

Ceigall India

10 August 2026

Operator: Ladies and gentlemen, good day and welcome to the Ceigall India Ltd. Q1 FY27 earnings conference call. As a reminder, all participant lines will be in 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 the operator by pressing star and then zero on your touch-tone phone. Please note that this conference is being recorded. I now hand the conference over to Mr. Smith Patel from Adfactors PR. Thank you, and over to you, sir.

Smith Patel – Adfactors PR: Thank you. Good morning, everyone. Welcome to the Ceigall India Ltd. Q1 FY27 earnings conference call. Today, we have with us Mr. Ramnik Sehgal, Chairperson and Managing Director, Mr. Kapil Agarwal, CFO, and Mr. Sarvanand, Whole-time Director.

Before I hand over for the opening comments, let me mention a cautionary statement that this conference may include forward-looking statements about the company, which are based on the company's beliefs, opinions, and expectations as of the date of this call. These statements are not a guarantee of future performance and involve risks and uncertainties that are difficult to predict. We will begin the call with the opening remarks from the management, after which we will open the forum for the Q&A session. I now hand over the conference to Mr. Ramnik Sehgal for his opening remarks. Thank you, and over to you, sir.

Ramnik Sehgal – Chairperson & MD: Hi, good morning, everyone, and thank you for joining us for the Ceigall India Ltd. Q1 FY27 earnings conference call. I hope all of you are doing well. Joining today's call are Mr. Kapil Agarwal, our CFO, Mr. A. Sarvanand, our Whole-time Director, along with our IR team.

Our financial results, investor presentation, and press release have already been shared with the stock exchanges and are also available on our website. I hope all of you have had the opportunity to review them. Q1 FY27 has been another encouraging quarter for Ceigall India Ltd. For the last few quarters, we have spoken about a strategy of building a diversified platform while continuing to strengthen our leadership in transportation infrastructure, renewable energy, and the T&D sector. I am happy to share that we have made good progress on those priorities during the quarter while continuing to deliver healthy operational performance.

One of the most important developments during the quarter was the successful monetization of the first Hybrid Annuity Model, or HAM, asset through the divestment of the Malout-Abohar-Sadhuwali project. This is an important milestone for the company as it validates the capital recycling strategy that we have been working towards over the last few years. The approach is very clear. We want to execute quality assets, create value through efficient project delivery, monetize mature assets at the right stage, and redeploy the capital into new opportunities. We believe this disciplined approach will support future growth while maintaining a strong balance sheet and improving overall capital efficiency.

Since our IPO, we have steadily diversified into niche sectors that address the country's evolving energy requirements. While continuing to maintain steady growth in the highway sector, we have expanded our presence in the renewable energy space across solar, solar plus BESS, as well as transmission and distribution. This diversification reflects our strategy of leveraging our strong

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execution capabilities to build a presence in high-growth sectors and create sustainable, long-term value. During the quarter, we signed a PPA for a solar BESS project at Morena and emerged as the L1 bidder for one of the standalone battery storage projects. These developments further strengthen our confidence in the renewable energy platform that we have been building over the last year.

Our execution momentum also remained healthy during the quarter. We signed the concession agreement for the Ambala-Chandigarh-Zirakpur HAM project. Subsequent to the quarter end, we received the appointed dates for VRK 11, VRK 12, and the Indore-Ujjain Greenfield HAM project, enabling the commencement of execution. We also emerged as the L1 bidder in a joint venture for a highway project in Arunachal. These developments provide additional execution visibility and further strengthen our project pipeline.

Another aspect that gives us confidence is the continued evolution of our order book. Today, our order book is not only robust in size, but also much more diversified than it was a few years ago. In addition to highways and expressways, it now includes metro rail, renewable energy, transmission and distribution, industrial infrastructure, and other specialized infrastructure projects. This diversification allows us to participate in multiple growth opportunities while reducing dependence on a single segment of the infrastructure sector.

Looking ahead, we continue to remain optimistic about the opportunities in the renewable energy, transmission, and distribution sectors, along with the existing infrastructure projects. The government's continued focus on energy, transmission, distribution, transportation, and urban infrastructure, together with our strong execution capacity, diversified order book, and disciplined approach towards capital allocation, gives us confidence in our ability to deliver sustainable growth over the long term.

Before I conclude, I would like to thank our clients, business partners, lenders, shareholders, and, most importantly, our employees for their continued trust and support. Their commitment has been instrumental in helping us achieve these milestones. With that, I would now like to hand over the call to our CFO, Mr. Kapil Agarwal, who will take you through the financial performance of the quarter in greater detail. Thank you. Over to you, Kapil.

