DILIP BUILDCON LIMITED
INFRASTRUCTURE & BEYOND

**August 18, 2026**

To
BSE Limited
Listing Department
P.J Tower, Dalal Street
Mumbai – 400001

Stock Symbol -540047

To
National Stock Exchange of India Ltd.
Exchange Plaza, C-1, Block G
Bandra Kurla Complex,
Bandra (E), Mumbai – 400051

Stock Symbol –DBL

**Subject: - Transcript of the Analyst/Investors conference call**

In continuation to our letter dated August 06, 2026 please find herewith the transcript of the Investor conference call for Investor and analyst meeting held on Tuesday, August 11, 2026 at 11.00 AM (IST) related to the financial results for the quarter ended June 30, 2026, conducted through digital means.

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

https://dilipbuildcon.com/investors/shareholders-centre/

This is for your information and record.

With Regards,
**For, Dilip Buildcon Limited**

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# “Dilip Buildcon Limited Q1 FY-27 Earnings Conference Call”

**August 11, 2026**

**MANAGEMENT:** **MR. DEVENDRA JAIN – MANAGING DIRECTOR & CHIEF EXECUTIVE OFFICER, DILIP BUILDCON LIMITED**
**MR. ROHAN SURYAVANSHI – HEAD, (STRATEGY & PLANNING), DILIP BUILDCON LIMITED**
**MR. SANJAY BANSAL – CHIEF FINANCIAL OFFICER, DILIP BUILDCON LIMITED**

**Moderator:** Ladies and gentlemen, good day and welcome to Dilip Buildcon Limited's Q1 FY2027 Earnings Conference Call.

As a reminder all participants' line 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 '*' then '0' on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Ashith Salian from Adfactors. Thank you and over to you, sir.

**Ashith Salian:** Thank you. Good morning, everyone and thank you for joining us today to discuss the unaudited Financial Performance for Q1 FY2027.

From the Management, we have Mr. Devendra Jain – MD & CEO, Mr. Rohan Suryavanshi – Head Strategy & Planning and Mr. Sanjay Bansal –CFO.

Before we proceed, I would like to bring to your attention that certain statements made during the discussion may constitute forward-looking statements. These statements are based on our current expectations, assumptions, and beliefs regarding future developments and are inherently subject to various risks, uncertainties, and factors beyond our control. Such forward-looking statements involve both known and unknown risks, and we advise you to interpret them with caution.

I will now handover the call to Mr. Rohan Suryavanshi for his opening remarks. Thank you and over to you, sir.

**Rohan Suryavanshi:** Good morning, everyone. On behalf of the entire DBL family, I extend a warm welcome to all our investors and analysts to our Quarter 1 FY2027 Earnings Conference Call. The Financial Results and Investor Presentation for the quarter have already been uploaded on the Stock Exchanges, and I trust you had the opportunity to go through them.

**Let me begin with providing the broader sector environment:**

The infrastructure sector continues to enjoy strong policy support with sustained government focus on roads, railways, water, transmission, and renewables, all sectors in which we are currently actively engaged in. The awarding cycle in the 1st Quarter was on the softer side, as is usually the case, and particularly in the national highways on account of the ongoing recalibration of the Bharat Mala pipeline and the process-related delays. However, the medium-term signal from the government remains constructive.

During the quarter, NHAI articulated its FY2027 project pipeline of 54 highways and expressway projects, covering 2442 kilometers, with a total capital cost of approximately Rs. 1.80 lakh crores, spread across 13 states. Of these, 26 projects are proposed under the EPC route, 21 under the HAM route, and 7 under the BOT route. This gives the industry a clear line of sight on award activity for the balance part of the year. It's also heartening that aligned with our own strategy is the acceleration of the government's own monetization program. NHAI has finalized 17 highway stretches spanning approximately 1693 kilometers for monetization in FY27 through its TOT and InvIT routes, and which is expected to generate proceeds in the range of Rs. 30,000 to 35,000 crores. This is part of the second national monetization pipeline, under which the road sector alone is targeted to unlock Rs. 4.42 lakh crores between FY26 and FY30. This validates the InvIT led capital recycling model we are building at DBL and reinforces the depth of the institutional market for the operating road assets we develop and transfer.

Now, global uncertainties around crude prices definitely continue to weigh on fuel, bitumen, and related input costs. Working capital cycles across the industry remain elongated, and administrative delays on project approvals and payments have persisted through the quarter. In our assessment, these are cyclical rather than structural, and the medium-term thesis for Indian infrastructure remains firmly intact. Our approach therefore continues to be one of selective tendering, execution discipline, and preservation of balance sheet strength.

**Coming to DBL's performance:**

Our order book stood at Rs. 27,691 crores as of June 30$^{th}$, 2026. With a well-diversified presence across 12 verticals, key segments include mining, roads and highways, irrigation, and renewable energy, which together form the core of our order book. This spread is a deliberate outcome of the DBL 2.0 strategy and gives a strong revenue visibility without dependence on any single segment. Out of this order book, in the MDO, the reported order book is about Rs. 5,224 crores, which represents only a 3-year rolling snapshot across the Siarmal, Pachhwara, and Pottangi SPVs. Beyond this, the balance contract value of the mining sector stands at approximately Rs. 1.03 lakh crores at current pricing. These assets provide a substantial pool of long-term contractor revenue beyond the reported order book.

