



इरकॉन इंटरनेशनल लिमिटेड

(भारत सरकार का उपक्रम)

**IRCON INTERNATIONAL LIMITED**

(A Govt. of India Undertaking)

An integrated Engineering and Construction Company



IRCON/SECY/STEX/124

14<sup>th</sup> August, 2023

<b>BSE Limited</b> Listing Dept./ Dept. of Corporate Services Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001 <b>बीएसई लिमिटेड</b> लिस्टिंग विभाग / कॉर्पोरेट सेवा विभाग पी. जे. टावर्स, दलाल स्ट्रीट, मुंबई- 400001 Scrip code / ID: <b>541956 / IRCON</b>	<b>National Stock Exchange of India Limited</b> Listing Department Exchange Plaza, Plot no. C/I, G Block Bandra –Kurla Complex, Bandra (East), Mumbai – 400051 <b>नेशनल स्टॉक एक्सचेंज ऑफ इंडिया लिमिटेड</b> लिस्टिंग विभाग एक्सचेंज प्लाजा, प्लॉट नं. सी / आई. जी. ब्लॉक, बांद्रा-कुर्ला कॉम्प्लेक्स, बांद्रा (पूर्व), मुंबई-400051 Scrip Code: <b>IRCON</b>
---	--

**Sub: - Transcript of the Q1FY2024 Analyst Conference Call held on Wednesday, 9th August, 2023/ बुधवार, 9 अगस्त, 2023 को आयोजित Q1FY2024 विश्लेषक सम्मेलन कॉल की प्रतिलेख**

Dear Sir/Madam,

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and in continuation to our letter of even no. dated 3<sup>rd</sup> August, 2023, please find enclosed the transcript of the post result Analyst Conference Call held on Wednesday, 9<sup>th</sup> August, 2023 to discuss the financial results of the Company for the first quarter ended on 30<sup>th</sup> June, 2023.

In accordance with Regulation 46(2)(oa) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Transcript of the Analyst Conference Call is also available on the Company's website at the link

[https://www.ircon.org/index.php?option=com\\_content&view=article&id=226&Itemid=643&lang=en](https://www.ircon.org/index.php?option=com_content&view=article&id=226&Itemid=643&lang=en)

which can also be accessed through below mentioned path:

[www.ircon.org](http://www.ircon.org)>> Investor Relations>> Presentation and Earning Calls>> Transcript of the Analyst Conference Call held on 9<sup>th</sup> August, 2023 for financial results for the first quarter ended on 30<sup>th</sup> June, 2023.

कृपया उपरोक्त जानकारी को रिकॉर्ड पर ले।

धन्यवाद,  
भवदीया,  
कृते इरकॉन इंटरनेशनल लिमिटेड

(रितु अरोड़ा)  
कम्पनी सचिव एवं अनुपालन अधिकारी  
सदस्यता क्र.: FCS 5270



“Ircon International Limited  
Q1 FY'24 Analyst Conference Call”  
August 09, 2023



**Management**  
**Ircon international limited**

Mrs. Ragini Advani	– Director Finance
Mr. B. Mugunthan	– Chief Financial Officer and ED Finance
Mr. Alin Roy Choudhury	– CGM Finance



**Moderator:** Good afternoon, ladies and gentlemen. I am Neerav, the moderator for this Conference Call. I thank each one of you for joining us today for the Ircan International Limited Q1 FY24 Analysts Conference call.

At this moment, all participants are in listen only mode. Later we will conduct a question-and-answer session. At that time, if you have a question, please press '\*' and '1' on your telephone keypad.

Today we have with us from the Senior Management represented by Smt. Ragini Advani – Director Finance; Shri B Mugunthan – Chief Financial Officer and Executive Director (Finance) and Shri Alin Roy Choudhary – CGM (Finance).

