

29<sup>th</sup> May, 2025

To,  
**BSE Limited**  
P. J. Towers, Dalal Street  
Mumbai - 400 001.

Kind attention: **Department of Corporate Services.**

**Sub: Transcript of Post Earnings Conference call with Analyst / Investors held on 20<sup>th</sup> May, 2025**

**BSE Scrip code: 543364 , ISIN: INE0FW001016**

Dear Sir / Madam,

Pursuant to Regulation 30 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the transcript of the Post Earnings Conference Call for audited financial results for half-year and financial year ended 31<sup>st</sup> March, 2025, held on 20<sup>th</sup> May, 2025 at 11:30 a.m. (IST).

The transcript is also uploaded on the Company's website at [www.markolines.com](http://www.markolines.com)

Kindly take the same on your record.

For **Markolines Pavement Technologies Limited**

Pranav Chaware  
Company Secretary & Compliance Officer  
A42446



**MARKOLINES PAVEMENT TECHNOLOGIES  
LIMITED**

**H2 & FY25**

**POST EARNINGS CONFERENCE CALL**

May 20, 2025

**Management Team**

Mr. Vijay Oswal - Founder & CFO

Call Coordinator



Strategy & Investor Relations Consulting

## **Presentation**

**Vinay Pandit:**

Ladies and gentlemen, I welcome you all to the H2 and FY25 Post-Earnings Conference Call of Markolines Pavement Technologies Limited. Today on the call from the management team we have with us Mr. Vijay Oswal, Founder and Chief Financial Officer.

As a disclaimer, I would like to inform all of you that this call may contain forward-looking statements which may involve risk and uncertainties. Also a reminder that this call is being recorded.

I would now request the management to run us through the presentation for the period ended 31st March 2025, the growth plan and vision for the coming year, post which we will open the floor for Q&A. Over to you, sir.

**Vijay Oswal:**

Yes, good morning, everybody. Thank you very much for being with us on this call to understand what we do. And though I can't see the list but I am sure I must have spoken to or met few of you, and those who are meeting or attending this call for the first time. I am Vijay Oswal, as mentioned by Vinay. I am the Founding Member and the CFO of this company. And I welcome you all.

Just to begin with, as most of you would know, Markolines Pavement Technologies Limited, we are one of the leading highway maintenance company and basically operate into our three major verticals or the core services we can call as highway maintenance, specialty maintenance service, specialized construction services. We are the first company to be listed on BSE, who is in the infra segment providing the services to the various companies or the infrastructure in India.

We began our journey in 2002 with a single line product of road marking, and that is where our name come from as Markoline. But as we went on adding the portfolio, then we changed our name to Markolines. And from a single line product, here we are today, actually one of the leading maintenance services provider in India, the leaders in the organized sector. We are one of the preferred vendor in the, what do you say, the clients who are asset owners in India.

Actually, , highway infrastructure scenario has been changing in the infra industry very fast, from BOT in 2009 to today, we are at TOT. And because of the TOT, what has happened is a lot of international players who has come in. And because of that, the outsourcing --

because first of all, there is a huge focus on infrastructure, because if you want to be a developed nation by 2047, which is the current vision of the current government, the infrastructure has to be developed and that is how the infrastructure is a growing sector. Because of the growing sector, there is a lot of allocation happening and allocation at the same time government is looking at monetizing by privatizing the road sector assets. They have done almost INR40 thousand crore to INR50 thousand crore worth assets have been monetized up till now and they have huge plans to monetize further.

But with this privatization, road being a wear and tear item in nature, the maintenance is an inherent part of this particular sector. And that is where there is a huge potential coming in, always recurring potential as well as, since we are growing the infrastructure network at a very fast pace, we are probably at, upfront on, the per day average also has improved from very low, in the prior to 2014 to today from, if you look at 22 kilometres to 31 kilometres as of now as per the MoRTH data. And privatization has also since the TOT packages are larger in size, so mostly lot of foreign funds who are acquiring the assets because of the lucrative return on investment, the outsourcing is very obvious and it gives a more chance for people like us to service them by way of providing these services to them.

At the same time, as we go ahead, we have always been, adding the newer technologies, then the various business segment to grow in terms of size, numbers and that is how -- and we are also one of the leading companies or the first companies who has brought a lot of newer technologies to India in highway maintenance. We are the people who has re-established micro-surfacing in 2015 from no volumes or hardly any volumes done to today huge number of volumes done. We are the leading micro-surfacing service provider and we have done the highest micro-surfacing in the country.

Then we are the people who introduced fibre-based micro-surfacing, then we are the people who have introduced the, what do you say, the recycling that is full-depth reclamation in India, CIPR in India. And, we have, two years back we have entered into tunnelling because as we are growing, the maintenance projects will always be smaller in size. To grow in numbers, we've added this vertical which gives the largest sized contract, and also better return or the profitability for us, which we have been talking about that slowly, slowly we want to increase the profitability for our company. And which has started visible from this year.