Kapil Agarwal – CFO: Thank you, Ramnik, sir. Good morning to everyone joining us today. It is a pleasure to discuss our financial performance for Q1 FY27. The first quarter is generally a seasonally shorter quarter for the construction industry due to the onset of the monsoon in several parts of the country. Despite this, we delivered healthy operational and financial performance, reflecting our disciplined execution capability and continued focus on operational efficiency.

On a standalone basis, revenue from operations for Q1 FY27 stood at INR 901 crore as against INR 818 crore in Q1 FY26, registering 10.2% year-on-year growth. Standalone EBITDA for the quarter stood at INR 121 crore as against INR 94 crore in the corresponding quarter of the previous year, with EBITDA margin improving to 13.4% from 11.4% in Q1 FY26. Our standalone profit after tax for Q1 FY27 stood at INR 75 crore compared to INR 56 crore in the corresponding quarter last year, resulting in a PAT margin of 8.4% as against 6.8% in Q1 FY26.

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Moving to our consolidated financial performance, revenue from operations for Q1 FY27 stood at INR 970 crore as against INR 838 crore in the corresponding quarter of the previous year, registering 15.7% year-on-year growth. On the operational side, our execution engine continues to remain strong, with 39 ongoing projects across multiple infrastructure segments, providing healthy execution visibility over the coming years.

As of June 30, 2026, our order book stood at INR 18,568 crore, providing strong multi-year revenue visibility. Today, our order book spans 19 EPC projects, 10 HAM projects, one DBFOT project, and 9 tariff-based renewable and transmission projects, reflecting our continued diversification beyond roads and highways into sectors such as renewable energy, transmission and distribution, metro rail, and industrial infrastructure. With this, I conclude my remarks and request the moderator to open the floor for the question-and-answer session. Thank you, everyone.

Operator: Thank you. We will now begin the question-and-answer session. Anyone who wishes to ask a question may press star and one on their touch-tone telephone. If you wish to remove yourself from the question queue, you may press star and two. Participants are requested to use handsets while asking a question. Ladies and gentlemen, we will wait for a moment while the question queue assembles.

The first question comes from the line of Vaibhav Shah with JM Financial. Please go ahead.

Vaibhav Shah – JM Financial: Firstly, regarding some big-ticket projects, we saw that execution in the Northern Ayodhya Bypass fell significantly in Q1 to approximately 42 crores. Is there any particular reason for that?

Ramnik Sehgal – Chairperson & MD: Can you repeat your question, please?

Vaibhav Shah – JM Financial: In the Northern Ayodhya Bypass, execution fell in Q1 to approximately 42 crores. Is there any particular reason, any issues we are facing, or is it because of something else, such as the monsoon?

Ramnik Sehgal – Chairperson & MD: No, no. I mean, it is progressing properly; there is nothing. There has been rain for the last 1.5 months. Otherwise, progress is steady, and we have been achieving all our milestones ahead of time, ahead of time. Sometimes, you do not achieve the milestone, and payment can only be made once the milestone is achieved.

Vaibhav Shah – JM Financial: Okay. Sir, what kind of execution are we expecting from VRK 11 and 12 in FY27?

Ramnik Sehgal – Chairperson & MD: We are targeting at least 20-25% execution for both projects.

Vaibhav Shah – JM Financial: Okay. And the same for Southern Ludhiana and Southern Ayodhya?

Ramnik Sehgal – Chairperson & MD: Southern Ayodhya is on track. For Ludhiana, only 62% of the land is available with us. That is a challenge; otherwise, it is doable.

Vaibhav Shah – JM Financial: So, for Ludhiana, can we achieve 25-30% execution this year?

Ramnik Sehgal – Chairperson & MD: No, for Ludhiana, you should assume at least 15% this year.

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Vaibhav Shah – JM Financial: Okay, 15% due to the land issue.

Ramnik Sehgal – Chairperson & MD: Yes.

Vaibhav Shah – JM Financial: Okay. And, sir, is there any update on the Rewa Solar project? When do we expect to start, and when will the PPA be signed?

Ramnik Sehgal – Chairperson & MD: The PPA has been signed. They have to provide us with transmission. There were three requirements for this project: one was the PPA, one was land, and one was transmission. They have provided the PPA, and the land is available. The third requirement is the transmission line. I think they have already issued the tenders for the transmission line, and we expect that to happen soon. Once that is in place, we are ready to start. It is an easy project because everything has to be built at one location. Secondly, for Kusum, we have already started projects in Maharashtra and Madhya Pradesh, and those projects are progressing very well.

