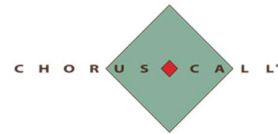


“PSP Projects Limited
Q4 FY '26 Earnings Conference Call”
April 30, 2026



MANAGEMENT: **MR. PRAHALADBHAI PATEL – CHAIRMAN AND
MANAGING DIRECTOR**
MS. POOJA PATEL – CHIEF EXECUTIVE OFFICER
MS. HETAL PATEL – CHIEF FINANCIAL OFFICER

MODERATOR: **MS. KRISHNA PATEL – ERNST & YOUNG**

Moderator: Ladies and gentlemen, good day and welcome to the PSP Projects Q4 and FY '26 Earnings 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 '*' then '0' on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Ms. Krishna Patel. Thank you and over to you.

Krishna Patel: Thank you, Ritesh, and good evening everyone. Welcome you all to PSP Projects Limited Q4 FY '26 and FY '26 Earnings Conference Call. To take us through the results and to answer your questions, we have with us the management of PSP Projects, represented by Mr. Prahaladbhai Patel, Chairman and MD; Ms. Pooja Patel, Chief Executive Officer; and Ms. Hetal Patel, Chief Financial Officer. Please note that the discussion that we make today may contain certain forward-looking statements relating to future events and future performance.

Numerous factors can cause the actual results to differ materially from those in the forward-looking statements. Please note the audio of this earnings call is the copyright material of PSP Projects and cannot be copied, rebroadcasted, attributed in press or media without specific or written consent of the company. With this, I would like to now hand over the call to Ms. Pooja Patel, the CEO, for her opening comments. Thank you and over to you, Pooja.

Pooja Patel: Thank you, Krishna, for the introduction. On behalf of the board and management team of PSP Projects Limited, I warmly welcome all our investors, shareholders, analysts, and other stakeholders. Thank you for joining us today to discuss the financial and operational performance for the fourth quarter and the financial year ended March 31, 2026. We concluded our board meeting earlier today.

Financial 2026 has been a year of execution, scale, and strategic transformation for PSP Projects, built on our core philosophy of "Built to Last." I am pleased to share our operational, financial, and strategic progress for Q4FY26 and FY '26.

We are pleased to report a strong closure to FY '26 with Q4 delivering our highest ever quarterly revenue, reflecting execution momentum across projects. During Q4FY26, the revenue from operations increased by 66% year-on-year to INR1,115 crores, driven by accelerated progress across institutional, industrial, residential, and government projects.

EBITDA for the quarter grew by 85% year-on-year to INR60 crores, while PAT grew sharply by 244% year-on-year to INR21 crores, demonstrating operating leverage as execution intensity picked up. For the full year FY26, revenue from operations grew by 25% year-on-year to INR3,149 crores. EBITDA stood at INR189 crores with an EBITDA margin of 6%. Profit after tax was INR55 crores. While margins moderated on a full-year basis due to the change in project mix and execution ramp-up in large scale, the underlying operation performance remains stable and aligned with our long-term growth strategy.

Now on **operational update**. Operational execution remained the key focus area during this year. As of 31st March 2026, our outstanding order book stood at INR13,447 crores, 85% year-on-year growth providing strong multi-year revenue visibility. For this, within group projects account for 67% while external projects constitute 43%.

Highest ever order inflow during FY26 were INR10,925 crores with 85% order from Adani Group. Major orders comprising of:

- development work at SVPI Airport Ahmedabad,
- Matunga Rehab Building Mumbai,
- development of extended temple precinct area of Shri Ambaji Mata Temple, District Banaskantha.

The order book is now well diversified with government projects forming about 25% compared to 43% of the previous year. Of the current order book, please make note of key projects and their outstanding contract value.

- SMC Highrise Building Rs.731 Cr
- Gati Shakti Vishwavidhyalaya Rs. 216 Cr
- Development of Dharoi Dam Region Rs. 223 Cr
- Construction of Fintech Building at GIFT City, Gujarat Rs 261 Cr
- Sabarmati River Front Development Phase II Rs 218 Cr
- Shree Ambaji Mata Temple Rs.966 Cr
- Human & Biological Science Gallery at Science City Rs.254 Cr
- Biggest residential project in GIFT City, Rs.210 Cr

Since inception, we have completed over 256 projects and as of year-end, we are executing 94 ongoing projects across Gujarat, Uttar Pradesh, Rajasthan, Karnataka, Maharashtra, and Delhi NCR.