In FY27 Quarter 1, order inflow stood at approximately Rs. 268 crores. As I mentioned, this is the 1st Quarter and the ordering activity usually picks up at the end of the financial year, and we are very hopeful of maintaining our guidance of Rs. 10,000-12,000 crores of new order in this financial year. Currently, our bid pipeline stands at approximately Rs. 1.5 lakh crores across sectors. We continue to maintain our selective bidding approach, prioritizing profitability, cash flow visibility, and balanced risk-reward over pure top-line growth.

Additionally, I am pleased to share that DBL has been declared the L1 bidder for the construction of Sikasar to Kodar Reservoir Link Canal Pipeline project in Chhattisgarh on a lump-sum basis, which is valued at about Rs. 2,524 crores. This win further reinforces our positioning in the water and irrigation vertical, which remains a strategic focus area within our diversified order book.

**On the execution front:**

During the quarter, we have completed three HAM projects worth Rs. 1,700 crores, all forming part of the Bengaluru-Vijayawada Expressway in Andhra Pradesh. Each of these packages were completed ahead of the scheduled COD, consistent with a track record of nearly 90% early completion across our project portfolio.

Our mining vertical, which is progressively becoming the most important driver of our long-term earning visibility and predictable cash generation. The total coal production for Quarter 1 FY27 stood at 4.79 million tonnes. At the Pottangi Bauxite, production is yet to commence, and we will update the market as we approach the operational startup. However, we remain firmly on course to reach our previously guided coal production of approximately 57 million tonnes by FY29. At that scale, DBL will be one of the top three participants in India's energy security architecture and a significant contributor to the country's coal supply mix.

**On our multi-asset platform:**

Anantam Highway Trust continues to progress in line with the roadmap we had shared at the time of listing. As of 30th June 2026, DBL along with its associates and economic interests hold units of approximately Rs. 1,314 crores at face value in Anantam Highway Trust and approximately Rs. 207 crores face value of units in Shrem InvIT. Taking the total value of units held by the group to approximately Rs. 1,521 crores.

**On the pipeline of asset transfers to the Anantam Highway's InvIT:**

We remain on track to transfer the balanced HAM assets in phases through March 2027. The next tranche of 11 assets that will be flipped is expected to require less than Rs. 81 crores of incremental equity investment while generating InvIT units valued at approximately Rs. (+1,750) crores.

**Beyond the HAM portfolio:**

I am very happy to report that our multi-asset platform is being built further through the 1977 MW solar plant mandate that has been awarded to us in FY26 and the Mekhali Interstate Transmission Project in Karnataka. As these assets are also commissioned, they will feed into the recurring distribution income over the medium term. Beyond these assets, we also have water HAM, an oil and gas portfolio which we will also look to put into an InvIT structure so that it is held off the DBL's balance sheet plus held in the most tax-efficient manner and providing long-term cash flow visibility to the group.

**Now coming to our net position:**

This is the question that is usually up and this will take some time to explain where we are. On net debt; on a standalone basis, as on 30th June 2026, stood at Rs. 2,106 crores compared with Rs. 1,880 crores as on 31st March 2026. Now, this moment reflects a normal seasonal build-up in working capital that is typical in the first two quarters of the fiscal year and has been the same in the last few years if you look at our past record. The normal working capital cycle has moved marginally from 131 to 133 days. However, we expect working capital to normalize in the second half of the year. The standalone net debt to equity stood at a comfortable 0.31x as of 30th June 2026. The consolidated net debt as on 30th June 2026 stood at Rs. 7,801 crores and Mr. Bansal will provide the additional curve on this shortly.

Now, while these are the numbers, as I have said before also, our debt must be viewed in context of whatever has happened in the last couple of years and in the context of the asset base that sits on our balance sheet. Now, when we first gave the vision of DBL 2.0, we expected our debt levels to reduce significantly further than what we have been able to do. But part of the reason has been the last 2-2.5 years have been years of low order book which eventually led to lower revenue, which eventually led to lower profitability and lower capital generation because of which we were not able to do as much as we had intended.

In the same time, we were also investing in our assets where DBL in the last 2.5 years has invested Rs. (+1,200) crores from its own books into these assets which will convert into InvIT units going further. Now, had we not made this call of holding this investment and doing this investment, we would have been able to reduce our debt significantly. But all these things led to it.

Today we hold InvIT units of Rs. 1521 crores already on our books and we are expecting 1,700-1,800 crores of more InvIT units to come as the balance 11 assets are transferred to Shrem InvIT. Besides this, like I mentioned last time our gross block of about Rs. 3,600 crores which roughly is about Rs. 800 crores of net block which is also almost entirely debt free is also on our books. So, that's again a very positive.

Our goal to reach net debt positive on a standalone balance sheet by FY28 remains firmly on track. Let me assure you guys and it will be supported by the combined cash generation from the EPC, MDO and the rising InvIT distributions. I reiterate that our debt reduction guidance of Rs. 600 to 800 crores that we mentioned at the start of the year is on track and we will achieve that.