I'm sure you must have gone through results, we reached there also and discuss about it. So we are one of the leading companies providing services and this year's result has given very good performance.

Now as far as the leadership team is concerned, it is myself and Mr. Sanjay Patil, our Chairman, Managing Director, who basically lead the company. He looks after all the business development, execution, I look after decision and other two Directors, we have Mr. Panchal as well as Mr. Nagarkar, who looks after the various other functions of this thing.

Now, as management, I would like to also inform you that we have recently applied for the migration in the month of March. Our application has been submitted to the BSE. We have complied with all their requirements and documentation and we are awaiting their response or the approval. We are expecting it very soon. And as soon as we receive the approval, we shall move to the BSE Main Board.

Apart from that, there is one more major corporate action that we have announced, that is the amalgamation. As Markolines, we had two divisions. One was into the typical civil contracting and other was providing services. By after doing the various deliberations, we came to conclusion that if we merge these two portfolios, we can have the consolidation, optimization and the size consolidation for Markolines and better size or the representation in the market. So that is how we have announced the merger of Markoline Infra with Markoline Pavement. And that is also been filed. We are in the process of completing the documentation as per the BSE and SEBI requirements. And we shall merge these companies once the all formalities and required approvals are in place, as and when we go ahead on this particular journey. And this will definitely give better results in terms of the capital market also.

Now coming to the -- if you look at our -- we are providing services across pan India, except Northeast India, where we have recently began. And now this year onwards, we are also looking at focusing on Northeast India because the maintenance will start there also soon, because the road network is being developed recently.

And as far as our clients are concerned, we cater to practically all the asset owners in India. All major multinational funds who own the asset in India are our clients. And including few of the government and semi-government organizations like MMRDA, MSIDC, PWD,

BMC, NMMC like that. And we carry a very good track record, Markolines, wherever we are standing today, we are standing out of our credibility and credentials, which we have earned over last 20 years.

We are the market leaders in the organized sectors with a proven track record, excellent and experienced team. And that is what has kept us alive and growing, of course, with your the support of shareholders.

Now coming to the industry, as I have already said that industry is growing at a very fast pace because that is the need, because the infrastructure is one of the major contributors to the economy. We have been increasing -- growing at a very fast pace. As I have already said that our road length has increased by 2.5 times from 2014 where we were. Then the per day new road construction also has increased. Investment monetization has gone ahead. There are a lot of new projects that have been announced and there is huge allocation by government. There are various economic corridors, then the inter-corridors, access control highways, expressways, national corridors. There are a lot of projects are coming in across India, wherein in next 10, 20 years, we will be connected from any point of India to any point in India.

So and the projects which are coming is going to be a mix of this thing, of bundles, like right from EPC to HAM to BOT or TOT. Then these are the various list of the projects which are already included in this presentation which you can have a look at, at your -- whenever you feel okay.

Now coming to the financials, as of today, we have an order book of INR357 crores and post that also we have added about or close to INR50 crores worth order as we are talking. And at the same time we have about INR500 plus crores of pipeline which we are always generally keep working on.

As far as the margins, if you look at right from the EBITDA, EBIT or PBT or the PAT margins, all of them are on the upward trend. I have been saying in my various presentations in the earlier this year or rather last year that the FY25 where we had put in focus onto the bottom line, wherein we could optimize and consolidate our operational efficiency and the results are seen in this financials.

Our net PAT margins have increased by about 381 basis point, and of course the contribution as we have been saying that by adding the

specialized construction which will give us slowly, slowly increased bottom line and the results are now visible after two years of specialized construction.

So as far as the P&L is concerned, we have already displayed now revenue, though there is a drop in revenue from INR350 crores to INR307 crores, it is mainly pertaining to the, we have experienced the wettest monsoon last year because of which our H1 was -- had a bad hit in terms of performance but our operational team could manage well and do quite good in terms of H2. And out of that also if I have to really tell you, in Q3 and Q4 if I have to compare, the 70% of the H2 turnover has come from Q4. And that is the only reason that you would also see the increase in the trade receivables, one of the major reasons for that because almost INR150 plus crores of work have been done in Q4.

So if you look at the financial highlights, our, as I said turnover dropped but we have given the better results in terms of our EBITDA, PAT. PAT has grown from INR17.3 crore to INR22.56 crore rupees in this year. And so if you see all our ratios, they have been improved in terms of the profitability. And that has all obviously shown on the EPS which has increased from INR9 to INR10 this year which is about 11% hike year-on-year, over last year.

Next. So this is in nutshell from our side. Now we can open the questions. You can write to Mohsin or he could moderate. Mohsin, you can take the questions one by one.

**Moderator:** All those who wish to ask a question may use the option of raise hand. Alternatively, you can drop a message on the chat and we will invite you to ask the question.