During Q4FY26, the company has successfully completed three projects, namely:

- One of first and tallest residential building of 122 metres
- Completed Vishva Umiya Dham Package I, a landmark project during which a world record was established for pouring 24,000 cubic meters of concrete in a continuous 54-hour operation.

The company currently has a **bid book** of INR6,600 crores plus with 60% from group projects and 40% from external projects. During FY26, we successfully executed and progressed several complex and marquee projects including high-rise institutional building, airport infrastructure, large residential development, industrial facility, and healthcare infrastructure.

Our precast manufacturing facility continues to play a critical role in enhancing execution scale, consistency, and site safety. I would also like to take an opportunity to share details on one of the landmark precast projects currently being executed by the company.

Project 90 comprises of three basements, ground floor, and plus 18 upper floors, pre-executed in an exceptional timeframe of 148 days, that is less than five months. This remarkable achievement reflects our strong execution capabilities and reinforces our commitment to redefine construction speed and efficiency through the adoption of precast technology. We are extremely proud of this milestone and remain focused on leveraging advanced construction solutions to deliver superior outcomes for our clients.

Now let me share certain **project level updates**.

SMC: our RCC work has been completed and all the finishing activities, façade work, MEP works, etc are going on.

RVNL project: for all the three buildings in that project, our core and shell is completed and finishing work, MEP works, and road siding work is going on.

Dharoi Dam project: Phase 1 has been handed over and Phase 2, all the finishing activities are going on.

Ahmedabad Airport and City Side development: our major RCC work is going on, foundation works have been completed, and the project is on—there are four buildings in that project, so one building is on first floor RCC work is going on, second building ground floor work is going on, third ground floor work is going on, and fourth is basement one slab work is going on.

The **outlook of Indian construction and EPC sector** remains structurally strong, supported by multiple favourable trends such as public infrastructure spending across urban redevelopment, healthcare, education, transportation, and smart cities; revival in private sector capital expenditure, particularly industrial manufacturing, logistics, pharmaceuticals, data centres, and energy; rapid urbanization and redevelopment driving demand for high-quality residential and mixed-use development.

Increasing preference for organized, financially strong, execution-focused EPC players benefiting companies with proven track record like PSP Projects; growing adoption of technology-led construction solutions such as precast and modular construction which improves productivity and margins over the medium term. The tailwinds position us well to pursue sustainable and profitable growth over the coming years.

As we enter FY27, our priorities remain unchanged: timely and quality execution of our growing order book, prudent project selection and margin discipline, strengthening organizational capacity and leadership depth, and maintaining strong governance and financial discipline. On behalf of the board and management, I would like to thank our employees, clients, partners, and

shareholders for their continued trust and support. With this, I now hand over the call to Hetal Ma'am to share the financials for further details.

Hetal Patel:

Thank you, Pooja. Good afternoon, everyone. I will brief about the consolidated financial performance for the quarter and year ended March 31, 2026.

Q4FY26 versus Q4FY25:

- Revenue from operations for the quarter is INR1,115 crores versus INR673 crores, which is increased by 66% on Y-o-Y basis.
- EBITDA for the quarter is at INR60 crores as compared to INR32 crores, increased by 85% on Y-o-Y basis.
- EBITDA margin is at 5.36% versus 4.81%.
- Net profit for the quarter is INR21 crores versus INR6 crores, which is increased by 234% on Y-o-Y basis.
- Net profit margin is at 1.88% versus 0.93%.

If we look at the full year numbers, FY26 versus FY25:

- Revenue from operations for the year is INR3,149 crores versus INR2,512 crores, which is an increase by 25% on Y-o-Y basis.
- EBITDA for the year is at INR189 crores versus INR179 crores, which is increased by 5% on Y-o-Y basis.
- EBITDA margin is at 6% versus 7.14%.
- Net profit for the year is INR55 crores versus INR56 crores, which is decreased by 2.00% on Y-o-Y basis.
- Net profit margin is at 1.74% versus 2.22%.

During the quarter under review, the other expenses has increased from INR17 crores to INR46 crores. This is mainly due to on account of provision of expected credit loss on unbilled revenue, which is from Kashi project, which was amounting to INR29 crores. Company has provided against this INR29 crores, though the follow-up for the amount has been ongoing, it is continued since long, and since it is carried on the balance sheet for a longer time, company has decided to provide for the same, though it will continue to follow up for the same as it's a part and parcel of the original contract value.