I would like to remind you that some of the statements made in today's call or discussion may be forward-looking in nature. It is subject to several risks and uncertainties that the actual results could materially differ. Should you need assistance during this conference call, please signal an operator by pressing '\*' then '0' on your touchtone phone.

I would now like to hand the conference over to Smt. Ragini Advani for the opening remarks, after which we will have the forum open for interactive Q&A session. Thank you and over to you, Madam.

**Ragini Advani:** Thank you, Neerav. Good afternoon, everyone. I am Ragini Advani – Director Finance at Ircan International Limited. On behalf of my team, I extend a very warm welcome to all of you and thank you for your presence today at IRCAN's Earning Call for 1st Quarter ended 30th June 2023. I have with me Shri B Mugunthan – my Chief Financial Officer and ED Finance and Shri Alin Roy Choudhary – CGM (Finance). We extend our heartfelt gratitude to all our esteem stakeholders whose unwavering support and trust have been instrumental in driving this organization forward.

Our focus remains on creating a strong foundation, sustainable and profitable growth, while maintaining a robust balance between short term profitability as well as long term value creation. Our commitment lies in extensive expertise, abundant resources, strategic partnerships to fuel culture of innovation, increase operational efficiency and secure superior outcomes on behalf of all our investors and stakeholders. I am pleased to report that our ongoing projects are progressing well. Milestones are being achieved within the scheduled timelines. Our technical teams have demonstrated exceptional dedication, expertise and a commitment to overall corporate governance and safety matters, and it has allowed us to overcome all the challenges that we had and deliver excellent outstanding execution results. I am sure you have all gone through the

financial results of the Company as well as the investor presentation that was uploaded. We are delighted to inform that IRCON has achieved the highest ever 1st Quarter turnover.

Let me now take you through a snapshot of our financial performance for Q1 FY24:

The Company has reported a total revenue of Rs.2828 crore in Q1 FY24. This is as high as 37% increase over the corresponding period of the previous last year. PAT has increased by 30% to Rs.187 crore as compared to Rs.145 crore in Q1 at FY23. Core EBITDA has increased to Rs 204 crore vis-a-vis Rs.172 crore for the corresponding previous year quarter. Earnings per share have also gone up to Rs. 1.99 per equity share in Q1 FY24 as against Rs.1.54 in last fiscal Q1 FY23 and this is on a face value of Rs. 2 per share.

The order book of the company as on 30th June 2023 stood at Rs.32,486 crores, which comprised about 45% orders on nomination and 55% on competitive basis. The domestic international split of our order book is in the range of 91:9 and currently IRCON as you all are aware, has 11 subsidiaries and 7 joint ventures. All of this subsidiaries and joint ventures along with IRCON, we are essentially into roads, railways, highways, renewable power projects.

Now, without taking much time, I would now like to open the floor for the Q&A session. Thank you.

**Moderator:** Thank you very much. We will now begin the question-and-answer session. Ladies and gentlemen, we will wait for a moment while the question queue assembles. First question is from the line of Manish Oswal from Nirmal Bang. Please go ahead.

**Manish Oswal:** Yes, thank you for the opportunity, Madam. My question on the order book trend which we are seeing in the last four five quarters, it is not growing even if you look at y-o-y and quarter to quarter basis. So, how do you see the growth in the order book and order in flow for the rest of the current financial year? There is the question number first one and the second question on the margin side, we have seen some improvement on margin of quarter-to-quarter basis. So, where the operating margin to settle down given our current order book position?