At the same time, let me reiterate that our guidance on our revenue of 30%-40% also remains on track. So, none of our guidance that we had in the last quarter has changed and we are very positive around that. See, the key thing that we need to understand is that the revenue from our large projects, whether it's transmission, whether it's road projects, whether it's solar, all those projects or water has not really started. As this year progresses, we will see significant build-up in our revenue because of all these new projects which are there on our order book.

**Now, let me come to one of the most important and last agendas that I have to share with you:**

I am very happy and glad to share that the board has considered and approved a stake sale in our under-construction power transmission and solar projects, which represent a combined project cost of approximately Rs. 8,400 crores to Alpha Alternatives.

Now, this deal is like the past deals that we have done with Alpha Alternatives, where the consideration under this transaction will be received in two parts, partly in cash and partly in units. And once the final terms are firmed up, as the definitive agreements are signed, which should happen in the very near future, we will be able to disclose in detail of how that is structured. But what is most important that I can say that as part of this arrangement, Alpha will also co-invest alongside DBL throughout the construction phase to the extent of 49%.

Now, which will meaningfully reduce our equity commitment into these projects. And this freed up equity commitment can be used for redeployment across our businesses and will also help us in reducing our debt. So, more on this and we will hold a separate call once we announce this deal to explain it in detail like that. As per regulations, I can only share this broad part right now that this is a transaction in line with our past transactions and which furthers both our debt reduction goals and also our second goal of building long-term cash flows for the company.

**So, to summarize:**

Quarter 1 FY27 has been a quarter of steady execution against sectoral backdrop that was on the softer side in terms of awarding activity, but constructive in terms of medium-term policy signals. Every one of our three engines, EPC, MDO and the multi-asset platform is progressing in line with the roadmap we shared with you last quarter and the strategic direction of the company remain unchanged. We are confident that the compounding effect of the three engines will translate into strong and sustainable value creation for all our stakeholders over the coming years. I can very confidently say that our capital efficiency will be amongst the top guys in the sector and the ROE and the ROCE will be much better as not only our investment has reduced significantly, but also the return that we will accrue to DBL will be meaningful. Now, with that, I would like to hand over the call to our CFO; Mr. Sanjay Bansal, who will take you through the financial performance in greater detail. Thank you.

**Sanjay Bansal:** Thank you, Rohan ji. Good morning to all.

**I will now briefly take you through the key financial highlights for the quarter ended 30th June 2026**:

On a standalone basis, the revenue from operations for Quarter 1 FY27 stood at Rs. 1,930 crores and EBITDA stood at Rs. 199 crores. The EBITDA margin was 10.32%, marginally expanded from 10.11% in Quarter 1 FY26, reflecting steady cost management even in a quarter of moderate execution. The profit before exceptional item and tax grew to Rs. 72 crores in Quarter 1 FY27 from Rs. 57 crores in Quarter 1 FY26, an increase of approximately 26% year-on-year.

The profit after tax stood at Rs. 39 crores in Quarter 1 FY27 is against Rs. 123 crores in Quarter 1 FY26. The base quarter profit after tax included an exceptional gain of approximately Rs. 98 crores relating to divestment transactions. And once we address for this, the underlying profitability is a clean improvement during the last quarter.

**Now, come to the consolidated performance:**

The consolidated revenue from operations for Quarter 1 FY27 stood at Rs. 2,378 crores against Rs. 2,620 crores in Quarter 1 FY26. The EBITDA excluding other income was Rs. 429 crores with EBITDA margin of 18.05%. The profit before exceptional item and tax at the consol level was Rs. 127 crores during last quarter. The profit after tax on consolidated basis was Rs. 128 crores in Quarter 1 FY27 against Rs. 271 crores in Quarter 1 FY26.

With this, I would like to hand back the call to the operator for the questions and answer session. Thank you so much.

**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:** Thank you, sir, for the opportunity. A couple of questions. Rohan sir has already mentioned in terms of the guidance, most of the parts. Just 2-3 things on that front. On EBITDA margin, guidance for this year 11%-12%, that remains the same?

**Rohan Suryavanshi:** Yes, the guidance is as we had indicated earlier only Shravan ji. We have given the guidance of around 10% to 12% so that guidance is still the same.

**Shravan Shah:** And in terms of the execution, when we are saying 30%-40% growth, so primarily the 4th Quarter, then we will be seeing a significant growth. That's the way one can look at?

**Rohan Suryavanshi:** Yes, we will start seeing the ramp-up from the 3rd Quarter, it will increase in the 4th Quarter, and it will continue to the 1st Quarter of the next financial year until the rain comes.

**Shravan Shah:** And till now, how many value of projects that we have bided and where bid is yet to be opened?

**Rohan Suryavanshi:** Sir, we have bid for the projects which ranges between Rs.15,000 crores - 20,000 crores. These tenders are yet to be opened.

**Shravan Shah:** And this working capital that we are seeing, obviously in 1Q, 2Q, normal cyclical increase, so year-end how one can look at, will it be a kind of a 10-15 days kind of a reduction versus last year, how one can look at on working capital day score?

**Rohan Suryavanshi:** So, the working capital days will reduce to about 120 where we expect and overall debt also, like I mentioned, will also reduce Rs. 600 cores – Rs. 800 crores that we had given the guidance for.