Increase in depreciation from INR19 crores to INR26 crores is mainly attributed to addition in asset block during FY26. During Q4FY26, company has incurred capex of INR40 crores and year-to-date capex addition is INR192 crores. Gross block as on March 31, '26, is INR764 crores and net block is INR412 crores.

I would like to mention few of the important consolidated balance sheet numbers as on March 31, '26.

- Long-term borrowing INR43 crores including short-term maturity of INR20 crores.
- Short-term borrowing is INR274 crores excluding short-term maturities of INR20 crores.
- Net unbilled revenue stands at INR440 crores. Trade receivables INR928 crores. Trade payables INR465 crores.
- Retention INR240 crores.
- Mobilization advance INR814 crores.
- Inventories of INR347 crores comprises of INR190 crores of construction material, INR142 crores of work-in-progress, and INR15 crores of finished goods.
- Out of total sanctioned credit facility of INR1,497 crores, company has utilized non-fund based facility of INR735 crores and fund-based utilization is at INR174 crores. Limits available for utilization is INR588 crores. As on March 31, '26, the company has total fixed deposit of INR351 crores, out of which lien free deposit of INR176 crores and FD worth INR175 crores is under lien with bank and security deposits.

Work on hand on consolidated basis as on 31 March 2026 is INR13,447 crores.

The detailed bifurcation is provided in the investor presentation. That concludes the updates on the financials, and we are now open for the question-and-answer session. Thank you.

Moderator: Thank you very much. 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: Yes, thank you. Before asking questions, Hetal Ma'am, if you can repeat the retention money, mobilization advance, and unbilled revenue number? I was not able to get the exact number?

Hetal Patel: Yes, sure. Retention money is INR240 crores. Mobilization advance INR814 crores.

Shravan Shah: Okay. And unbilled revenue?

Hetal Patel: Unbilled revenue INR440 crores.

Shravan Shah: Okay, thank you. P.S. Sir, now just wanted to get a sense on particularly on the guidance front and on the margin front. So previously, I think we were looking at FY27 INR4,500 to INR5,000 crores kind of a number and then 20% to 25% kind of a growth for till FY30, so to reach a INR9,000 crores - INR10,000 crores revenue. So, is there any change in that number?

P.S. Patel: We'll stick to our INR4,500 crores revenue for the next year. And the margins improving from here. In this quarter also you will find it is improved from the last quarter. If you consider that INR30 crores of provision being made for the Kashi and so that will give you a figure about INR90 crores, which this quarter itself will give you—you will find the rate 8 % of EBITDA is there. So we have already started improving on our EBITDA margins from here.

Shravan Shah: Okay. So, for FY27 now, if we have to look at, let's say, there is no provision or anything, so can we look at now 7% to 8% kind of a margin or it will be a 8% to 9% kind of a margin that one can now look at?

- P.S. Patel:** We can consider 7% to 8%.
- Shravan Shah:** Okay, and going forward also, so obviously this year we have received significant order inflow particularly from the group, INR10,900 crores, so kind of a INR11,000 crores. So, for FY27, how we look at and going forward also, broader sense, how whatever the revenue we will be doing, will it be one and a half times of that that minimum that we will be bagging the orders? That way one can look at?
- P.S. Patel:** Yes, we can consider that minimum INR5,000 crores to INR6,000 crores of order inflow from the group side. And maybe if we can get opportunity in some of the tenders of Commonwealth and other projects which are being announced in Gujarat.
- If we get an opportunity, we can think about INR1,000 crores to INR2,000 crores of order from the rest side also. So bid pipeline is both ways, whether we concentrate on group or we can think about premium projects which are going to come in Gujarat.
- Shravan Shah:** So, but sir, now that group, the total bid pipeline that we have talked about, so that number is INR6,600 crores. So, is it one can look at that at least for next six months, one year, we may see a lower order inflow from the group? That way one can look at?
- P.S. Patel:** No, it's not like that we will get a lower order because now the company has entered in the multiple in terms of strength and in terms of operational margin. So as and when we get free from our present order book, we can think about larger orders again from the group side because our in-house order of INR6,000 crores, now it is INR4,000 crores.
- And after one year, if we are going to get almost through with our existing orders, keeping the order of Ambaji as well as the order which is going on, then there will be an opportunity for the company that some of the projects will be getting completed. But majorly what we are discussing today is about in the range of five to six months.
- Shravan Shah:** Okay. And the now the capex for next year will be the 3%, 4 % that we are looking at that way, so broadly kind of a INR120 crores, INR150 crores kind of a capex that one can look at?
- P.S. Patel:** Yes, mostly it will be in the same range because again my experience and the operations and the size of the project which are going now, I think it should be in that range only. Broadly some of the quarters it can be larger than what we expect because as and when the project starts, sometimes the capex goes high, but on an average side we can consider that.
- Shravan Shah:** Fine. And lastly sir, employee cost, sir, is there still we will be keep on adding the overall strength of the employee? So, this kind of a run rate INR36 crores, INR37crores quarterly, how one can look at? Will it be kind of in line with the 20%, 25% kind of a growth in the revenue, the similar kind of a growth that one can look at in the employee cost or how one can look at?
- P.S. Patel:** Presently we are increasing, still there are few people supposed to be deployed in the organization to make all these orders through. So probably it will be in the same line, but we'll