**Ragini Advani:** So, answering your first question, as far as the order book is concerned, we have been maintaining that previous year we were focusing on execution and now we have picked up our marketing and business development activities again. We do hope to get orders in the range of 10,000 crores to 12,000 crores in the current year. So, our order book remains in the levels of about 35,000 crore at the yearend as well. As regards the orders

that we have secured in Q1, there have been some orders that we have secured of a smaller value, but going forward we are hopeful as we mentioned that we will be able to get overall in the entire financial year orders equivalent to the range of 10,000 crores to 12,000 crores. Because we are fairly at advanced levels of in certain orders. As regards margins are concerned, this is an EPC business. We have been maintaining that the PAT margins will be in the range of 7% to 7.5% and our EBITDA margins will be in the range of 10% to 11% and we continue to maintain that stand. Quarter 1 has given us results slightly better than earlier thing but it is also the fact is that there are certain provisions which typically come at the year end. So, on a year-to-year basis, I think that is where we would like to continue maintaining ourselves. Q1 has given us results much better than the market or our own expectations in terms of margins, but overall, it should come down to that level eventually.

**Manish Oswal:** And lastly in your press release, we mentioned that the Prime Minister recently announced railway station development. So, in that market opportunity, do we share the significant opportunity for our Company or how we participate in that opportunity the station development opportunity.

**Ragini Advani:** So, this is a news item and as you rightly mentioned, our honorable Prime Minister has talked about 508 station developments. These projects are of a very small size. They are typically in the range of 20 crores to 30 crores and again, when we have been making our analyst calls, we have been explaining that the niche for IRCON lies in slightly bigger size projects and also in complex projects which involves tracks, tunnel, bridges, that kind of a work. So, this is not our immediate pie of orders that one will look at. However, should there be certain station development projects of a bigger or a larger value, and where we see we can fit in, we will definitely look at those opportunities, but the typical project size of 20 crores to 30 crores is not something that we will be looking at.

**Manish Oswal:** Thank you, Madam. Thank you very much for all the questions.

**Moderator:** Thank you. Next question is from Swechha from ANS Wealth. Please go ahead.

**Swechha:** Hi, ma'am. Thank you for giving me this opportunity. Ma'am, I have a few questions. So, my first question is regarding order and order wins? So, if you could tell us how many orders that we won in or new orders that we added in Q1 FY24 and also if you could give me the value of the orders that we have already submitted our bids for, but the decisions are still pending you know.

**Ragini Advani:** So, we have won orders to the extent of about 200 crores to 250 crores in Q1. As regards the orders that we are pursuing obviously they are much higher in number and it also depends because it is competitive bidding. It will really depend on who becomes the L1. Some of them are QCBs where we have scored a high technical score, but I mean at the end of it you are quoting for a much bigger pie and then getting a share of it, so those numbers would be humongous, but I think we would like to announce as and when those orders come of the value at which they are but overall, we are quite comfortable with our existing order book position and the fact that we will be able to recoup the order to about 35,000 crore level by the year end, that is something that we are looking at and we are very confident about it.

**Swechha:** Okay. So, any broad ballpark number also you would not be able to give.

**Ragini Advani:** No because it is very difficult. If I was to say that I am pitching in for 20,000 crore jobs, it has no meaning for you because it really depends on how many of them you would turn out to be L1 and it is the other way around also if I know some of them are very close, I would rather not announce till it is done because at the end of it is an L1 driven industry. So, I think that is where we would like to stay put at this point and we will be happy to share as and when those orders are reasonably certain.

**Swechha:** Okay. So, just one follow up on this. So, this is about the orders it has already submitted, but if you could give some sense of what kind of bid pipeline that we are looking at, are we bidding in the export market, some color if you could give there?

**Ragini Advani:** So, see there are three main areas in which we are working right now. One is of course the rail project and when we say rail projects, it is not just the Ministry of Railways, but also the associated projects, which is your bullet train and your Dedicated Freight Corridors and associated projects. So, if you were to look at an opportunity sitting there, it's humongous. So, those projects as and when they come up provided they are of a reasonable size and have a good technical involvement, we will be bidding for all those kind of projects and depending upon our ability as well as pricing because we have also maintained that we would like to do a sustained pricing. We will not get into a case where we are taking the orders for the sake of making losses. So, given these two factors, that is something which we will continue to bid and get reasonably sized orders from that industry because that is where our forte is our experience and second is that on roads and highways, again we will continue with certain PPP project bidding for HAM projects and as far as international markets are concerned the existing markets in which we are working, which is Bangladesh, Sri Lanka, Nepal, there of course we are already talking to those governments and trying to get some more projects. They are also in pipeline, but in these kind of projects since these are specific

