

Date: 4th June, 2026

National Stock Exchange

Exchange Plaza,
Plot No. C/1, G Block,
Bandra (E), Mumbai-400051

(NSE Scrip Code: SPMLINFRA)

BSE Limited

Phiroze Jeejeebhoy Towers
Dalal Street,
Mumbai-400001

(BSE Scrip Code: 500402)

Sub: Transcript of Earnings call for the 4th Quarter and Financial Year ended 31st March, 2026

Dear Sir(s),

Pursuant to Regulation 30 read with Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached herewith the transcript of Earnings Call organized by the Company on 1st June, 2026 post declaration of Audited financial results for the Quarter 4 and Financial Year ended 31st March, 2026.

Kindly take the same on records.

**Thanking you,
For SPML Infra Limited**

Swati Digitally signed
by Swati Agarwal
Agarwal Date: 2026.06.04
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**Swati Agarwal
Company Secretary**

Encl.: As above



“SPML Infra Limited
Q4 FY26 Earnings Conference Call

June 01, 2026



MANAGEMENT: **MR. MANOJ DIGGA – EXECUTIVE DIRECTOR & CHIEF FINANCIAL OFFICER – SPML INFRA LIMITED**
MR. MALAY CHAKRABORTI – EXECUTIVE VICE PRESIDENT OF PROJECTS – SPML INFRA LIMITED
MR. SAMIR PATEL – CHIEF OF TECHNOLOGY & OPERATIONS, BESS OPERATIONS – SPML INFRA LIMITED
MR. ARUN AGARWAL – VICE PRESIDENT FINANCE & ACCOUNTS – SPML INFRA LIMITED

MODERATOR: **Ms. SALONI AJMERA – GO INDIA ADVISORS LLP**

Moderator: Ladies and gentlemen, good day, and welcome to SPML Infra Limited Q4 FY26 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 this conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this event is being recorded.

Now I hand the conference over to Ms. Saloni Ajmera from Go India Advisors. Thank you, and over to you.

Saloni Ajmera: Hello, everyone. A very good afternoon, and welcome to SPML Infra Limited's Quarter 4 and FY26 Earnings Conference Call hosted by Go India Advisors. From the senior management, we have with us on call today Mr. Manoj Digga, Executive Director and Chief Financial Officer; Mr. Malay Chakraborti, Executive Vice President of Projects; Mr. Samir Patel, Chief of Technology and Operation of BESS segment; and Mr. Arun Agarwal, Vice President, Finance and Accounts.

Before we begin the earnings call, we must remind you that the discussion on today's call may include certain forward-looking statements and must be therefore moved in conjunction with the risk the company faces. I would now like to hand over the call to Mr. Manoj Digga for his opening remarks. Thank you, and over to you sir.

Manoj Digga: Thanks, Saloni, and good afternoon to everybody. I'd like to briefly touch upon the broader industrial environment because the opportunities emerging across infrastructure, water, power and energy transition are becoming increasingly aligned with SPML Infra's core strength and long-term strategy.

While the growing conflict in the West Asia has created genuine headwinds of elevated crude price and supply chain disruption, we remain firmly on the view that India infrastructure story is not just intact, but has been reinforced by the steady geopolitical environment, and we expect the government will continue to remain focused on the sector, which the company deals with as all of them are growing need of the country. All our new contracts have price variation clause, which covers any risk posed by the war.

The Union budget financial year '27 has allocated a record INR12.2 lakh crores in capital expenditure and multiple agencies, including the RBI, S&P Global and the World Bank has projected India's GDP growth between 6.6% to 6.9% for financial year '27, reaffirming that India's growth is structured and investment led rather than cyclical.

For a domestic infrastructure EPC company like ours, driven entirely by government-mandated public capex, this macro environment only strengthening our conviction going into financial year '27. Within infrastructure, government priorities are increasingly moving towards segment where SPML Infra has deep execution experience and established capabilities. The Union budget 2026-'27 has allocated INR67,670 crores to the Jal Jeevan Mission.

And in March 2026, the union cabinet approves its restructuring as Jal Jeevan Mission 2.0, enhancing the total program outlet to INR8.69 lakh crores with central assistance of INR3.59

lakh crores extended to December 2028, the movement of which has already been started, and we are expecting the disbursement will improve further in the current financial year.

Combined with the steady allocation under AMRUT 2.0 for urban water supply and sewerage treatment and the growing state level investment in irrigation and regionization, we believe this creates a strong and sustained pipeline of opportunity for SPML Infra water business in the year ahead.

However, we are not finding any issue in any project with respect to AMRUT funded project or project undertaken under funding from bank. We would like to express that the company is very focused on selecting its business on the basis of fund availability along with other important criteria of profitability, ease of operations and the support of suppliers.

Similarly, the power transmission and distribution sector continues to offer strong long-term visibility with the Union Budget 2026-'27 allocating INR1,09,029 crores to the energy sector, expected to drive significant investment in the substitution grid modernization and transmission infrastructure.

At the same time, battery energy storage system are rapidly moving from policy intent to large-scale execution over 92 gigawatt of BESS projects are already in the pipeline with 69 new tenders totaling 102 gigawatt floating in the first last year alone, a 35% increase over 2024. grid scale storage capacity is projected to grow from under 200 megawatts in 2025 to nearly 5 gigawatt by the end 2026.