try to maintain because as and when your revenue goes high, your employee cost will come a little bit down. And this year was the case when we have started deploying on the top level also, at the mid-level also, so the company is increasing so many people and the projects are at the initial stage, so that cost may have come in this year. But on an average, it will be in the same range of 2% to 4%.

Shravan Shah: Okay, got it sir. Thank you and all the best.

P.S. Patel: Thank you, thank you.

Moderator: Thank you. We have the next question from the line of Vaibhav Shah from JM Financial. Please go ahead.

Vaibhav Shah: Yes, hi sir. On the SDB money, what is the status right now?

P.S. Patel: It is as it is, what we have been chasing them every quarter and giving them the bills with interest. But I think they have just started the operation in last month only. So let us expect that some things should happen in next year, this year basically.

Vaibhav Shah: So what is the money that we are expecting which is sitting in our books right now in receivables?

P.S. Patel: Receivables we have already considered INR90 crores which was as it is, because the interest part is what they have comprised, but on the receivable it is INR90 crores.

Vaibhav Shah: Okay. And sir, you mentioned the provision we took of around INR29 crores in Kashi project. So what was the issue over that?

P.S. Patel: See, it was because of the provisions of the accounts that any receivable beyond one year has to be made provision. So still we are trying with the organization and being a religious organization, we are chasing through our relationship what we had. But for now making provisions as of now.

Vaibhav Shah: Okay. And sir, margins you said around 7% to 8%. So we earlier were targeting closer to 8% to 8.5%. So any reason why we are lowering the guidance?

P.S. Patel: No, I am not lowering, I'm keeping myself a little bit conservative because if you see this quarter also if you find this provision of INR30 crores then it is at 8%. So it can go up 1% plus or minus.

Vaibhav Shah: Okay. And sir, any major provisions are we expecting in next year?

P.S. Patel: As of now we are not expecting because only account which is left is UP and that we are chasing at the government level. And once that account gets closed, then we'll get the better idea.

Vaibhav Shah: So still we have not been able to hand over the project to them?

- P.S. Patel:** No, no, no, projects are handover, some of the project defect liability period is also over. But the procedurally there will be extension of timing because of the existing hospital's renovation, the project period gets delayed and that is the reason that our account is not settled. So probably we are trying that before March I was expecting to get closed, but now I hope it should happen in any point of time in the near future hopefully the coming quarter only.
- Vaibhav Shah:** Okay. And sir, lastly, we have two Dharavi projects in the order book. So what would be the value of each of them and what is the share of Adani in the overall order book right now?
- P.S. Patel:** So presently if you see the order, total outstanding order book is around INR13,400 crores, out of which 67%, INR9,000 crores is Adani and INR4,300 crores is non-Adani. So 33% and 67%.
- Vaibhav Shah:** And Dharavi projects, we have two, right, in the book?
- P.S. Patel:** Yes, we have two projects in the book.
- Vaibhav Shah:** So what is the value of each of them?
- P.S. Patel:** We are not mentioning project-wise order inflow in value terms. You can consider at first building INR47 lakhs per square feet and the second is INR75 lakhs.
- Vaibhav Shah:** Okay, okay. Got it. Thank you, those were my questions.
- Moderator:** Thank you. The next question is from the line of Vishal Periwal from PL Capital. Please go ahead.
- Vishal Periwal:** Yes, sir, thanks for the opportunity. First, one clarification in terms of our revenue guidance. Earlier in the call we have mentioned INR4,000 to INR4,500 odd crores. So are we changing that to Rs.4,500 cr plus sort of number or how exactly to look at that?
- P.S. Patel:** No, previously also I was expecting that this year we should be having a revenue guideline of INR4,500 crores. Today also we have said it will be around INR4,500 crores.
- Vishal Periwal:** Okay, fine. And I think in this balance sheet that you have provided, we have seen a good operating cash flow from, maybe look like, I mean, led by mobilization advance that we have received and cash balance has improved. So these advances that we have of INR800 odd crores, are they interest-bearing or how exactly it is structured in our working?
- P.S. Patel:** No, it is not interest-bearing. Any advance coming from the group is non-interest.
- Vishal Periwal:** Okay, great sir. And one last thing, sorry for asking again on this ECL provision, I think the INR29 odd crores that you have mentioned. See, what happened like, you know, though it is one-off, but when it become consistent, so I think it become kind of cost. So I mean, like, you know, going ahead also any guidance or probably anything that can be provided will be helpful how exactly to look at this ECL provision?