country outside of India driven projects and some of them may not be NEA or LOC driven projects. These projects may take a little time to establish and then come out, but all those exercises are happening. Beyond these countries the rest of the countries again for example our CMD went with the delegation to Africa, to Tanzania, and there are certain opportunities that we are looking at in those areas, but those are the steps that have just been initiated. It could happen in few months, it could take certain years as well, but we are totally on that job as well and those are the areas which we are continuing to do and we should be hopefully getting, if not immediately over a longest period of time, we should be getting international orders as well of a significant amount.

**Swechha:** Okay.

**Ragini Advani:** So, all these would be our focus areas.

**Swechha:** Understood. Okay. So, ma'am, we have an other income of 111 crores so could you tell me how much of this is on account of HAM projects?

**Ragini Advani:** Yeah. So, HAM projects is roughly about 47 crores.

**Swechha:** OK. So, ma'am, actually, in our last call, we had kind of said that 80 crores on a quarterly basis is what we will make on HAM projects going forward. So, this is significantly lower than that number. So, what kind of led to this lower income from HAM projects in this quarter and then how should we look at it going forward? Can we do that 80 crores kind of a number from next quarter or this guidance changes?

**Ragini Advani:** No. So, what happens is that there are certain projects which are currently operational. There are certain projects which will get operational in next few months and also there is a part which we call as scoping and descopeing which happens. So, going forward we should be able to do more than this 47 crores and our guidance on this other income that we will be earning. So, when we were talking about 80 crores that also included O&M number along with the interest income number so that O&M number will probably figure in this interest on financial asset. So, when I'm telling you 47, this is out of 111 crores.

**Swechha:** Right. So, last quarter out of 173, we had done 80 crores on HAM projects, right?

**Ragini Advani:** So, that 80 crores last time when we did included a cumulative catch up on one of the projects. It was not 87 was not a number which would happen every quarter out of the two existing projects. So, we have two operational projects for Vadodara Kim and Davanagere Haveri as of now. So, in Vadodara Kim, there was a catch up which

happened in the last quarter, which will obviously not happen going forward. So, interest income that will sit in other income. Currently will be in the range of 45 to 50 crores on account of HAM projects, but on an overall basis, the annuity number should be in the range of about 80 crores every quarter.

**Swechha:** Okay and so just one last clarification, I think you mentioned in the previous answer to a participant that EBITDA 11% being maintained. This is not the core EBITDA, right?

**Ragini Advani:** No, it's not core EBITDA.

**Swechha:** OK. That's it. Thank you, ma'am. Thank you so much.

**Moderator:** Thank you. Next question is from the line of Pranay Khandelwal from Alpha Invesco. Please go ahead.

**Pranay Khandelwal:** Hello, thanks for the opportunity. I just wanted to understand this. Just this housekeeping question, I just wanted to understand how is the core EBITDA calculated?

**Ragini Advani:** Core EBITDA is basically by taking out your other income.

**Pranay Khandelwal:** Okay.

**Ragini Advani:** EBITDA excluding other income.

**Pranay Khandelwal:** Based on the presentation, I think our core EBITDA right now is 7.52 this quarter, while if we take out the other income and calculate it, it comes out to around 7.8% or so and some discrepancies also there in the quarters before this. I just want that's why I wanted to understand where it might be this difference coming from.

**Ragini Advani:** No, I think that is a calculation that you can check with my team subsequently. But yeah, it is typically that and you can check it with my teams after this.

**Pranay Khandelwal:** Alright, Thank you.

**Moderator:** Thank you. Next question is from the line of Ashutosh from Ambit Portfolio Management Service. Please go ahead.