And the Central Electricity Authority estimated India will require over 236 gigawatt of BESS capacity by 2031, '32, with the market expected to grow from approximately 2 billion in 2026 to 8.6 billion by 2031 at a CAGR of over 33%. Together, this trend provides a strong and sustained runway for growth across both our power, T&D and emerging energy storage business.

SPML Infra is not watching this opportunity from the sideline, but already building capacity, investing in scale and activity participating in the transformation. Let me now walk you through our operational update. Our consolidated order book entering Q4 2000 financial year stood at INR5,369 crores, comprising around INR4,000 crores of new projects and INR1,369 crores of legacy orders.

The legacy portion predominantly consists of joint control contracts with comparatively lower margins. These are expected to be fully executed over the next 2 to 3 years. With the allotment of new orders, our proportionate shares in the total revenue from the new orders will keep increasing, which will result in higher profit margins on the overall basis.

This can be evident from financial year 2027 as the approval of the design and for most of the new project has already been completed, and we are expecting healthy billing of the same in the current financial year. The legacy orders were taken during the time when the company was resolving its debt issue and most of these contracts were given on a back-to-back basis in this there is no execution and cash flow liability of the company. However, the margin is limited, but protected.

The legacy projects which the company is executing are still delivering defense margin. All the new -- newly secured orders are meeting the company's selection criteria of higher margin, price protection, no complexity and fully funding, which defines the earnings trajectory we are building towards. We are pleased to report a significant project milestone achievement of the Kekri Water Supply Project in Rajasthan, reflecting our continuing focus on timely execution and operational delivery.

SPML secured over INR4,280 crores, including SPML shares in JV in new project orders since financial year 2025, demonstrating renewed capacity to execute work, which includes the recently awarded largest order of BESS from NTPC work INR1,128 crores, for which Energy Vault will provide all the technical handholding and support.

This order momentum is a direct result of SPML 2.0 philosophy, selecting bidding margins, discipline and focus on quality over volume. The company has decided to remain focused on execution rather than building the order book and will remain very selective in choosing orders given the enormous opportunity currently available across all sectors the company deals with.

The company is expected to commence operation of 2.5 gigawatt BESS assembly line manufacturing facility at Supa MIDC Pune by the end of June 2026. The capacity is further planned to be expanded to 5 gigawatts, along with the production of 600 containerized BESS units by the end of this year.

This expansion is expected to significantly strengthen the company's presence in the rapidly growing BESS segment, enhance revenue visibility and profitability, which company is targeting to expand along with its increasing demand of energy storage solution driven by India's renewable energy transition and the Government of India's Atma Bharat initiative coming to the fundraising journey, which bids to our conviction.

The company has raised INR476 crores since May 2024, of which the total promoter contribution is INR313.5 crores. This is over and above INR112.5 crores, which was contributed during the difficult time. This fundraising has helped the company generating sufficient liquidity.

Capex for BESS up to 5 gigawatts and a container facility of 600 containers per year as well as working capital requirement of the project. We are hopeful that with the aforesaid fundraising, the company is meeting its requirements and sufficient liquidity has been built up to support current operations and projected growth.

Coming to our performance, Q4 financial year '26 witnessed strong growth momentum with revenue rise 53% year-on-year and 27% Q-on-Q to INR293.9 crores. EBITDA was reported at INR25 crores with a margin of 8.4%, while PAT increased 140% year-on-year INR28 crores. This quarter's EBITDA margin is affected by onetime increase in legal and consultancy costs related to our arbitration matter in non-cash regulatory provision for expected credit loss as per the Ind AS requirement and bank limit mobilization costs.

The EBITDA and PAT margin would have been quite healthy and these been executed broadly in the -- in line with the targeted EBITDA margin of around 10%. We expect healthy EBITDA

and profit margin to continue as the contribution of the new order increases. Also, the tax revenue during the period is mainly on -- tax reversal during the year is mainly on account of the recognition of tax benefit arising from accumulated income tax losses, which have provided the company with a tax sales.

The increase in other income this quarter is primarily attributed to the write-back of certain operating liabilities which in accordance with the applicable financial accounting standard has been recognized under the other income. However, the same arises in the normal course of business and is a part of the company's normal operation.

For the full year financial year '26, the company delivered a resilient performance. Revenue grew 13% year-on-year, INR868 crores driven by strong execution and healthy projected momentum. EBITDA increased 37% to INR86 crores with margin of 9.7%, while PAT rose 55% year-on-year to INR76 crores, a level of level that reflects the margin accelerating characters to our new orders mix and the early benefit of our SPML 2.0 operational model.

The company made its guidance on order acquisition, profitability, EBITDA and PAT margin. While the overall turnover has shown shortfall. This was primarily as a result of the company's disciplined approach of calibrating execution pace to fund availability, which was significant slightly constrained in March due to ongoing West Asia award.

It is worth noting that in an EPC business, turnover visibility is inherently linked to the order book build over preceding years and the full impact of recently secured order will reflect in the coming years. On our receivable, current trade receivable has moved up from INR299.55 crores to INR417.50 crores, which includes debtors of INR137 crores, which are back-to-back contracts for which the similar liability are there in the books.

and the company's working capital is not blocked. INR186 crores towards the normal debtors which are expected to get realized in the normal cycle of operation and balance represents towards retention and others. The company is suitably managing its working capital requirements with an escrow mechanism where most of the debtors are covered by the creditors and the company's fund is minimally utilized.