- P.S. Patel:** See, it is as per the accounting requirement and at this position as well as we are still chasing on few things which has not been paid yet. And in future also, presently we don't have that much issue related to books, that is the only account related to UP Medical College and Kashi. So as of now we have made a provision of Kashi and for Medical College and hospitals, once the accounts get settled, we will be able to know the real story. But we don't expect too much ECL provisions to come in future because rest of other projects are on demand, everything is in control and that's what we are seeing since last one year, these two are about one and a half year, two years back.
- Vishal Periwal:** Sure sir, sure. I think this is helpful and thanks a lot and best wishes sir. Thank you.
- P.S. Patel:** Thank you, thank you.
- Moderator:** Thank you. The next question is from the line of Ayush Saboo from Choice Institutional Equities. Please go ahead.
- Ayush Saboo:** Yes, hi. Can you throw light on the EBITDA margin guidance for FY27 next year going forward? I mean, do we see any considerable increase in cost due to the ongoing war?
- P.S. Patel:** See, I have already given a guideline of 7% to 8% for the year. And on EBITDA margins, here some of the projects which are ongoing like SMC or RVNL, which can have little bit impact, but that will be margin-wise because most of the order book is from Adani Group and in Adani Group all the materials are pass-through. So we don't see any risk related to war to bring the bad impact on the overall guidelines otherwise.
- Ayush Saboo:** Okay, thank you. So we could consider a 7% to 8% EBITDA margin band for the next two years?
- P.S. Patel:** Yes.
- Ayush Saboo:** Okay, thank you.
- Moderator:** Thank you. The next question is from the line of Dhananjay Mishra from Sunidhi Securities. Please go ahead.
- Dhananjay Mishra:** Yes. So congrats on very strong execution, we have achieved our FY26 guidance and exceeded the guidance and also order inflow and order book is very strong and which provides growth visibility for next three-four years. But my question is that earlier, I mean, before Adani project started, we used to make 10%, 11%, 12% EBITDA margin and our PAT margin used to be 5%, 6%. Now even as we are doing INR3,000 plus revenue, PAT margin is close to 2% and we have reason to, I mean, all these reason like ECL provisioning for different projects.
- But even at 7.5%, 8% EBITDA margin, can we improve net profit margin to the extent of 4%, 5% by managing our interest cost because we don't have to pay interest on advances from Adani

project, so maybe, we can save on that front. So can we reach 4%, 5% in next two-three years in terms of PAT margin?

P.S. Patel: See, you are absolutely right. This year only we had this problem of using the total credit facility which we had available. Now as mobilization advance coming from Adani Group and most of the projects, new fees related to the existing project which were going on, I think that is also getting completed.

So our requirement of working capital will be mostly sufficed by the group advance only. So we should be in a better position or maybe I expect, let us expect that we should be debt-free by next year. So this INR41 crores or INR45 crores of interest can be converted into profit, which can put us to 3% or 4%.

Dhananjay Mishra: Okay. Because less than 2% PAT margin, I mean, even if we do INR5,000 crore, INR6,000 crores top line.

P.S. Patel: That will not even reach 7%. Yes, you're right.

Dhananjay Mishra: So at least even for construction company, one should really look at 4.5% to 5% PAT margin when any kind of revenue will be there.

P.S. Patel: That part we should target for in the next year.

Dhananjay Mishra: Yes sir. And sir, what is the outstanding amount in UP Medical in terms of unbilled or receivable terms?