**Ashutosh:** Hello. So, just a broad understanding, I am asking on the core EBITDA level. So, if I see your core EBITDA level for, I mean you have grown quite significantly in last two or three years now, but your core EBITDA has actually come down from 11-10% to



almost seven 7-1/2% now. So, can you explain the reason for this and going forward on a core EBITDA level, what are your expectations? I mean, have you seen the last of the low margins from a core EBITDA aspect or and can we see them improving back to 10-11%?

**Ragini Advani:** Okay, so there are two things. The first thing is that as far as 11% margins were concerned couple of years back, they were exceptionally high for this industry. Once we have come into a competitive bid and also once we have lesser share of international projects. The core EBITDA margins will remain in the range of about 7 1/2 to 8 1/2 or maximum 9%. Now when I say core EBITDA margins 7-1/2 to 8-1/2, this is excluding the total other income that we have shown quarter on quarter, but if you typically see that also has an amount, which is something that I am earning as a part of my annuity in HAM projects. So, that ideally is out of my operations only and it does not get depicted in an excel that way, but if I was to add that that number, I think it should add to about 1%.

**Ashutosh:** Yeah.

**Ragini Advani:** So, yeah, that that will remain. See, we have always said that currently the profit margins that I am getting at a PAT level as well as at EBITDA levels is what is sustainable. What I had couple of years back was not sustainable. It was an exception.

**Ashutosh:** So, just to understand, so do you mean to say before, let's say 3-4 years back, it was not on bidding basis or were there some checked.

**Ragini Advani:** So, there were two things. One, we had some significant international projects where our margins were as high as 40 to 50%.

**Ashutosh:** Okay.

**Ragini Advani:** Okay. So, those projects, I mean we got it one off. We will be happy if we get on in future also. But you cannot be relying on those because internationally also now most of the EBITDA are done on a competitive basis and the second thing is that yes, to some extent earlier entire business was practically on nomination. Then over the years it became onto competitive basis. So, that is something which will over a period of time, you know, now that the competition is totally there. There had been some cuts in margins which we have said that has happened and now it will continue at normal levels at which we have been doing our FY23 etc.

**Ashutosh:** Yeah, that is helpful. So, this competition is basically from private players also.

**Ragini Advani:** Yes, that's right. From every player in the industry, it is not just between the public sector.

**Ashutosh:** Thank you mam. I will come back in the queue if I have more questions, thank you.

**Ragini Advani:** Sure, sure. Thank you.

**Moderator:** Thank you. Next question is from the line of Dipen Shah, individual investor, please go ahead.

**Dipen Shah:** Yeah. Good evening and thank you for the opportunity, ma'am. Yeah, I had a couple of questions. Firstly, in the 1st Quarter, we have done a significant growth of more than 30%. How would you look at the full year. Last time you told you should be looking at maybe 8-10% kind of growth, but looking at the 1st Quarter should we aspire to be or should we look at a higher number in that?

**Ragini Advani:** I would still say that we would say around 10% is what we will expect, but yeah, we will definitely aim to do much better.

**Dipen Shah:** Okay.

**Ragini Advani:** Because we do have the order book and we do have the execution skill sets, but you know, I mean, with the kind of industry in which we are working. It really depends on lot of factors which are beyond our control also as well. So, we will be happy to take anything beyond that. But as of now, as a management, we would say that we expect growth in the range of 10% over the previous year.

**Dipen Shah:** Okay and in the high-speed rail project recently, there was a contract which was finalized and probably a private player has won it. So, any further contracts or are we bidding for any further contracts in the high-speed rail project or any other area where we have got a higher technical expertise?

**Ragini Advani:** Yeah, absolutely as we have been maintaining, we are and we will be bidding for all projects where we feel our technical expertise will be utilized to the maximum because that' is where our niche lies and also like unlike many other companies, we like to take up projects which we deliver with quality and time, so that will be continuing as our focus area. But I mean at the end of it is a competitive sector and we are fairly confident of our skill sets as well as pricing. So, when we get those orders. We will be happy to share it with you, but yeah, definitely that is our focus area not to worry about.