Accordingly, you can observe that the creditors has increased simultaneously will be paid from the realization against their class from the respective customer. The increase in other current assets is mainly on account of inventories as per the provision of Ind AS, which will be built in the current financial year. The total outstanding balance with NARCL, inclusive of interest as on 31st March was INR380 crores against the agreed INR700 crores.

We would like to inform that this amount includes the prepayment of INR48 crores against the outstanding dues of 2027-'28 and the company further plans to pay a minimum of INR45 crores in the current financial year, which will make the 2027-'28 liability almost negligible. The total cumulative payment made to the NARCL in the last 3 years is INR319 crores against the agreed payment of INR271 crores.

The total arbitration awards received since the NARCL resolution amount to INR312 crores. Further, an arbitration award of approximately INR627 crores as April 2026 and additional

arbitration claim of approximately INR4,526 crores will be sufficient to repay the entire NARCL dues.

The company is in a reasonably comfortable position and needs to pay minimum amount from the cash flow. For all practical purpose, the company's surplus cash flow are to be utilized only for the growth of the company and not for the payment to NARCL dues. From a cash flow standpoint, therefore, the company is effectively a debt-free company as there is a significant - sufficient visibility of arbitration award.

And claim for the repayment of entire NARCL dues and to generate sufficient liquidity for the future growth of the company. With this, our debt-to-equity ratio increased to 0.4x. Net debt-to EBITDA improves to 4.41 and ROE improves to 8% -- with the visibility of the new business, improved liquidity and the focused approach of the management, the lender has enhanced the credit limit of the company up to INR505 crores.

And in considering further enhancement based on the needs of the company, which will also arise with the award of the new order in the water, power and access sector. Further, the company is also availing the surety bond option, which is available from the leading insurance companies place of BG limits wherever permissible.

The overall surety bond exposure at very favourable terms at a very low margin is INR305 crores as on date. With a healthy order book visibility of the new business, sufficient liquidity and an adequate bank and surety limit, the company is quite hopeful of achieving reasonable growth of more than 25% in financial year '27 at both the top line and margin level and expected this growth momentum to continue in the subsequent years.

However, management will continue to review its outlook and provide updated guidance during the annual earnings conference call. Financial year '26 marks an inflection point, INR5,368 crores order book, landmark NTPC, BESS, wind, water, power and energy storage are not three verticals.

They are one coherent strategy built for exactly the infrastructure that India entering. We step into financial year '27 with momentum, with conviction and with a clear line of sight of what the company can become. Thank you. Now we are open for the floor. If you have any specific queries, we'll be happy to reply.

Moderator: Thank you, sir. We will now begin the question and answer session. The first question comes from the line of Deepesh Sancheti with Manya Finance. Please go ahead.

Deepesh Sancheti: Am I audible?

Moderator: Yes, you are audible.

Deepesh Sancheti: Okay. What are the plans for BESS and what value chain are we targeting in BESS?

Manoj Digga: BESS, basically, the BESS is the extended arm of our power EPC business. If you see, it's an EPC business where we are completing all the container. But here, we have gone with the

backward integration of relining creation of manufacturing of relining facility and container manufacturing. So these two process are going on, which is -- which will complete -- one will complete in June and another will -- enhanced capacity will complete by the end of this year and the container facility also by end of this year. And we are targeting not only the BESS, we are also targeting the OEM of all the EPC tender who takes the BESS business for the battery pack.

Deepesh Sancheti:

So what is the demand and supply situation in BESS -- as so many players are getting into BESS, don't you think there will be an oversupply scenario in BESS going forward?

Manoj Digga:

The demand of BESS, the government of India is targeting the demand of BESS from at basically 286 gigawatt by 2030. So there is a huge demand, 5 gigawatt in the 2026 to 236 gigawatt of BESS capacity by 2030-31, '32. That is the government target. And the government has started making the mandatory of all the renewable energy, 10% BESS.

And BESS, although there are a lot of players who came into the BESS, the BESS, we are having certain advantage because I think we are the only company which has the tie-up with the energy vault in India. We are the only company which are setting up the BESS manufacturing relining facility that has already been started.

And we are the company which has the knowledge of the power, EPC from last 30, 40 years. So we are getting the advantage. BESS huge capacity expansions are going on. Not only the renewable now the NTPC, etcetera has started into the thermal also the BESS. So there is a huge capacity, although the competition is also there, but we are expecting a huge business opportunity going forward in the BESS in next 5 to 10 years.

Moderator:

Current participant has been disconnected. We'll move on to the next question. It's from the line of Kamal Jeswani from U First Capital.

Kamal Jeswani:

Just a couple of questions. We had given a guidance of INR900 crores to INR1,000 crores of revenue this year. More or less, we were in line with the almost INR887 crores we reached. If there is a small shortfall, what could be the reason? And what is the outlook for the first half of this year? How much revenue can we expect?

That's the first question. Second question on the margins. There's been a slight dip in the margins in this quarter. So what could be the reason for this? And how is the future current year margins looking like?

Manoj Digga:

On the turnover point of view, in the -- on the EPC business, you can consider the EPC company on the basis of the order book because if there is an order book, there is a visibility to complete that order book into the number of years. Like in our case, most of the order books are in years to be executed.

There can be some plus or minus into every year, mainly because on the availability of fund. That's where the mature EPC companies play a very important role because with the availability of funds with the customer, we execute that particular month. So in the March, there were some -- one is the March year-end pressure was there.