**Shravan Shah:** Got it. Sir, now on the MDO part, so couple of things I just wanted to understand. So, last time we have talked about that in FY27, FY28 and FY29, we were looking at Rs. 2,500, Rs. (+3,000) crores and Rs. 4,000 crores kind of a revenue. And in terms of the coal production, you have mentioned that 57 million ton by FY29. But looking at the 1st Quarter number, it seems that to achieve FY27, Rs. 2,500 crores, this quarter we have done Rs. 362 crores. So, we need a significant kind of 82%-83% kind of a growth. And similarly, in terms of the coal production also, we need a decent growth. So, just wanted to understand that we will be able to do that.

**Devendra Jain:** Shravan ji, the coal production is on track. We have planned around 27 million metric tonnes of the coal production in Siarmal for this year. It is less in the 1st Quarter because the evacuation was less and another 2nd Quarter and 3rd Quarter we will close with the 27 million tonnes in this year. And 7 million tonnes will be in Pachhwara project. And coal production seems a little less in Pachhwara project because there was some strike between the PSPCL and the employees, which has been sorted and now in another two to three quarters it will be ramped up. We have the same plans of achieving 57 million tonnes in FY29 as per the contract plan. There is no change in that.

**Shravan Shah:** But sir, broadly from the realization perspective, if we see we have done the revenue of Rs. 362 crores and production of 4.79 million tonnes, in that sense if we look at the numbers then the realization comes to be around Rs. 756 per ton, I understand that overburden is separate and the coal is separate, but if we see it is close to 58% jump from the last quarter to this quarter. So, just wanted to understand that this realization run rate will continue or was it like there was a one-off in this quarter? And by when the coal handling plant will be operational so how can we see the MDO from the revenue side?

**Devendra Jain:** So, as per the contract the coal production will run without the coal handling in this financial year and next financial year as per the contract and this is continuing as per the routine. It will take about 1.5 years to complete this coal handling plant. So, accordingly, this year the coal production ramp up will be 27 million, next year it will be about 35 million, and after that the coal handling plant will be 50 million. In case of the Pachhwara, the contacted capacity is of 7 million, which was achieved in the last 2 years, this year will also be the same. So, my team will get in touch with you to give an insight about the numbers. But you would see the major jump in revenue once the coal handling plant will be operational and then our coal fee, which is now 78% will become the 100% then you would see the major jump in FY29.

**Shravan Shah:** Understood. But so, broadly, if I have to break it down then this quarter it is Rs. 362 crores so what would be for the full year? As you highlighted that if the coal production is about 27 and 7 which comes to around 34 million tonnes, what can we expect?

**Devendra Jain:** I will tell you, math is very simple. We have 27 million in the Siarmal with the rate of around Rs. 600 per metric ton and 7 million in Pachhwara with the rate of the Rs. 1200 metric tonnes for the whole year.

**Shravan Shah:** Understood. Just one thing I would like to understand that the 11 assets that we have to transfer now, out of that how many assets will be able to transfer and how are we going to transfer the rest of the assets? I just wanted to understand, the Rs. 1700 crores – Rs. 1800 crores InvIT units which we are going to get how are we going to get those units?

**Devendra Jain:** Out of those 11 projects, Shravan ji, 4 projects will be flipped in InvIT in this month and out of balance 7 projects, COD of 4 projects have already been done and COD of rest of the 3 projects will be done by September. So, once we cross 6 months after the first annuity, as soon as we receive the NOC of NHAI comes, all the 18 projects will be transferred 100% by this financial year end or by Q1 of the next financial year.

**Shravan Shah:** Obviously, we are doing much better in terms of the margin at MDO level. So, we have the standalone debt of Rs. 2,100 crores which we want to reduce and now this year we have target of Rs. 600-800 crores of debt reduction. So. can we give a dividend to the standalone level which would help in reducing the debt or for the debt reduction we are completely relying on the income from InvIT and the improvement at the standalone basis?

**Devendra Jain:** Now see, the bank has permitted that whatever amount of internal accrual is there in the bank we can use it for the project and further equity investment in Siarmal project will be zero. So, whatever equity is require in the Siarmal project in the future that will be funded by the internal accrual. If you would see we have added Rs. (+15,000) crores worth of projects in 4 Quarter of last financial year, the revenue participation of those projects has not started yet. The major project is our Bihar's project of 3,500 crores. If we see in solar, then there is a project of around Rs. 5,500 crores, Rs. 1,700 crores of our transmission project and ERCP Rajasthan canal project of about 2,000 crores. All this revenue participation will start slowly in Q2 and it will peak in Q3-Q4. So once the revenue comes then all the other things will ramp up. And if you see in the last quarter when there was a disruption due to the war, we bought the diesel at Rs. 140 and the bitumen price were doubled. In spite of that all the revenue guidance has been met. A few of the plans were not as per the schedule, but ultimately, we have said in the last quarter as well that we will have a debt reduction of around 700 crores - 800 crores then it will be done 100%. We have given an additional guidance of 30%-40%, which we will achieve 100%. And from Q2-Q3 onwards you will start seeing all those things in our results.