**Dipen Shah:** Okay. Thank you very much, ma'am and all the very best to you.

- Moderator:** Thank you. Next question is from the line of Shreyansh Mehta, from Equirus Securities. Please go ahead.
- Shreyansh Mehta:** Thanks for the opportunity and congratulations on a very good set of numbers. Ma'am, I joined a bit late. So, my question, so first on the revenue guidance, if you would like to throw some numbers given that 1Q is you know much better than what we had expected.
- Ragini Advani:** Yeah so I think the previous stakeholder also asked the same question and I just mentioned that by yes, we are very happy with our Q1 performance and we hope we can take it forward in the other quarters but on an overall year basis, I would still like to say that we should be about increasing our overall revenue in the range of 10% over the previous year. If we do better than that, we will have a clearer picture probably in Q2 or Q3 and we will be sharing it forward, but that would be the overall factor right now because there are many extraneous factors which at times are beyond us, and therefore, we will not like to over commit to any of our investors.
- Shreyansh Mehta:** Got it, got it. Ma'am second question is pertaining to, the press release which was given that one of our JV Bastar Railway would be taken over by the railways. So, what is the investment out there and how much will we be getting from that?
- Ragini Advani:** So, you know it is just the in-principle decision which has happened right now and our equity investment in that project was 76.34 crore. We will be working out the pricing. It should be on a mutually agreed price, but this is a project which had just started. Land was taken and some basic earthwork was started. So, I think it should eventually materialize around the level at which we have invested only, but the Nitty-gritty and the details we will do as and when we tie it up the railways, we will share it with you all.
- Shreyansh Mehta:** Got it and Ma'am this is just the equity portion, anything which we have given in the form of loans and advances or any other advantage to this subsidiary?
- Ragini Advani:** There are no advances, no loans. In fact, that entire project that JV had also not taken up any loans so far. So, it was at a very preliminary stage when it has been announced to be taken over by railways. There is not a problem that way, yeah.
- Shreyansh Mehta:** Got it, got it. Sure, and certainly, ma'am, in terms of order inflows, we were guiding for that order in flows would be we will be targeting from second half onwards. So, how much can we expect going forward?

- Ragini Advani:** So, I just mentioned that we would like to keep our order book in the range of 35,000 crores by the year end and that is something which we are targeting and going full fledgedly only to look for orders securing orders in that range or even higher but as and when we get those orders, we will be happy to share that with you all.
- Shreyansh Mehta:** Sure, ma'am and lastly, on the cash on books, our own cash and the investments which we have made and likely investment in next couple of years.
- Ragini Advani:** Our own cash is in the range of 800 to 900 crores and as far as the investments which we are likely to make, these are in the range of about 1150 to 1200 odd crores cumulatively out of which 500 to 600 crores should be in the current year.
- Shreyansh Mehta:** And how much have you done till date.
- Ragini Advani:** We have already made. I think it is in the range of about 2200 odd crores.
- Shreyansh Mehta:** 2200 and incremental 1000 odd crores?
- Ragini Advani:** Incremental another 1000-1100 crores, yes.
- Shreyansh Mehta:** Got it, ma'am. Got it. Thank you and all the best.
- Ragini Advani:** Alright, thank you so much.
- Moderator:** Thank you. Next question is from the line of Amit Kumar from Determined Investments. Please go ahead.
- Amit Kumar:** Good evening, ma'am. Just one question with respect to what kind of projects really are you bidding for? We have seen a few of your peers like RVNL, you know, enter into, very wide variety of you know segments, roads and gone very, very aggressively into international as well. We just wanted your thoughts on in terms of whether you are also sort of looking at segments other than railways and international markets to India versus international and railways versus you know non railways in terms of opportunities and risks if you can just.
- Ragini Advani:** So, you know the first thing is that apart from railways we are already into roads. RVNL has recently taken one order there, but we have been taking orders on roads and highways in PPP mode as well as otherwise for few years now and in fact four of our assets, in fact, five of our road assets are already operational. So, that is something which we are doing continuously and we will continue to do. Railways will remain our core area of focus. Internationally again, as you all are aware, IRCON have had a