Hetal Patel: Yes, I'll brief about that. We have unbilled of around INR60 crores and receivable of Rs.40 crores.

Hetal Patel: Since we have not received the GST invoices of INR40 crores, we haven't further billed. Otherwise, all final bills we have submitted and we are awaiting for the final certification of all seven projects.

Dhananjay Mishra: Okay. So if at all we have to take ECL provision in future depending, I mean, how the auditor is suggesting, we have to take on this INR60 crores, right?

P.S. Patel: Do not say we should not take that provision. Let us hope that we get that money.

Dhananjay Mishra: No, no, I'm just saying.

P.S. Patel: For you its financial figure but for us as a company its our money.

Dhananjay Mishra: Right, right, right. No, no, I can understand that.

- P.S. Patel:** No, no, you're absolutely right to understand from the investor point of view, but being a contractor we are optimistic about INR60 crores is a big money.
- Dhananjay Mishra:** All I want that the way we are doing in terms of top line, order inflow, order book, similar thing should flow in terms of operating profit and PAT, so there should not be any surprises on quarter-on-quarter basis. So that is all. Just a thought.
- P.S. Patel:** Yes, Yes, absolutely.
- Dhananjay Mishra:** Okay sir, thank you and all the best. Hope we will do much better in FY27.
- P.S. Patel:** Yes, thank you, thank you very much.
- Moderator:** Thank you. The next question is from the line of Shikha Doshi from Axis Securities. Please go ahead.
- Shikha Doshi:** Thank you. Good afternoon sir. I would want to know what is the working capital days that we are expecting for FY27 and going forward? I believe our current is 94 days.
- Hetal Patel:** Yes, so basically once we have started with these projects, the timelines of payment are very stringent and even we are getting ad hoc advances against bills submitted. So there won't be any further lengthening of the working capital days in terms of trade receivables and all. So we see that it should be within 60 days going forward.
- Shikha Doshi:** Okay, got it. It will reduce. Okay. Thank you, that's it from my side.
- Hetal Patel:** Yes.
- Moderator:** Thank you. The next question is from the line of Lokesh Kashikar from SMIFS Institutional Equities. Please go ahead.
- Lokesh Kashikar:** Yes, hi. Thank you for the opportunity. Sir, couple of questions from my side. Firstly, on the -- we have received around INR6,000 crores of order inflow during Quarter 4, which has increased our order book to around INR13,500 crores. So just wanted to understand, is there any slow-moving orders in the current order book or at projects at the initial level of construction where the revenue accretion will be comparatively lower in the, let's say, the current juncture? Just wanted to have a sense on that front.
- P.S. Patel:** Actually, we should not consider that as a slow-moving order, but because of the initial stage we can consider Mahim and Matunga. Mahim we have just completed the excavation part and Matunga we are just starting the sheet piling. And in Mumbai, there are so many issues related to tree cutting and getting the approvals on time.

So such types of issues at the foundation level can get the project little bit slow, but it's not because of any other reason but once you are in the foundation activities and ground clearance that can be little slow but it is not practical that it's a slow-moving project.

Lokesh Kashikar: Okay, okay. But do you think that around INR10,000 crores of projects out of this INR13,500 is moving at the faster pace, let's say, at the peak level of execution?

P.S. Patel: Yes, you can consider that way.

Lokesh Kashikar: Okay, okay. And secondly, basically on receivables front, I think I have joined late, so basically our receivables have jumped to around INR928 crores, you know, on and it is a sharp jump with respect to FY2025 level or FY2024 level even from the H1 level. So what has been the reason for that one and do you think that it will be moderate ahead?

Hetal Patel: See, basically the quarter revenue has gone to that extent compared to previous quarter. So most of the sales has been booked in February and March. So that is still showing in the 31st March number and will be collected in the month of April. So that's the major reason as the revenue has increased in this quarter in the last two months.

Lokesh Kashikar: But in terms of days if you look at in terms of receivable days, do you think that it will it should get stabilized at around 60-70 days? Because at current juncture it is around closer to 100 days. So what would be the sustainable level?

Hetal Patel: Yes, as I already mentioned, it's like unbilled revenue has also converted to receivable as the revenue has reduced almost more than INR100 crores. So that has come part in the receivables and that will be materialized over a period of time. And as you mentioned that it should be it is now 90 to 100 days.