**Shravan Shah:** Great, sir. Thank you and all the best, sir.

**Devendra Jain:** Thank you, Shravanji.

**Moderator:** Thank you. Next question is from the line of Deepak Purswani from Swan Investments. Please go ahead.

**Deepak Purswani:** Thank you for the opportunity and congratulations for the deal. Just wanted to check it on this deal trend. In the presentation, we have shown that the balance equity requirement for these two projects is going to be around Rs. 1,250 and Rs. 420 crores. So once this deal culminates incrementally, do we have to put the equity or would this come entirely from the Alpha Accurate?

**Rohan Suryavanshi:** Thank you for your question. Yes, you are very right, in both of these projects put together is some (+1,600) crores of equity needed. Now Alpha will be putting 49% during construction. So, which means (+800) crores odd of equity somewhere around in that range will come from Alpha and only the remaining 800 will need to be put from DBL's side.

**Deepak Purswani:** And secondly, just wanted to check on some of the developments which have recently happened, especially related to the Kerala project. I mean, how should we see that development from overall project execution point of view? And how much that order is there in the order book? And is there any implication for us going ahead?

**Devendra Jain:** The committee has visited in Kerala project and they were given the record. That was a natural calamity and while constructing the tunnel there are always two portals. One portal is on the side and mostly by using the second portal the construction of the tunnel will start by the end of this month. In the mean time they will do the due diligence process at the portal where this accident has happened. Else the project is on track and as per the report the committee guided by the Supreme Court that this accident has happened purely due to the natural calamity.

**Deepak Purswani:** And secondly, two things. One, from the working capital point of view, going forward overall what is the kind of reduction we can see in the working capital when the ramp up will happen especially in the case of inventory? At this point of time the inventory is relatively higher. And secondly, on the margin front because of the commodity price, will we be able to pass on the hike in the commodity price or still we are facing some problem in terms of commodity prices?

**Devendra Jain:** The government has given some relaxation in commodity prices, especially in the case of the fuel and bitumen, 60%-65% will be reimbursed. But overall there was an impact on the margins of higher commodity prices because due to disruption of transportation, other things also have become expensive such as cement, bitumen, cement, steel and everything. Otherwise, in future, I don't see this disruption to continue for long. I think it will level up in Q2-Q3. And for working capital, Mr. Sanjay.

**Sanjay Bansal:** So, working capital, basically, like Rohan said, by this year-end, we may reach to 120 days. And next year, probably around 90 days of total.

**Deepak Purswani:** And from the finance cost point of view, how should we see this finance cost?

**Sanjay Bansal:** So, the finance cost for full year would be total Rs. 350 crores because we are basically expecting some lesser utilization of working capital during Q3 and Q4. So, our targeted cost is around Rs. 350 crores.

**Deepak Purswani:** Thanks a lot and wish you all the best.

**Sanjay Bansal:** Thank you.

**Moderator:** Thank you very much. Next question is from Vishal Periwal from PL Capital. Please go ahead.

**Vishal Periwal:** Thanks for the opportunity. A few questions on that slide that we gave on equity investment tracker. I think just a few clarifications. One is you mentioned that for transmission and solar, the total equity requirement is almost Rs. 1,600 crores-odd and then half of it is coming from Alpha. But in that slide, that serial number HNI, if you just do a clubbing of both, then the number is coming lower than 1,600 crores. So, how do you reconcile that thing?

**Sanjay Bansal:** So, as Rohan Ji said, the total requirement in transmission and solar is Rs. 1,650 crores. And around 49% will be infused by Alpha. But we have also arranged structured equity of about Rs. 900 crores. So, if you refer the HNI line, so almost 85% equity will be sourced through investor and through structured equity.

**Vishal Periwal:** So, when you say structured equity, it is not an internal accrual. It is coming from...

**Sanjay Bansal:** Yes, it is not from internal accrual. We have already raised Rs. 900 crores.

**Rohan Suryavanshi:** So, the idea behind this very clearly, like you mentioned, in the last 2.5 years also, DBL from its book has invested Rs. (+1,200) crores of equity, which obviously had we not done, we could have reduced that debt by that same number. Now, while our goals are twofold, we want to reduce debt on the standalone front. We also want to build a long-term cash flow business, which is why are the InvIT units we want to hold assets. So, for that, so how do we achieve that goal is A, we do not use a lot of capital from our own books to build these assets. What we will do is A, So, one part we have solved by having a partner who is going to co-invest with us. The second part is structured equity, where we get a structured equity play in place. Once we convert into a higher valuation at COD, we will let go of whatever was the structured equity we have raised and there we will sell that much off and use the remaining assets and keep the remaining assets on a book. So, in a sense, DBL balance sheet has free cash to reduce debt plus we have equity for our assets, where we build those assets and we get the upside of the higher valuation once the COD happens.

**Vishal Periwal:** Now, so I think you are linking it with the debt also. So, have you raised debt at a standalone and that the same we are putting in equity and that is that once Alpha put in money, so we can reduce the debt. Is that what the implication is?