Everybody has completed their quarter, then there is a war movement. So there was some shortfall in the March money availability of a few tenders like RITES, etcetera, which we have -- that's the reason we have reduced our execution to some extent, but you will get the reflect into the first quarter and this year, the entire impact of some shortfall in the last year.

As regarding the margin, we are -- as we told you, there is a legacy and the new order, the proportionate of the new orders are increasing. So as soon as that will increase, all the new orders, we are taking minimum 10% margin, if not more. So as soon as our execution in the new order will keep on increasing in the total revenue of that quarter, the margin percentage will keep on increasing.

So this year -- and if you see this quarter, the margin is mainly impacted because of the onetime. There are certain expenditure on the legal arbitration, provision of the Ind AS requirement and the cost of borrowing. These are the 3 elements which has increased the other expenditure, if you find there is a 10% increase on that, INR10 crores increase on that. Otherwise, we are -- this year also, our margin level is 10%.

Kamal Jeswani: Okay. So by when can we expect the legacy orders to get completely executed and only the fresh high-margin business?

Manoj Digga: If you see the legacy order are those orders which we have taken during the time when we were on the process of the debt resolution. So these orders are mainly back-to-back given to the few contractors. So these are the orders where we don't involve any of our working capital requirement, not only our execution time line, but it will be executed in 2 to 3 years. But there can't be any loss, no working capital requirement and the margin is small but protected.

Kamal Jeswani: Okay. Got it. And regarding the turnover, can we expect in the first half INR500-plus crores?

Manoj Digga: This year, we have -- we are expecting the top line and bottom line to grow more than 25%. So every quarter, you will find that happening and increase in every quarter accordingly.

Kamal Jeswani: Okay. And regarding -- you had mentioned about the war. So has there been any slowdown in the order floated by the government after the war? Or is it not impacting the order size, I mean, the flow of orders?

Manoj Digga: Sector in which we are in the water, power and BESS and all are mainly to the local government. We are dealing with only the government company, all are for the local industries. So we are not finding a lot of tenders are coming, a lot of the big tenders in MP, Maharashtra they are in the process.

So we are expecting a good number of orders into this financial year. But as we explained, we are very, very choosy in getting the order. We are -- on the capability-wise, we can take the higher order, number of orders, but we are very, very choosy. We have certain criteria to meet that criteria, if that is there. But we are expecting a sizable order, not less than last year. We will expect the same type of order in the current financial year also.

Moderator: The next question comes from the line of Hemant, an Individual Investor. Please go ahead.

- Hemant:** Sir, thank you for providing the opportunity. Can you please We missed the guidance by some few odd crores. We were guiding around INR1,000 crores of revenue in FY26 and we were pretty firm on it, I guess. So can you please a little bit elaborate on the part why we missed the guidance because it basically shakes the confidence of the Investors? So will it be possible for you to give a detailed explanation on that, sir?
- Manoj Digga:** One is the order book. Whatever we have given we have achieved on the order book. Second is, on the EBITDA and profitability that we have done. On the turnover we short. We were targeting roughly around INR900 crores to INR1,000 crores but that has been reduced by – that I have explained you. Mainly the execution you link with the availability don't want to build a high better position,
- Moderator:** I'm sorry to interrupt, sir. Sir, your voice is not coming clear. Can you come closer to the mic?
- Manoj Digga:** Now it is clear?
- Moderator:** Yes, sir. Now it is better.
- Hemant:** Can you please repeat, sir?
- Manoj Digga:** I told you we have given the guidance on the order book, which we have achieved on the margin we have achieved. On the turnover, we remain very careful on the availability of fund in the hands of the customer because we don't want to increase our data book very high. So whenever used on the availability, we do the monthly execution.
- So in the March, there was some shortfall into view of the customer. So we have executed accordingly, but that impact you will find into the current financial year. So that's only the movement of roughly around INR50 crores to INR100 crores, which will be added into the current financial year of the last year sorted.
- Hemant:** So sir, there will be some spillover in Q1. This is what I can assume?
- Manoj Digga:** Q1 and Q2, we will find that as we go.
- Hemant:** And sir, what will be the peak revenue potential of the 2.5 gigawatt of BESS?
- Manoj Digga:** INR2,500 crores.
- Hemant:** INR2,500 crores. So putting both the phases, it should be INR5,000 crores around, right?
- Manoj Digga:** Maximum which can be there. As we told and given the guidance into our earlier con call, when we started, we started with a 25% power and 75% water. And then slowly and gradually, our water volume has increased. And we are thinking that by 2029-'30, our water and power volume will be 50%. So you will find it gradually move on the BESS turnover and the power turnover going forward along with our water turnover.
- Hemant:** So that is fine that I understood. But sir, what will be the peak revenue potential for both the phases? Shall it be INR5,000 crores?