But I have already replied to one of the questions that since we will be executing the group orders going forward and the payment terms are very favorable for that, we will be getting the money on time and we will be maintaining around 60 to 70 days of trade receivable days.

Lokesh Kashikar: Sure. And just last one from my side, what is the interest-bearing portion of this mobilization advance of INR814 crores?

Hetal Patel: There is no interest-bearing mobilization as of now.

Lokesh Kashikar: So all mobilization advance is interest-free?

Hetal Patel: Yes, yes.

Lokesh Kashikar: Okay. That's it from my side. Thank you.

Hetal Patel: Yes.

- Moderator:** Thank you. The next question is from the line of Balasubramaniam from Arihant Capital. Please go ahead.
- Balasubramaniam:** Good evening everyone, thank you so much for the opportunity. Sir, my first question, what is our current capacity utilization for our precast facilities? Once we move to INR4,500 crores kind of top line, is there any further capacity additions required? If yes, what is the capex cost and when it will be operational?
- P.S. Patel:** See, presently the present capacity of the precast plant is 3 million square feet per year. And the way the precast operation is growing, after completing 120-meter building, we are having two more orders -- three more orders in execution from Adani and also we are with GIFT City in airport.
- So there will be good amount of precast order within the group itself. But presently if we go by the pace with which we have we are going on, I think there may not be any much expansion required. But going forward if we have to go forward, we have already expanded our plant to infrastructure point of view, the sheds are already ready. It can be on the equipment side, it will be in the range of INR15 to INR20 crores only even if I have to expand to one and a half times or something like that.
- It will be requirement of few equipments only because the sheds are already been there because we were doing precast work for the residential part as well as the boundary wall supplying of material work like that. So we can say 3 million and we can continue in the same pace. If the orders are more, we can go by expansion with few addition of machines only.
- Balasubramaniam:** Yes sir. Sir, the Commonwealth Stadium around INR7,000 to INR8,000 crores of potential orders potential tenders, whether we have received any formal tender or any thought process on that? When we can expect this tender?
- P.S. Patel:** Actually, we were expecting in before March, but I think the government has still not announced, but yes, the projects are on, that can come anytime in this quarter.
- Balasubramaniam:** Yes sir. Sir, my last question, the trade receivables also increased INR530 crores from INR928 crores in FY 2026. Actually, the execution is very strong, I'm trying to understand whether we have seen normalizing trade receivables from this month onwards?
- Hetal Patel:** We have already answered similar question earlier, but we'll again repeat that this revenue has been booked in February and March, majority of revenue, because of that the trade receivable figures are on higher side in 31st March balance sheet. And that is in totality standing on the balance sheet as a receivable overall for the year. But that will be collected in the month of April.
- Balasubramaniam:** Okay Ma'am, okay thank you.
- Hetal Patel:** Yes.

- Moderator:** Thank you. The next question is from the line of Bhavik Shah from Invexa Capital LLP. Please go ahead.
- Bhavik Shah:** Hello sir, congratulations on good execution this quarter.
- Bhavik Shah:** Yes. Sir, my first question is regarding the Kashi project. So we told we have INR60 crores of unbilled revenue still there?
- P.S. Patel:** No, it was related to UP Medical College projects, all seven projects of UP Medical College and hospitals, not for Kashi.
- Bhavik Shah:** Yes, so our unbilled is still INR60 crores, so how much is still in the receivables?
- Hetal Patel:** It is INR40 crores in receivables, trade receivables.
- Bhavik Shah:** Okay. understood. And sir, like what would be the generally execution timeline of an order book? Should we consider two years as the normal execution timeline?
- P.S. Patel:** No, because all projects are of a large volume and some of the project large volumes are in Mumbai also. So this will range between two and a half to three years.
- Bhavik Shah:** Understand. And sir, regarding our bid pipeline, can we throw some light on say Adani and non-Adani bid pipeline, say in FY2027, currently what we have?
- P.S. Patel:** So I have already said that our existing order pipeline is now -- bid pipeline is around INR6,500 crores, out of that INR5,000 will be from the group and INR1,500 we are bidding outside.
- Bhavik Shah:** Understood sir. Okay sir, thank you so much, all the best.
- Moderator:** Thank you. The next question is from the line of Shravan Shah from Dolat Capital. Please go ahead.
- Shravan Shah:** Hi sir. Sir, just wanted a clarification, you were answering to the one of the previous participants, so in terms of the how at a 7%-8% EBITDA margin, how one can -- we can improve the net profit margin. So you were saying that the interest cost which is for FY2026, let's say INR45 crores, so will this going forward are we looking at kind of a nil kind of a number or very, very minimal number -- that was the way you were trying to say?
- P.S. Patel:** I think it should be nil, so I'm expecting the company should be debt-free by this year or maybe in next two quarters once the -- we receive all the payments and even the receivables from like Naranpura Sports Complex and UP. Because if we get that money on now, there will be a big help, so we should be in a better position in terms of interest next year or zero interest, you're right.