**Rohan Suryavanshi:** No, these are two separate parts. One is the equity that Alpha is putting in. That they are putting as a partner into it. Besides the 49% that Alpha is putting it, we have also made arrangement for structured equity to come in for our part of 51% for that part. Now, what we are putting in is the idea and the goal there is that we will use whatever we want to with the idea and goal that our standalone debt does not increase and we use our standalone cash flows to reduce our debt. So, my very simply is whatever cash flows I have today, whatever free cash the company generates, either it can reduce debt or it can put in equity. Correct? So, I am saving all the free cash that the company creates for reducing the debt while and keeping a line open for structured equity where as soon as my project during construction, we build it and as soon as my project gets completed and I get my units, I will flip the structured equity into those units, pay off whatever structured equity is left and keep the remaining units for DBL.

**Vishal Periwal:** And then in the same slide, the serial number F and G. So, is it fair to say these Rs. 20 crores and then Rs. 161 crores, so they will be coming in P&L as other income for us?

**Sanjay Bansal:** So, this distribution from Alpha, so these Rs. 161 crores partly will be received at DBL level because the total Rs. 1,314 crores equity is held at two places, DBL and one subsidiary. So, basically these Rs. 161 crores will receive from the Alpha in DBL and partly in one of the subsidiaries.

**Vishal Periwal:** So, any reason why I am asking it because if you do a difference of our number which was there in FY26 PPT and this number, so ideally the reduction which is happening is to the extent of like Rs. 60-65 odd crores. So, just thought to check like, is it everything coming in other income or probably something is some other subsidiary in a standalone business or some other number is also going.

**Sanjay Bansal:** So, the change in number is because the timing of transfer the asset to InvIT and getting the units. So, the transfer of units got delayed by one quarter because in June we could not transfer. So, now this transfer will happen in this quarter and we will receive around Rs. 700 odd crores units against four asset transfer what Rohan Ji said. So, it is because of that. Otherwise, all this long-term amount return from F to I will be received in cash.

**Moderator:** Thank you very much. Next question is from the line of Vinay Chaudhury from Invexa Capital. Please go ahead.

**Vinay Chaudhary:** Thanks for the opportunity. My question also is around the consol debt and the investment tracker slide. So, where we mentioned the coal MDO, the cash requirement will be from SPV internal accrual. So, currently what is our cash flow generated from this MDO and because we need to also spend some CAPEX on for the coal handling plant and other stuff. So, can you share some numbers on the cash flow what currently is being generated and over next 2 years, how will this get addressed by the SPV internal accrual?

**Sanjay Bansal:** So, basically the total CAPEX at Siarmal was originally envisaged Rs. 2,730 crores. Out of that, around 40%-45% CAPEX is already done. More than 50% equity already put in. There is around Rs. 300 odd crores cash is already sitting at the Siarmal level. So, basically this slide, the Slide #24 says, as per the total original assessed equity, Rs. 235 crores is still balanced, which we are saying it will be managed through the SPV internal accruals and the cash sitting at the SPV. So, to answer your question, I have already generated cash and sitting at the balance sheet which is higher than Rs. 235 crores. So, the equity will be made out of the internal accruals and balance will be raising debt. So, which is already sanctioned and disbursement will happen.

**Vinay Chaudhary:** So, one is our equity commitment of Rs. 235 crores, the other would be the CAPEX requirement as you mentioned, about 50%-odd is pending. So, just to understand what would be the current debt in the MDO and the cash it can throw up to address the debt?

**Sanjay Bansal:** So, total outstanding debt as of 30th June at Siarmal level is Rs. 60 crores, which is partly equipment debt and partly the mining facility debt. Total Sanction at the Siarmal level is Rs. 2,000 crores. So, we are still to draw around Rs. 300 crores. So, equity, we have already said it will be managed through internal accrual. Balance will be through disbursement from the pension facilities.

**Vinay Chaudhary:** Sure. So, while the equity requirement in on column C, D and E is on the total level and out of that about 51% is supposed to be infused by us. Likewise, the cash inflow as well, the Rs. 1,450 crores. So, that also has to be attributable on 51% to us. What we have assumed that...

**Sanjay Bansal:** So, let me clarify again. The Debt and equity, the total equity requirement is around Rs. 1,600 crores. Out of that 49%, meaning Rs. 830 crores will be invested by the Alpha. The balance Rs. 830 crores will be made out of this DBL contribution and some structured equity we already raised. So, total equity requirement will be made from three sources, Alpha, DBL and structured equity.

**Vinay Chaudhary:** Consol net debt, which is currently standing at 7,800. So, we understand that on the standalone level, we aspire to be net debt free by FY28. But on the consol level, with the transfer of the assets and all and the cash flow on the company level, where do we see this number of Rs. 7,800 crores going by the end of this year and the next year?

**Rohan Suryavanshi:** Sir, consol net debt will always be a basically cycle that will continue going on. We will complete assets. And as soon as the asset is completed, that debt will move out and go to, let's say, if we sell it to our own InvIT, it goes there, or if we sell it to someone else, it goes out of our balance sheet. But at the same time, DBL will continue also investing. Because as a growing company, we will be continuously investing in assets in PPP mode. So, for every of those assets that we take, we will keep raising debt, pre-putting our equity because that is how we will grow our business. That is how we grow our asset business as well. So, that will be a constant methodology that we will build assets, sell them, again build assets, keep selling them. So, that will go on. So, there is no consol level goal that we have put in place. There is a standalone thing that we have done. And all the assets that we do are primarily more on the annuity where the fixed return is already kind of envisaged. So, hence, we are very comfortable taking that kind of risk. Banks are very happy funding that kind of project portfolio for us. And we have a very good track record as well. In the road HAM alone, we have done upwards of Rs. 45,000 crore projects in the road HAM alone, which is the largest portfolio for any road EPC company. So, this is a model that we are comfortable with and we will continue doing it. So, when we are looking at the company, it will be on the standalone level where we are saying we will be a near net debt zero company in two financial years.