Vaibhav Shah – JM Financial: Okay. And lastly, regarding the equity requirement, what investments are we assuming for HAM and solar for FY27 and FY28?

Ramnik Sehgal – Chairperson & MD: I will give you a brief overview. At the time of the IPO, the equity we had invested was 253 crore. As of today's date, it is 692 crore, which means we have invested 439 crore more. This year, our balance equity commitment is 859 crore, and for FY28 it is 744 crore.

Vaibhav Shah – JM Financial: So, we will be investing 859 crore in FY27?

Ramnik Sehgal – Chairperson & MD: Yes.

Vaibhav Shah – JM Financial: What is the breakup between HAM and solar?

Ramnik Sehgal – Chairperson & MD: Yes, can you give him the HAM and solar breakup? 310 is solar. 310 is solar, and 296 is... 550 is highway HAM.

Vaibhav Shah – JM Financial: And for FY28?

Ramnik Sehgal – Chairperson & MD: For FY28, it is tentatively 300 crore for solar, 296... and 444 for HAM, yes.

Vaibhav Shah – JM Financial: Okay. Okay, thank you so much. Those were my questions.

Operator: A reminder to all participants: you may press star and one to ask a question. The next question comes from the line of Krish Bhatia with Anand Rath Group. Please go ahead.

Krish Bhatia – Anand Rath Group: [inaudible] Thank you for taking my question, and congratulations on the set of numbers. [inaudible] 135 highway projects are to be awarded in FY27. How many do you expect to be awarded within this year, and what would be the approximate [inaudible] Sorry, your voice is not clear. It is breaking up.

Operator: The line for the participant has dropped. We move to the next participant, Mahesh Patil with ICICI Securities. Please go ahead.

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Mahesh Patil – ICICI Securities: Hi, sir. My first question is on the margins. We have posted good margins of more than approximately 13.5% this quarter against our guidance of around 11–12.5% for the full year. What led to this improvement? Can we see similar margins in the upcoming quarters, or was there any one-off this quarter?

Management: We started three new projects in this quarter. Two are Maharashtra solar projects, MH1 and MH2, and one is a road HAM project in Indore–Ujjain. Another three projects are about to start, for which we have already received the appointed dates in the first quarter of July. This will improve the numbers going forward as well.

Mahesh Patil – ICICI Securities: Okay, but we are still maintaining our guidance at 11–12.5%, right?

Management: Hello, can you repeat that once again?

Mahesh Patil – ICICI Securities: I am asking whether we are still maintaining our guidance in the 11–12.5% range.

Management: Yes, we are going to maintain the same.

Mahesh Patil – ICICI Securities: Okay. And, sir, regarding order inflow, I think we guided for approximately 55 billion of order inflow for this year. We achieved approximately 6.8 in Q1.

Management: We guided our investors for 6,000 crore. We have already received close to 600 crore, and the rest is achievable during the year.

Mahesh Patil – ICICI Securities: Okay, sir. Thank you.

Operator: The next question comes from the line of Parth Thakkar with JM Financial. Please go ahead.

Parth Thakkar – JM Financial: Thank you for the opportunity. Sir, when can we expect the ADs for the two new HAM projects?

Management: Our FC date for Bihar is due, I think, next month, and the Punjab project is close to November. We have already tied up with the banks, and once the FC is completed, we should start the work within a maximum of 2–3 months after that.

Parth Thakkar – JM Financial: So, can we expect the ADs for both by Q4?

Management: Yes, in the fourth quarter we should expect them. We can expect the AD for Bihar by the third quarter; otherwise, in the fourth quarter, we will definitely receive the ADs for both projects.

Parth Thakkar – JM Financial: Sir, what is the amount of capex we incurred in this quarter, and how much can we expect for the full year?

Management: We incurred close to 14 crore of capex in this quarter. That was primarily for a longitudinal that was purchased in Danapur. From the IPO proceeds, we have already procured more than 100 crore worth of machinery. Therefore, whenever any specialized machinery is

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required, we purchase it; otherwise, we have ample machinery for the execution of these projects.

Parth Thakkar – JM Financial: What would be the full-year capex budget?

Management: Close to 30–35 crores.

Parth Thakkar – JM Financial: Right, understood. Are we still maintaining our revenue growth guidance of 15%?

Management: Earlier, we used to say that it should be between 10% and 15%. This year, it should be a minimum of 15%.