- Shravan Shah:** Oh, so that's a big thing. So we are saying that maybe at least two-three quarters down the line we should be from maybe max Q3 or Q4 onwards this on a quarterly basis INR11-12 crores interest should become a kind of a zero.
- P.S. Patel:** Yes, I'm expecting.
- Shravan Shah:** That's great. So the current the gross debt that we have INR317 crores, that will be a kind of a zero that we are now looking at.
- P.S. Patel:** Yes.
- Shravan Shah:** And on the other income front, then are we looking at any, any kind of a major shift? So for full year we are having a INR21 crores in FY2026. So is there a way that this number can also be on the higher side?
- Hetal Patel:** See, basically this other income mainly includes the interest on the FDs, right? So if the FD increases, it may increase to that extent. But there won't be any further addition in that.
- Shravan Shah:** Okay, okay. And this depreciation run rate, so which is obviously keep on increasing, so INR26 crores. So at let's say next year FY2027 we will be doing INR4,500 crores and maybe then 20%-25% so maybe a close to a INR5,700 crores revenue in FY2028. So at that rate, what kind of a depreciation one can look at?
- INR30 crores - 35 crores kind of a so that would be a kind of a INR140 crores -INR150 crores on a yearly basis because for us these all numbers is becoming very, very important because EBITDA margin is 7%-7.5%, so any, any change in the way sir has said interest cost if it goes down, then it will be a decent boost at PAT level. So similar way I'm trying to understand the depreciation.
- Hetal Patel:** See, basically depreciation and interest cost we cannot compare. Interest cost is in our hand, means if we collect the funds and all, we'll be able to reduce that. But depreciation is the requirement of the business, right?
- So as we having saying that other 3% to 4% of the top line what we whatever order book is there, we have to incur as capex. So this year we have incurred around INR190-200 crores of capex. So next year it may increase depending on the order book. So we cannot say that we will be reducing depreciation expense.
- P.S. Patel:** But you can consider that this year order inflow was INR10,900 crores and I made a capex of INR190 crores. So this is more than 3% of this year's revenue. But next year revenue if you consider 3%, that cannot be the case that it will be exactly 3% because most of the capex has been done for the projects which we are going to execute now.

So that can vary, so maybe next year we can have a 2% capex also. And in general if you see, considering 3% capex increasing and considering the depreciation of the new assets which are coming every year, you can come to your figures, I think so. Am I right?

Shravan Shah: Okay. And sir, this entire obviously some of the projects which we have recently won, obviously it will be at a starting phase in terms of the design and then it will start. But broadly by Q3, the entire this INR13,500 crores order book would be kind of a contributing in the revenue?

P.S. Patel: Yes, we -- first two quarters as we say that April, May, June and maybe a part of Quarter 2, that can be because of the present situation of the labor in the first quarter and maybe in the monsoon. Otherwise, all the projects are on track except Matunga where we are in the phase of doing sheet piling. Rest of all the projects are under excavation and all foundations are over. So we are out of the danger of losing much in monsoon because of this foundation and all these things.

Shravan Shah: Okay. But at a broader level in terms of our goal is to keep on increasing or maintain the growth in terms of the 20%-25% for next couple of years, that's the broader thought and we will be working towards that.

P.S. Patel: 100% because that is the minimum which we are targeting because now visibility is not a problem. Strengthening ourselves to a larger extent in terms of executing large projects and building company to a larger extent in terms of execution, visibility is not a problem, so we can easily go to that level. You got my point?

Shravan Shah: Okay. Got it sir. Thank you and all the best.

P.S. Patel: Thank you.

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

Pooja Patel: Thank you everyone. On behalf of management of PSP Projects Limited, we sincerely appreciate your participation in today's post-earnings call. We trust that we have been able to address most of your questions.

Should you have any further queries, please feel free to reach out to me or our Investor Relationship Partner, E&Y, and the team will be happy to follow up with you offline. Moderator, we may now conclude the call. Thank you and have a good day.

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