**Vinay Chaudhary:** Thank you.

**Moderator:** Thank you. Next question is from the line of Bhavin Modi from Anand Rathi. Please go ahead.

**Bhavin Modi:** Thank you for the opportunity. So, first thing, I just wanted to understand, how does the MDO billing, the revenue recognition works? So, there are two parts to it. One is the overburden removal and second is the coal extraction. So, do we get the reimbursement in the billing when only exactly coal is being removed or do we also get for the OB removal? So, how does it work, actually?

**Devendra Jain :** The Siarmal revenue recognition is different. First, let me tell you, there is a mining plan for a year and according to that, there is a stripping ratio. So, at the end of the year, you have to match that stripping ratio. During the month-on-month, you have to pay a certain rate for OB and a payment for coal. Mining to the stockyard and stockyard to the siding. If coal is dispatched, then there is a certain payment. Ultimately, at the end of the year, you have to adjust the payment for OB against the steeping ratio. It is a little complicated math. My team will explain it to you separately. In Pachhwara, it is a little simpler. Once we dispatch the rake from our siding, and when the Punjab government receives it, there is no payment for OB. It is around Rs. 1,150-1,200 per ton. So, this is the way to recognize the revenue in both the mines.

**Bhavin Modi:** But to keep it simple for my financial modeling purpose, can I directly take whatever coal is being extracted and multiply it by the rate as per the coal mining agreement? That would be the right way to look at it?

**Devendra Jain:** I will explain it to you. For your modeling, the amount of coal produced in a whole year, the rate at Siarmal is around Rs. 550 per ton. You can arrive at a revenue by taking 70% of that rate of Siarmal because 100% coal is never dispatched. They keep coal after production. For 7 million you can do simple math at Rs. 1,200.

**Bhavin Modi:** Got it. Understood. Thanks. Second thing, I just wanted to understand about the Wayanad tunnel collapse. Can this have an impact on our technical score? I just wanted to understand. Especially, seeing the tunneling business, would that impact our future bids in the tunneling business? I just wanted to have a color on that.

**Devendra Jain:** No, Mr. Bhavin there is nothing call as technical score in that. I have just told you that a committee has given this report that this was a purely natural calamity. There was no defect in our construction or our procedure. The day this accident happened, the previous night it rained 300 mm in one single night. And you must have seen that at this very same place where in village with population of 400 has collapsed in 2024 and there was a lot of casualties. This is a purely natural calamity. It does not impact our technical score or our tunneling bidding.

**Bhavin Modi:** Got it. So, anything from the construction industry side, looking at these things, because now we are facing more torrential rain types. We also saw a similar collapse or maybe a similar accident happening in the missing link. So as a construction industry, are we trying to increase our standards or how are we looking at these things?

**Devendra Jain:** Bhavin, there are a lot of discussions on this of technical people. Big technical committees are being formed on this. Our IITs and all the institutes work on this. But for all these natural calamities, any structures are being designed based on the precedent which are given to you. Suppose you have design for 300 mm rain or a design for a particular high flood situation but if it the rain is 2x or 3x of that then no infrastructure is designed for it. So, it is not just today, but even in the past 30-40 years, sometimes natural calamities happen, sometimes bridges fall, sometimes there is an over-top because of rain, these all happen. But engineers work 100% diligently taking past cases into consideration as to what happened last time, what was the soil characteristic, the missing link problem few days back it has happened because of the heavy rain fall.

**Bhavin Modi:** Got it. Thanks.

**Moderator:** Thank you. Next follow-up question is from Shravan Shah from Dolat Capital. Please go ahead.

**Shravan Shah:** The other income in this quarter on standalone basis of Rs. 40-odd crores. What will be the InvIT, Shrem and Alpha in that other income, if you can provide us a broad breakup.

**Sanjay Bansal:** Total other income is Rs. 40 crores. Out of Rs. 40 crores, Rs. 26 crores pertain to the dividend and Rs. 5 crores from the InvIT interest. So, around Rs. 31 crores pertain to the distribution and out of Rs. 40 crores, you can take Rs. 31 crores from InvIT and Rs. 9 crores from my FDR interest and other income.

**Shravan Shah:** And out of this Rs. 31 crores, broadly, how much will be from Shrem and how much will be from Anantam?

**Sanjay Bansal:** Rs. 26 crores dividend is entirely from Alpha, and the interest is from Alpha and Shrem InvIT.

**Shravan Shah:** No, why I was asking broadly is that in our capital equity investment tracker, for let's say, for FY28 as well, we are looking broadly at Rs. 27 crores from Shrem and Rs. 339 crores from Alpha. So, from there, how much will the standalone number be roughly? So, one of the participants was also asking. So how much will the standalone number be because we don't hold the entire units in the DBL standalone, maybe in 2-3 companies. So just wanted to understand that roughly one has to look at how much proportion of Shrem that we hold at a standalone and in Alpha, how much percentage at a standalone that we own?