- Manoj Digga:** INR5,000 crores.
- Hemant:** Okay, sir. Okay, sir. Thanks a lot.
- Moderator:** Thank you. The next question comes from the line of Hardik Gandhi with HPMG Shares and Securities. Please go ahead.
- Hardik Gandhi:** Sir am I audible?
- Manoj Digga:** Yes, you are audible.
- Hardik Gandhi:** Sir just wanted to know what is the integration part we are doing on BESS front? You said there are 2 processes which we are following. There is one container manufacturing and then second one, I couldn't hear you clearly.
- Manoj Digga:** BESS is the total EPC, which includes roughly around 35% to 40% is the battery pack, which we have started manufacturing in our Pune MIDC Pune Supa factory. Roughly around 8% to 10% is the container cost. That also we have started manufacturing. We are planning to start manufacturing at our Pune. Rest of the EPC business, we will do.
- Hardik Gandhi:** Right. So you mentioned that the container manufacturing will be completed by end of this year, correct?
- Manoj Digga:** Correct.
- Hardik Gandhi:** Correct. So as I can see the first BESS orders which we have, we've mentioned that it's an 18-month delivery from contracted and then there's a 15-year OEM. Like if you can help us bifurcate of the total order, what amount is the EPC part and what amount is O&M?
- Manoj Digga:** This is basically -- O&M is basically INR96 crores. Rest is the EPC.
- Hardik Gandhi:** Right. So if I understand correctly, during this year, even if we start in Q1, the phase, then we have roughly 1.75 gigawatt hour for the year. If we bifurcate the whole 2.5 gigawatt into 9 months, right? So we should be able to execute roughly 1.75 gigawatt our BESS projects during the year. So is that understanding correct? Or is it that even if we have a 5 gigawatt hour -- sorry, 2.5 gigawatt hour annual capacity, we will not be able to execute the full capacity in a year?
- Manoj Digga:** This plant -- this order is 1 gigawatt. We have 2.5 gigawatt. So this 1 gigawatt jolly well, we can execute from our own factory, Further in future, if we get the further EPC business, that also we can do from our own execution, our own plant. And if we get some OEM business of other EPC player, if they want to take the battery pack, that also we can execute from our own factory.
- Hardik Gandhi:** Correct. So to understand better, what does it go? Sorry, what kind of margin comes as an OEM versus an EPC player?

- Manoj Digga:** Basically, as I told you, less than 10%, we don't do any business. That's our new guideline. And we are maintaining here also the same.
- Hardik Gandhi:** Right. So -- but usually EPC plus OEM, we would attract a better margin. So just wanted to know the differential, like, for the projects which we get for ourselves as an EPC player versus the orders which we get as an OEM?
- Manoj Digga:** As an EPC player, everywhere, whenever we take any project, there is an OEM. On the OEM, you want to say OEM or you are saying the O&M, annual maintenance?
- Hardik Gandhi:** OEM. So we mentioned that there are 2 kind of orders which we can take. So one is the EPC where we build the battery and then we install it and then we do the O&M. And the second kind of order is where someone else has an EPC contract, but we just provide the battery to them as an OEM manufacturer, correct?
- Manoj Digga:** OEM also around 10%.
- Hardik Gandhi:** Okay. So OEM is 10%, but so then EPC plus OEM would be like anywhere between 12% to 15%. Is that understanding correct or higher than that?
- Manoj Digga:** EPC also, we will do 10%. OEM also, we will do a minimum 10%. OEM, the turnaround will be fast. EPC, the turnaround will be slightly longer.
- Hardik Gandhi:** Right. So will we be disclosing the OEM orders? Or will it be just on the spot sale basis? How will that work?
- Manoj Digga:** Once we start BESS, there will be a segment accounting. So in the BESS power segment, you will find all these things.
- Hardik Gandhi:** Right, right. Understood. Okay. I'll get back into the queue for more questions. Thank you.
- Manoj Digga:** Thank you.
- Moderator:** Thank you. The next question comes from the line of Saket Kapoor with Kapoor & Co. Please go ahead.
- Saket Kapoor:** Greetings, sir. Hope I am audible?
- Manoj Digga:** Yes, you are audible.
- Saket Kapoor:** Sir, with now the implementation of the new Labor Code and we're hearing a lot of noises about the availability of labor also becoming a major issue and we being an EPC player, how are we derisking ourselves or what are our risk mitigation exercise with the availability of labor and again, the cost part also attached to it?
- Manoj Digga:** On the first part, as we have also mentioned into our accounts that we have decided much before that the Labor Code implication into our account. So we -- our payment to the labor is based on the new Labor Code. So we don't have any impact on the cost because of the new

Labor Code system. Number two, on the availability of labor, I don't -- we don't find any problem in getting the labor, getting the contractor or the contractors are getting in the labor. We are not finding much anything on that. It's working well.

Saket Kapoor: Sir, when we look at our revenue of INR290 crores, can you divide it in percentage terms in terms of the water and the power segment, the mix between the same, the revenue for the quarter and the year as a whole?

Manoj Digga: Majority is of water. Very limited into power, but I'll let you know. But at the moment, majority, if you can say 90% -- 85% to 90% into the water.

Saket Kapoor: Okay. Sir, when it comes to water, like the Jal Jeevan mission or the budget has been revised, then the fund flow has also been curtailed. Government schemes are running, cost overruns are happening, very significant. And then now with the type of impact crude is creating, how confident are you that the schemes are being run by the government, funding will be done properly and players like us will not face the issue of irresistible.

Because existing players who are in the EPC segment, whether it is the Jal Jeevan scheme or the AMRUT, I am not aware, but there are a lot of payment delays in Jal Jeevan since the last 11-12 months. So, what is our thought process? We also have a significant part of the order book, although with the state being funded. So, what is our understanding? I think, so you have given some clarification, but it is only my understanding on the Jal Jeevan scheme which I am sharing with you.