Parth Thakkar – JM Financial: Okay. What will be our equity investment in HAM and solar in this quarter?

Management: Do you mean the quarter that has ended or the new quarter that is currently underway?

Parth Thakkar – JM Financial: No, in Q1 and year-to-date.

Management: We invested 23 crore in the first quarter.

Parth Thakkar – JM Financial: So, this is cumulative for both HAM and solar?

Management: Yes.

Parth Thakkar – JM Financial: Okay. Those are my questions. Thank you.

Management: Thank you so much.

Operator: Participants, please press star and one to ask a question. The next question comes from the line of Chetrika Deshpande, an individual investor. Please go ahead.

Chetrika Deshpande: Hello, good morning, and thank you for the opportunity, sir. My first question is: over the next 3 years, what will be the biggest driver of shareholder value? Will it be revenue growth, margin expansion, asset monetization, or higher ROCE?

Management: Good question. We have almost 11 verticals in the company. We always target a 25% IRR at the project level. If you see, we have already sold one asset, Malout–Abohar–Sadhuwali, which generated a much higher IRR than what we committed to or guided our investors. Our order book is robust for the next 4 years. You can see that we have a good capacity to bid for more projects. Our projects that are going to be completed will be sold; we are very clear about that. We have already done this in the past. We sold Malout–Abohar–Sadhuwali in the first quarter, and if we maintain our EBITDA margins at the EPC level and make money on equity, you can see for yourself that we have already delivered this before. Our return on equity would be strong compared to our peers in the market.

Chetrika Deshpande: Okay. And, sir, our Q1 order inflow was relatively modest. Is this mainly a timing issue, or do you expect a strong acceleration in Q2 or Q3?

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Management: Normally, order inflow comes in Q3 and Q4. If you see, last year in Q4 we received almost 45% of the order book.

Chetrika Deshpande: Okay. Should we expect working capital intensity to improve in FY27, or will higher execution keep it elevated?

Management: Yes, definitely, there will be an improvement in FY27, considering the relaxation given by the government, and it will improve further in FY28 as well.

Chetrika Deshpande: One more and last question, sir. How do you see margins and returns in renewables compared to our traditional road and EPC business?

Management: We have guided our investors for the same kind of margin, but of course, we are trying to achieve better margins.

Chetrika Deshpande: Okay, that is all from my side. Thank you, sir.

Management: Thank you so much.

Operator: The next question comes from the line of Vaibhav Shah from JM Financial. Please go ahead.

Vaibhav Shah – JM Financial: Thanks for the follow-up. Sir, you mentioned that we would be investing roughly 550 crores as equity in HAM projects, but if you look at the status of the HAM projects, two are awaiting ADs, another two will be starting now, VRK 11 and 12, and we are also expecting some slowdown in execution for Southern Ayodhya this year because of the land challenge. So, how much equity are we investing in this? Will we be investing 70–80% for the VRK projects in this year itself?

Management: 50%, which is... Can you hear us? Yes, Vaibhav, if you look at the sanction, the sanction requires us to infuse 50% upfront equity in VRK 11 and 12. This is what we have considered in the total commitments. If you look at it, there are other projects also underway, such as Northern Ayodhya, Southern Ayodhya, and Ludhiana–Bathinda, in which we are yet to infuse the equity. As and when progress is achieved, we will accordingly infuse the equity in those projects as well. In totality, we will be infusing 550 crores across all 11 HAM projects.

Vaibhav Shah – JM Financial: Incrementally, right?

Management: Yes, incrementally.

Vaibhav Shah – JM Financial: I was factoring approximately 70% for both VRK projects, then the entire equity for Northern Ayodhya and Southern Ayodhya, and also 70% in Southern Ludhiana and 50 in Indore–Ujjain. I was then arriving at approximately 430–440 crores of incremental equity, so I was confused.

Management: For Ludhiana–Bathinda, we are targeting close to 53–54. For the Ludhiana–Ayodhya Bypass, we are targeting 61 crore and 53 crore in another project. For VRK 11 and 12, we are targeting 97 crore and 139 crore. For the Southern Ludhiana Bypass, we are targeting close to 38 crore. For Indore–Ujjain, we are targeting 60 crore. We are targeting 50 crore in the Bihar {?

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Shahganj ?} project. For Zirakpur, we are targeting another 16 crores. In totality, this comes to 550 crores.

Vaibhav Shah – JM Financial: Okay, okay, okay. Sir, secondly, regarding depreciation, we saw a sharp fall from approximately 13 crores last quarter to 9.5 crores in Q1. What would be the incremental run rate, and what was the reason for this fall in the depreciation amount in Q1?