**Sanjay Bansal:** Shravan ji, total units are Rs. 1,314 crores of Alpha and total Rs. 850 crores is basically at the DBL level and the balance, Alpha units and Shrem units, these are at the subsidiary level. So total distribution will come like out of the total 1,500, Rs. 850 crores distribution will receive at the DBL level and balance at the SPV level. But if you are reconciling the amount shown in equity tracker and the other income, then one part is missing, which is capital return. So capital return is primarily in all the distribution, it varies. Sometimes it is one-third, sometimes it is half. So overall basis as a thumb rule, you can take two-third as a dividend and interest and one-third as a principal return.

**Shravan Shah:** That is very much clear. Just one thing on the MDO, so Devendra sir has very well explained. Just one thing. The current margin which we have will remain even for next 2-3 years and maybe one can say slight improvement is also possible there at the margin level?

**Devendra Jain:** Now Shravan ji, if we talk about the margin level of Siarmal, until we complete the CHP the margin will be almost same. It may slightly vary a bit due to inflation and once the CHP will start and then 78% will become 100%, then there will be a tremendous positive change in the margin profile and 7 million margin profile in Pachhwara will be almost same.

**Shravan Shah:** Understood. So broadly, our coal handling plant will come, the whole CAPEX will be done. After that, whatever cash we will have on MDO, Siarmal particularly, that we can kind of transfer to the standalone or any of our subsidiary to use for a debt repayment or for maybe further equity in any other project.

**Devendra Jain:** Directly we can pick it in DBL standalone.

**Shravan Shah:** That means the money on MDO, till the time coal handling plant is not done, the whole CAPEX is not done, till then we cannot shift it to standalone. Once this all is done then we can do it. Is that understanding correct, sir?

**Devendra Jain:** I will clear your understanding from that that the terminology in coal is peak rated capacity. That is 42.5 million metric ton in a year. And that is the COD of the project. So, the definition of the COD is the 42.5 million achievements, completion of the coal handling plant is COD. So, once both these two things will be done, we will achieve 42.5 million, instead of which we are planning for 50 million. So, then COD will come so whatever numbers you have told will be completed.

**Shravan Shah:** I was trying to understand that in terms of the value unlocking we want to see from the perspective of investors going forward, so that's the time that one can look at in terms of the value unlocking for the MDO, if whenever we want to plan.

**Devendra Jain:** That's a FY29.

**Shravan Shah:** Got it, lastly, how much CAPEX was there in the quarter and obviously it very less for full year on a standalone basis, but just wanted the number and for full year we were guiding of less than Rs. 100 crores that will remain the same.

**Devendra Jain:** Yes, that will remain the same. There is no big CAPEX envisaged in Quarter 1. So, we can consider Rs. 100 crores and some replacement CAPEX we can do against some important equipments.

**Shravan Shah:** Thank you and all the best.

**Devendra Jain:** Thank you very much.

**Moderator:** Thank you. Next question is from the line of Deepak Purswani from Swan Investments. Please go ahead.

**Deepak Purswani:** Thank you for the follow-up. So just wanted to confirm on the 1.5 lakh bid pipeline, which we mentioned, which are the key verticals, which are the part of this. And secondly, river linking segment as a whole, how we are looking at it? And what are the incremental opportunities we are seeing in this segment at current juncture?

**Devendra Jain:** Most of the bid pipelines come from the NHAI and MoRTH so around Rs. 1.25 lakh crore projects are already in the pipeline, which come from the Road. Other than that, there are state-wise irrigation projects, those irrigation projects have a river linking part. You will never see a river linking project identified exclusively. We are doing one project in Rajasthan which connects one dam to another dam by the gravity canal. That's also river linking. So already the whole pipelines come from the vertical, most of the roads, highways, tunneling, metro, all our 11-12 sectors, all put together we have bidding pipeline of about 2.5 lakh crores to 3 lakh crores.

**Deepak Purswani:** And specifically on river linking side, are we seeing any big good project over the next two to three years or they are only of irrigation.

**Devendra Jain:** There are a lot of pipelines, but you will not be able to distinguish the project on the basis of river linking anywhere. River linking is already going on. But it is difficult to determine a separate bid pipeline that this river linking project, they are connecting the places where there is ample water and where there is scarcity water already. All the state governments are working on that river-linking type of project.

**Moderator:** Thank you. That was the last question. I would now like to hand the conference over to Mr. Rohan for closing comments.

**Rohan Suryavanshi:** On behalf of the whole DBL family, I would like to thank all our investors, analysts and friends who joined this and asked all the questions. In case you missed out on any of the questions, please feel free to reach out to our team internally or to the Adfactors team to understand whatever doubts you may have. And I look forward to seeing all of you on our next quarterly call. Thank you for coming.

**Moderator:** Thank you very much. On behalf of the Dilip Buildcon Limited, that concludes this conference. Thank you for joining us and you may now disconnect your lines. Thank you.