Manoj Digga: If you see the water business per se, it is not only the drinking water. Jal Jeevan is mainly to the drinking water. Then we have irrigation, then we have sewerage, then we have river linking, then we have funding from AMRUT, funding from Namami Gange. There are so many government schemes which are going on.

Most of the various projects are coming with the World Bank funded -- various projects are funding with the NMCG funded, GCA funded. So these are -- there are various schemes which we are going. On the drinking water, Jal Jeevan Mission is the main. If you see at this moment, like we have taken 3 new -- 4 new orders, one new order in Konar, which is in Ranchi, it is NABARD funded. Second is Indore, which is AMRUT funded.

Then third is the Kekri, which is the Jal Jeevan Mission but 2.0, the new restructured Jal Jeevan Mission. So one, Jal Jeevan Mission, the payment was stopped because of the certain verification, which the government has completed.

Now the government are not only releasing the payment, they are enhanced the allocation. They have enhanced the period up to September 2028. So the Jal Jeevan Mission is also coming back. The backlog of the Jal Jeevan Mission is slowly and gradually is coming back to the normal. There are so many -- so much disbursement has happened.

Some more we are expecting that is going to come into the Jal Jeevan Mission. There is no fund issue into the AMRUT funded. There is no fund issue into the bank funded, NABARD

funded or World Bank funded. So water is a very big basket where Jal Jeevan Mission is a part. And we are as a water EPC, we are involved in all the activity, all the areas.

That's the time where when the Jal Jeevan Mission was the difficulty, we have not taken any Jal Jeevan Mission project. We were focusing more into the AMRUT and bank funded. Now with the Jal Jeevan Mission, again, come back to the normal situation and when the government will further release the fund, we may take for some exposure into the Jal Jeevan Mission.

So water is a holistic. There are a lot of things which is there into the water. Second, as a practice and as a strategy of our choosing the order, we never take any orders which don't have the PV. So that gives us the additional advantage into any price escalation because that is -- we are getting protected. So our margin remains protected. So unless there is a PV, we don't take the order. So these 2 elements covering us.

And now not only into the water, we are slowly gradually going towards the power also. Power, there is a huge government focus into the substation where we are one of the leading player. So we are going to that line. And we are also getting to the BESS order. So these are the -- all these 3 segments.

And as I told in our guidance, we are not looking into the very order volume. We are more taking -- trying to take the few orders which have the easy to execute and profitable one. So the funding aspects, we see first, PV aspects, we see another. And unless we get the clarity on these 2, we don't take the order.

Saket Kapoor: Sir PV stands for? I'm missing the...

Manoj Digga: Price variation.

Saket Kapoor: Price variation. That is the cost escalation. Okay. Sir, and then about the -- you mentioned about river linking projects also. So where do we play -- have our role in those? And I think the Ken-Betwa project DPR was given a green signal go ahead. So any traction we are observing on the same?

Manoj Digga: Ken-Betwa is our focus project. So Ken-Betwa and PKC, these 2 are the projects which are coming into the MP. This is our focus projects for this year. Not only Ken-Betwa, in the Maharashtra there is the Nalganga, there is Wainganga-Nalganga. That is also the river linking. There is in the UP there in the river linking projects, we will get a lot of orders into this year and next year.

And that is our focus. And that is again the centrally funded. That is again one of the World Bank and GCA funded. So we are very focused into those type of projects and the irrigation project where the government is focusing like the PKC in MP, these are the projects which we are focusing along with our Jal Jeevan Mission or drinking water.

Saket Kapoor: So sir, for Ken-Betwa has the disbursement of the DPR now on ground or still we are working with -- what is the progress...

- Manoj Digga:** Pre-bidding discussions are going on. They are explaining to all the contractors. They have made 2 presentations. They are taking all the feedback of the contractor. And very soon, they will come with a tender.
- Moderator:** The next question comes from the line of Hardik Gandhi with HPMG Shares and Securities.
- Hardik Gandhi:** Just one thing I was observing that of the total order book, a lot of cases, we are a part of the consortium, right? So just calculating our net-net water order book is just INR3,300 crores, right? So I think in the earlier con call, we mentioned that our target is to have a INR5,000 crores water order book every year. So is that something realistic which we are still targeting and we think we'll be able to achieve?
- Manoj Digga:** That's our target. This includes ours and JV both. That's our target. That will be the target into this year also and that we want to do that, roughly around INR2,500 crores to INR3,000 crores should be our...
- Hardik Gandhi:** Net order.
- Manoj Digga:** Net order minimum at least that. And the INR5,000 crores is our target order book.
- Hardik Gandhi:** Okay. Because -- so just to clarify, we had INR5,616 crores order book, of which I think INR1,300 crores is power order, which is the BESS as well as the substation. Then I removed all the consortium shares, right? So we ended up with INR3,300 crores of order -- and we are saying that next year, again, we'll have a net-net, like our share of order book will be at least INR3,000 crores in water segment.
- Manoj Digga:** Right, right.
- Hardik Gandhi:** The new orders or is it just the closing order book?
- Manoj Digga:** No, no. This -- as we've given the direction the last year, around INR5,000 crores and we -- including of the JV in which we will have more than INR2,500 crores to INR3,000 crores. This year also, our target should be the INR5,000 crores, where our orders should be INR2,500 crores to INR3,000 crores or more than that. That's our target. Because the PKC, etcetera, when they will come, we will have active role and we have massive interest of doing our own rather than JV.
- Hardik Gandhi:** Right. So -- but if we are looking, you mentioned all our orders are of 3 years. So typically, next year of the INR3,300 crores, INR1,000 crores should be executed. So the outstanding book will be INR2,300 crores. And then you are saying additional INR1,000 crores order we'll get next year or more question?
- Manoj Digga:** It should be more. If it is -- our target -- internal target is roughly around INR4,000 crores to INR5,000 crores of order in this INR2,000...
- Hardik Gandhi:** Of new order or of total order book?