Management: If you look at the block, meaning, it is constant and is charged at the same rate. The reduction is due to some assets that were sold in the previous financial year, and there is a WDV that we are charging on the assets.

Vaibhav Shah – JM Financial: So, should this be the recurring run rate going forward?

Management: If we buy a few more assets during the year, this will definitely increase. Otherwise, if you look at the same level, it will keep reducing every year.

Vaibhav Shah – JM Financial: Okay. And, sir, lastly, regarding other income, we saw a sharp fall from approximately 15 crores last year to 9.5 crores in Q1 this year. Should this also be recurring, or may we see some increase in other income?

Management: Other income, if you look at it, was primarily on account of royalty that we were receiving in earlier years. Right now, we are not charging royalty. In addition, regarding FDRs, in the previous financial year we had IPO proceeds on which we were earning returns in the form of interest on FDs. We do not have that surplus now; we fully utilized the IPO proceeds in the last quarter of FY26. Whatever FDs we have, we have approximately 350, 320 crore in FDs recorded in the books of account. At the applicable rate of interest, we are receiving interest recorded in the books of account.

Vaibhav Shah – JM Financial: So, this should be a recurring number, right?

Management: This will remain in line with what we have shown in the first quarter.

Vaibhav Shah – JM Financial: Okay, okay. Thank you, sir.

Operator: The next question comes from the line of Yash Parker, an individual investor. Please go ahead.

Yash Parker: Hi, sir. Am I audible?

Management: Yes, Yash, please go ahead.

Yash Parker: Hi, thank you so much for the opportunity. My question was regarding commercial papers. Recently, we approved the issuance of commercial papers of around 100 crores on a private placement basis. As a shareholder, I would like to understand what this commercial paper is intended to fund and how raising short-term commercial paper fits with the long-tenure nature of our HAM and EPC project cash flows.

Management: We are going to carve out the commercial paper from our working capital limits. The reason is that we are getting a better ROI on commercial paper. It will be close to 6.8–7%, as against

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WCDL, where we are getting a rate of 7.5–7.8%. This will reduce our finance cost. Moreover, by issuing commercial paper, we will be entering the market, which will provide more benefits and visibility to the company.

Yash Parker: Okay. And, sir, could you elaborate on the near-term pipeline, what it looks like in the two international markets, and whether we should expect meaningful revenue contribution from the {? Ceigall Global Ptd Limited ?} or the UAE entity within FY27 and FY28?

Management: We are being very conservative about our global expansion. We have quoted for a few tenders; one was in Romania and a few are in Dubai. Because of the war situation, we are being a little more conservative now, and our order book is robust in India. We want to take baby steps there. We are bidding for a few more projects, which I cannot discuss on this line. Once we bid, we can share that information. Otherwise, our order book is robust in India. We do want to grow internationally, but again, very conservatively. Thank you.

Yash Parker: Okay. Last question from my end. Consolidated ROE fell sharply to 14% in FY26, even though ROCE was comparatively more stable, at approximately 19–20% over the same period. Is this decline in ROE purely a function of the equity base expanding post-IPO and post-QIP-type capital raises, or is there a genuine decline in the return on incremental capital deployed that we should be concerned about?

Management: This was primarily on account of the rise in equity share capital. If you look at it, our equity share capital was close to 2,098 crore at the end of FY26.

Yash Parker: My base has increased, which has reduced my ROE. Okay, that is all from my end. Thank you so much for answering my questions.

Operator: Thank you. Ladies and gentlemen, we will take that as the last question for today. I would now like to hand the conference over to Mr. Ramnik Sehgal for the closing remarks.

Ramnik Sehgal: Thank you very much, everyone. I would once again like to thank all the participants for joining us today and making this an engaging and insightful discussion. We appreciate your continued interest in and confidence in Ceigall India Ltd. As we move forward, we remain committed to disciplined execution, prudent capital allocation, and creating sustainable, long-term value for all our stakeholders. We hope we have been able to address all your queries. In case you have any further questions, please feel free to connect with our investor relations team at Adfactors. Thank you once again. Have a good day, everyone. Thank you.

Operator: Thank you, sir. Ladies and gentlemen, on behalf of Ceigall India Ltd., that concludes this conference call. Thank you for joining us, and you may now disconnect your lines.

Note: {? ... ?} indicates a figure or name where audio clarity was insufficient for confident transcription. Verify against the source audio or the company's published filings.

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