history of doing maximum number of projects outside India as a PSU. We have done some 120 odd projects in 25 plus countries and currently also we are executing in and about 5 to 6 countries, some projects so international also will continue to be our focus area. It is just that because of the economies worldwide, there are certain decisions which many countries are right now delaying or are taking a little time and that is what may impact in terms of us securing orders over a short-term period from international market, but they continue to be our strength as well as focus. The order that RVNL took internationally is something that even we bid in that and we were L2.

**Amit Kumar:** Okay, ma'am. In terms of your order book, if you can please help me with the mix for railways versus non railways and the international versus India.

**Ragini Advani:** So, our railways is about 70%-odd of our order book and our domestic is about 90% of our order book. So, domestic International is 90/10 and railways versus others is 70/30 almost. And nomination versus competition is 45/55.

**Moderator:** Thank you. Next follow up is from the line of Swechha from ANS Wealth. Please go ahead.

**Swechha:** Hi ma'am. Sorry just a follow up here regarding again the order book edition. It is really encouraging to know that you are pretty confident that you know we will be able to add 10,000 to 12,000 crore of orders this year. You know, but I wanted to understand that you know in Q1 you only added I think 200 to 250 crores of orders and even in the last couple of quarters if we see, Q3 we added Rs. 120 crores last year, last year Q2 also we did 330 crores. So, I am so sure that confidence of adding 10,000 crores to 12,000 crore of orders this year is definitely basis some comfort that you have in the orders that you have already submitted the bid. Right. So, because it's a big, big thing, right, because we have already done only 200 -250 crores this quarter. So, if you could give some sense that what kind of orders that we have already bid for which decisions are pending and we are so sure that so there might be some big orders that we have bid for and you are confident.

**Ragini Advani:** All I would say is, you know as one of your colleagues also asked the same thing is that rest assured, whichever sectors we are right now in operational in as well as focusing on, which is railways, roads and highways as well as international business, we are definitely focusing in these areas only in terms of specific opportunities and how much are we expecting in pipeline and by when I think we would only be in a position to share that as and when we are almost there or we have got the award letters from them because you see it is a competitive business. It is a tough industry, we are fairly confident because we know that one our technical skill sets and our experience

is great and two, in terms of sustainable pricing, that something where we are always good. So, if someone comes in quoting a low price with the objective of entering and not earning profits out of it those are the players with whom probably even IRCON would not compete and would not like to compete, but otherwise there is no reason for us to get certain projects that we are targeting and we will be sharing it in the due course as and when it comes. As of now, I think the very fact that we picked up and built an order book up to 44,000 crores last year should be a good enough through for a confidence that you all may have in the management of the company that we are capable of getting that. The reason why we went slow last year is because we were focusing on execution and 44000 crore order book is also a significant number, which IRCON had and we want to be very comfortable that we are able to actually deliver similar products on these fast and stringent timelines. So, it was a conscientious decision that we have taken and as I mentioned in my last call also, it is now that we are going back into order books because we knew we were comfortable with the range of 30 to 35,000 crores. So, and so we do not need to kind of rush into getting orders. If one is comparing 44,000 to 32,000 or 35,000 it is right what you are asking. But if one was to see in terms of the order size we have it for a 3 to 3-1/2 year period.

**Swechha:**

Okay.

**Ragini Advani:**

There is nothing to worry per se.

**Swechha:**

Okay. No that that gives a lot of comfort that we are confident we will add in 10 to 12,000 crore of orders this year. So, thank you. Thank you so much, ma'am.