- Manoj Digga:** Every year, that is the order. Our execution, our sales would be INR2,500 crores to INR3,000 crores.
- Moderator:** The next question comes from the line of Shishank Raj, an Individual Investor.
- Shishank Raj:** My question was on the capex side for the 2.5 gigawatt hour we are going to start the assembly line by June. What was the total capex was introduced to extend that to 5 gigawatts, we need kind of capex for that?
- Manoj Digga:** So roughly around INR175 crores is the capex which we are targeting into the 2.5, 5 gigawatt and first 2.5 gigawatt we have targeted 1.25. And there are certain R&D expenditure which we are planning. So that will roughly around INR25 crores. And the container facility we are targeting INR35 crores. So all practical, you can say INR200 crores is for our BESS capex and INR35 crores is our container facility.
- Shashank Raj:** Okay and to extend this to 5 gigawatt kind of capex from there or?
- Manoj Digga:** This is inclusive of 5.
- Shashank Raj:** This is inclusive of 5 gigawatt capacity, gigawatt hour capacity. So given that the BESS execution time is relatively less than what we do for water infras. Water infra usually takes 3.5, 4 years. And now you have BESS which may take 12 to 24 months. So I think turnover will be better over here. But how is the receivables look like from this business side size? I mean if you look towards compared to water infra and BESS I mean, do you think that receivables are again have challenges to get stuck over here or like?
- Manoj Digga:** All the receivable in the water and the BESS depending upon the, which type of order we have taken, who has funded that, like the NTPC, there is no risk on any receivable. There are 15 to 20 days payment, that is the based. If it is any World Bank funded or backed funded, again, 15 days to 30 days payment.
- So these are the orders which who has, the funding of the order is very important. And both are applicable to the water and BESS. BESS, this Power Grid and NTPC, they are the best pay master. So there, the payment will be much more compared to the other government water EPC, water project PHED, etcetera. But all depends upon the project funding. If the project is well then the payment is not an issue.
- Shashank Raj:** Okay. So in 2030, I think '31 or '32 in this window that we are planning that the water infra business plus the BESS business is going to contribute like 50%, 50% both the sides, given that BESS we are targeting like 5 gigawatt power per line, which has a potential to produce revenue of INR5,000 crores. So I mean if that becomes 50% of that part of your business that the water infra revenue should also come across INR5,000 crores. That makes it INR10,000 crores of revenue. Do you think that this is a little aggressive target given that we are sitting somewhere INR800 crores this year? I mean the next 5 years, we are saying that we will go 12 times from here?

- Manoj Digga:** That depends how we will take the order. But if our order capacity, we are targeting INR5,000 crores every year then you will find that the multiple of that, like if I am taking the order now, the next year, I will get one third, roughly around one third of that. Next year, when I take another order, I will get in next to next year, one third of both. So that's the way the water EPC business will keep on going. And if it is a power EPC, it is 18 months to 2 years. If it is a BESS, it is 18 months to 2 years. If it is a BESS OEM, it is 3 to 6 months. So all that depends that how the mix will be there and size the volume should be increased because we are expecting the sizable growth every year into the EPC business of water and power.
- Shashank Raj:** Okay. And in the BESS segment that what we are doing today is that we import the cells. We are going to integrate them into battery pack, put it into the containers, which will be internally manufactured. Now the BMS and some other components that are aligned, it is the full scale of work that we have to do in the NTPC project is it that I'm a little confused on that?
- Manoj Digga:** Yes, Malay sir, do you want to say anything?
- Malay Chakraborti:** Yes, we are BMS, battery based systems including IDT, PCF everything we are going to store at this NTPC, BESS project. Actually it is totally integration with their 220 KV substation. So entire package is in our scope. And out of that water item that is the main item is BESS, we are manufacturing including BMS at our factories, Supa Factory with a collaboration with our energy product. And for the other rest of the, water items we are procuring from Indian manufacturers, It is their approved and reputed manufacturers available including supply of power transformers, PCF and that other items.
- Shashank Raj:** Okay. I think that's all. And one final question, sir, from the revenue side of growth, I mean, again, the same question lies, I know that you have answered for the last quarter that we are having some shortfall. So you think that in the upcoming quarter that is going to get adjusted to that? I mean I think you have already answered, but I just want to reconfirm once more.
- Manoj Digga:** No, the only for your understanding, if we get the order into the EPC, it has to be executed in 3 years. It can be 30, 40, 40, it can be 25, 37 and 37, it can be 40, 30, 30. But it is going to be executed in 3 years into the, in this thing. So if there is any shortfall in this year, it is going to be make up into the next 2 years. That is definite.
- Shashank Raj:** Okay so, you are targeting 25% growth on the top line and bottom line for the upcoming year like that?
- Manoj Digga:** Because all the new orders we got the design and drawing approval. So you will find a substantial growth into that into the current year. So you will find this much minimum this much I am expecting.
- Shashank Raj:** Okay. Okay. And I think for the tax exemption that we are having with the new tax policy, I mean, how many years we are having forecast that you don't have to pay the tax for that probably we'll have an expanded PAT?
- Manoj Digga:** No, it's a known approved policy and the government guideline and the tax shield we have. If there is accumulated losses, all your profit will get adjusted. And if it is a new regime, then

you don't have to pay to the MAT. So we are shifting to the new regime with the government announcement in the last year budget. So we don't have to pay tax under MAT. And at the same time, we have the accumulated loss. So I don't have to pay tax in at least a few years.

