely 100% you are operating?
- Prahaladbhai Patel:** Yes.
- Moderator:** The next question comes from the line of Bajrang from Sunidhi Securities.
- Bajrang:** Sir, just want to understand, you have guided normalized margins in the band of 8% to 9% on the EBITDA level. But if I just see the depreciation, which is currently ruling around INR23 crores per quarter and then we are doing a capex of almost INR200 crores this year, which will reflect next year in terms of depreciation cost?

And finance cost is also around INR40 crores sort of run rate right now. So I'm just trying to understand what sort of net margin that will be there on FY'27 if we assume 8% to 9% sort of EBITDA margin? So what is the rational normalized net margin that probably we can expect?

**Prahaladbhai Patel:** See if we consider the depreciation and finance cost it's little bit reduced and depreciation remains the same, there can be an improvement of 1.5% to 2% on the net margin.

**Bajrang:** Sorry, 3% up to?

**Prahaladbhai Patel:** 1.5% to 2% on the existing 2.14%. So It can be 3.5% to 4% of net.

**Bajrang:** Okay. 3.5% to 4%. Okay. And sir, this year, we -- last quarter, we talked about INR3,200 crores sort of top line in FY'26. I was a little absent in the initial part. So is that number stands hold? Or will it be revised lower?

**Prahaladbhai Patel:** It would be in the range of INR3,100 crores to INR3,200 crores, which we were saying.

**Bajrang:** Okay. And next year, INR4,500 crores is a rational assumption? Or will it be lower?

**Prahaladbhai Patel:** Rational assumption as of today. We will be able to give you a clear guideline in the first quarter or the second quarter of 2027.

**Moderator:** Ladies and gentlemen, that was the last question for today. I would now like to hand the conference over to Ms. Pooja Patel for closing remarks.

**Pooja Patel:** Thank you, everyone. On behalf of management of PSP Projects Limited, we thank you all for joining us on our post earnings call today. We hope we have been able to address majority of your queries. You may reach out to me or our Investor Relations partner, EY, for any further queries that you may have, and they will connect with you offline. Hina, we can now close the call. Thank you.

**Moderator:** On behalf of PSP Projects Limited, that concludes this conference. Thank you for joining us, and now you may disconnect your lines.