**Moderator:**

Thank you. Next follow up is from the line of Ashutosh from Ambit PMS. Please go ahead.

**Ashutosh:**

Yeah, I just understand the growth guidance of 10%. So, just wanted to understand because we have grown significantly for last many quarters rather and even in this year's Q1, we have grown by almost 35-36% on the top line, but if we are thinking from a 10% kind of growth on an annual basis that actually leaves with us with almost no growth for the rest of the nine months, mathematically speaking and if you already have the order book of 30 to 33,000 kind of order book right now, then would not it be a fair assumption from execution angle. You would be in a position to continue on this kind of a run rate from a top line growth perspective and not expect like a very flattish top line in the rest of the quarters in this year.

**Ragini Advani:**

See, there are many factors which are beyond us, whether it is geographical, economical, political, we have had a fairly good quarter one which typically is not the

case, but we have had it because of course there was a lot of execution pressure and we have delivered it, but going forward one, geographically, there are monsoons in many areas where Q2 could be affected. And two, from an overall perspective that kind of because our projects go in tandem with the owners, they also have to do certain things to make sure that the execution is happening at the speed at which it should be happening. So, those are things which what I am saying is if it happens it will be great and we will be happy to have a higher growth, but to say with certainty that that will happen is very difficult to say. So, if there is no execution pressure on some of our clients and associated governments as well as other associated partners, then yes, it could come to that level of 10 to 12,000 crores only. So, this is something which we will be having a better idea in Q2 or Q3. As of now, we will like to go with the fact that overall minimum increase would be 10% over the previous year.

**Moderator:** Thank you. Next question is from the line of Pranay from JNJ Holdings. Please go ahead.

**Pranay:** Hi, good afternoon, ma'am. Thank you for this opportunity. On the same lines basically, if I heard you correctly, our order book is about 32,400 something crores and we plan to close this here by about 35,000 crores on the order book front and basically, we have executed about 2700 crore in the 1st Quarter and if you are expecting 10-12 thousand crores of new order book addition in the current year, the maths workout to be around 20, 25% of top line growth. So, I am just unable to basically correlate because that number comes up to about 12-1/2 and a 13,000 crores of top line vis-a-vis with your guidance of 10% of top line growth. So, if you can just help me understand.

**Ragini Advani:** 10% of top line growth is working out around 11-11-1/2 thousand crores, right?

**Pranay:** Yeah, but if I do the simple math of your.

**Ragini Advani:** It actually a matter of. I mean, it really depends on the execution skill set, right? So, which is what I have been maintaining that while we can go beyond 11-11-1/2 thousand crores, but there are elections coming up, there are certain things which tend to go slow, which are extraneous of us. There is monsoon which will come up in Q2. So, if we do around 13 it will be great and we will target, but to say I will achieve that number is not something I am confident at this stage, so I am saying that we will actually grow at least to a level of our 10% increase over the previous year.

**Pranay:** Okay and with the same 7- 7-1/2% PAT margin?

**Ragini Advani:** Yes.



**Pranay:** OK, ma'am. Thank you so much alright.

**Moderator:** Thank you. As there are no further questions, I would like to hand the conference over to the management for closing comments.

**Ragini Advani:** Thank you Neerav for moderating the call. I would also like to thank all our stakeholders, business partners, analyst, investor friends who from continued to show faith in our company and supported this journey. We assure you that we will continue to deliver. We would be happy to connect with you on a one-to-one basis if required for any further queries or clarifications and with this, I conclude today's concall and thank you all for the active participation. Thank you, please.

**Moderator:** Thank you very much. Thank you all for being a part of the conference call. If you need any further information or clarification, please mail at [sachin.garg@ircon.org](mailto:sachin.garg@ircon.org). On behalf of Ircan International Limited, that concludes this conference. Thank you for joining us. You may now disconnect your lines. Thank you.