- Shashank Raj:** Okay. I think that's all from my side. Thank you sir all the best.
- Moderator:** Thank you. The next question comes from the line of Deepak Sharma, an Individual Investor. Please go ahead.
- Deepak Sharma:** Can you please give me some color on the guidance for the FY27 and '28 in terms of revenue and the margins on a consolidated basis?
- Manoj Digga:** No. As I told you that minimum 25% growth in both top line and bottom line should happen into this year. And we are expecting more orders. So, every yearly guideline, it should happen into a few more years, but the yearly guideline we'll give you every annual conference call of the yearly number. But this year, minimum 25% in both top line and bottom line.
- Deepak Sharma:** Okay. And also, there is some forward-looking statements over the working capital days in the coming 2 years?
- Manoj Digga:** Working capital days, there are -- once you take the new project, there are some working capital is required to be engaged, which is there, that is increased. More working capital, we are expecting to get released because old projects are getting completed. So, the retention money is going to come. So, you will find that the working capital will remain because there are 3 elements into the working capital. If you see on our debt side, there is one back-to-back order for which the similar debtors and similar creditors are there. So that is not impacting our cash flow. Whenever the amount come, we will pay to our creditors.
- There is a retention money, similar creditors retention also we have. So, whenever the retention money will come, we will pay to the creditors. There is a running debtors into our running projects, which keep on churning into every 1 month, 1.5 months. So that will not be much. We will keep on getting the money as per the schedule and as per the cycle. So, we are not facing any working capital issue. We are -- even in the mobilization advance, we are not taking full because we are not finding any liquidity issue in any of the project.
- Deepak Sharma:** Okay. And how much is the tax shield at the present in terms of revenue?
- Manoj Digga:** Pardon?
- Deepak Sharma:** How much will be the total tax shield on which we have to pay tax to the government?
- Manoj Digga:** As per the rule, if you have the accumulated cash loss, then that cash loss is going to be adjusted with your future profit. And since we are moving towards the new regime of tax where we don't have to pay the MAT. So, we are having the tax.
- Deepak Sharma:** So, I am asking about the value, value of the tax shield. What is the value?
- Manoj Digga:** Value, we have a few more years, we don't have to pay tax.

- Deepak Sharma:** I'm asking in terms of crores, suppose you have a INR100 crores accumulated loss, 200 crores of accumulated loss, how much is the loss?
- Manoj Digga:** It is more than INR500 crores.
- Moderator:** The next question comes from the line of Kamal Jaswani from U First Capital.
- Kamal Jaswani:** I just, in the initial remarks, I missed out on the NARCL repayment details which were mentioned. If you can just repeat and let us know that what is the exact repayment schedule of NARCL and whether it is linked to the arbitration receipts or how we are going to fund this?
- Manoj Digga:** NARCL when we signed in 2024, it was INR700 crores inclusive of that interest. Out of which, we have already paid INR320 crores and that has already paid and which includes the prepayment of INR47 crores from the very beginning on all the soft repayment are linked with the arbitration award. We have received roughly around INR315 crores of arbitration award.
- We have paid INR320 crores. Going forward, for the balance amount, we have roughly around INR630 crores of arbitration award, which is in hand, which has at various advanced stage like some of them are at the Supreme Court. So, whenever that comes, that will go to taste roughly around 75% of that amount will go to the pay to the NARCL.
- So, against the INR620 crores -- INR630 crores, where the interest is accumulating on every day. we have to pay roughly INR380 crores to the NARCL. So, I have sufficient markup. And then I have roughly around INR4,500 crores of claims, if you see our past track record, roughly around 40% of the claims get converted into award.
- So, I have the visibility, if you do continue with that same trend, roughly around INR1,500 crores of other award expectation is they are -- so that award, which are going to come and the awards which are in hand are more than sufficient to pay the entire dues of NARCL and our future growth fund.
- For the time being up to 2027, '28 -- '26, '27, we have already prepaid most of the amount in 2025, '26. And this year, we are targeting to start making the repayment of 2028, '29 -- '27 -- '28, '29 also. Because all are linked with the arbitration award. We are early realizing the arbitration award, and we are making the payment to the NARCL. So, nothing from the cash flow, nothing major from the cash flow barring 1 or INR2 crores -INR3 crores. So almost for all practical purpose, my cash flow is fully free for our growth purpose.
- Moderator:** Ladies and gentlemen, that was the last question for today. I now hand the conference over to the management for closing comments.
- Manoj Digga:** Thank you very much for joining. To summarize, financial year '26 has been a year of meaningful progress financially, operationally and strategically. We have laid the groundwork strengthen our balance sheet and position the company well for the opportunities ahead. The management remains focused and committed to deliver on its guidance, and we are optimistic about what lies ahead for the SPML Infra. Thank you all for the joining us today. Thank you.

Moderator:

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