**Moderator:** Sir, we will take the first question from Raghav Agarwal. Please go ahead.

**Raghav Agarwal:** Hi, thank you, sir. I hope I am audible.

**Vijay Oswal:** Yes, Raghav, you are.

**Raghav Agarwal:** Congratulations on a good set of numbers, sir. Firstly, sir, I just wanted to understand that if I look at the FY25 segmental numbers, the increase in profitability has largely been driven by specialised construction and particularly in H2, the share of specialised construction has also gone up. In the order book too, I see almost

75%, 80% is specialised construction. So just want to get your viewpoint on are we pivoting more towards specialised construction as opposed to road maintenance or how do we expect split between the two businesses going forward.

**Vijay Oswal:**

See, the highway maintenance as I said is a recurring activity which runs in a periodic basis. Like for any particular highway, if we do a major maintenance which is the statutory requirement or the performance requirement when we construct the highways, once in -- approximately once in 5 to 7 years. So, typically the maintenance cost would be, on a very thumb rule, if I take it will be about a crore of rupees per kilometre of the work we do.

So, the maintenance contract sizes are generally would vary from about INR40 crore to INR60 crore or maximum of INR75 crore from particular one client over one stretch of road. So they will always be in a conservative type of nature. So the percentage of the, what do you say, the major maintenance orders would always be in a varying number because they will keep coming and we will keep consuming the orders.

As far as major maintenance orders are concerned, they are large size orders but their tenure also is longer. It would be from 2 years to 4 years. So because of that at any given point of time if you see, probably the major maintenance number would be more. But definitely going forward if we compare, it would always be the major, the specialized construction number would be more in size, because the projects -- because of the project size. And definitely we will be doing that also.

At the same time, major maintenance which is where we started from is definitely is going to be a part of our portfolio and we intend to be with all these segments. But to increase these sizes, we going forward, we slowly, these specialized construction sizes will keep on growing.

**Raghav Agarwal:**

Thank you sir for the detailed answer. So any rough guidance on what the split of the business would look like say 2, 3 years from now between the two verticals?

**Vijay Oswal:**

Between the two verticals, if you see, let's say this year it is, you know, 70%, 30% percentage wise if I could talk in terms of the business done. But going forward, I see we could be about 50%, 50% in this particular or maybe in a year's time from now. And slowly as, as I said, the volume would always be bigger into the specialized



tunnel. Just to give you an idea, the one tunnel project which we are working in Maharashtra is to the tune of INR300 crores. Whereas the - - so if we get a one project of a larger size in specialized construction, obviously the percentage would change. But we are hoping that this year we should be close to 50-50.

**Raghav Agarwal:** Thank you so much, sir. And if I may just squeeze in one last question on the same. In the margin profiles and the working capital profile, how do the two businesses stack up against each other, sir?

**Vijay Oswal:** So as far as the margins perspective, as I said, margins are definitely better in the specialized constructions. And working capital wise, if you look at the larger projects would also require more working capital. But if you compare it to the turnover and over the period spread out, percentage wise it will be a bit lesser than the MMR because major maintenance programs, the projects are spread over only six months of project with an average 90 days of billing cycle if I consider.

We generally require about 25% of the working capital of the order size.

**Raghav Agarwal:** Understood. Thank you so much, sir. I will get back to you.

**Vijay Oswal:** Most welcome.

**Moderator:** Thank you, Raghav. We will take the next question from Nitin Verma. Please go ahead.

**Vijay Oswal:** Yes, Nitin.

**Nitin Verma:** Hi. Hi, Vijay. Congratulations on good set of numbers. My question is regarding Markolines Infra merger. I just want to understand the timeline when we are expecting it to get completed and also what are the -- if you could elaborate some numbers of Markolines Infra which we had this year, I mean FY25.

**Vijay Oswal:** Yeah, sure. So we have announced the merger in the April 22<sup>nd</sup> Board meeting. We have done a first set of submission to the BSE. Now, there are certain queries which are running back and forth and we will comply to every query. And thereafter it will be subject to the -- it is to be approved by the BSE, then it is to be approved by the NCLT.

So approximately we are expecting about 6 to 9 months of time frame for completing the merger. We would be always hoping for the shortest possible time but since it is subject to the approvals from the authorities that is the timeline we are looking at. So before this year end, we should be the merged entity.

As far as the tentative, why tentative I can give, the numbers of the Markolines Infra, we did a revenue of about INR133 crores there with a bottom line of INR12.29 crore as PAT. Basically, this company is purely into the providing services. As far as percentage is concerned, it is about 11.64% that is the PAT percentage to the turnover.

**Nitin Verma:** Okay, and what is the outlook after merger that you are looking to achieve?

**Vijay Oswal:** So basically, these are the two Group companies which have been operating and separately. Basically the skill sets required are separately. But with this, we can have the consolidation in terms of the -- one second. Because the services -- as a service provided in Markolines Infra, generally, we are always available on the road. So we will have good information, real-time information on to the projects we are handling.

When it will come to the bidding, we will have better understanding of the roads or the tenders. So it will also increase our chances of winning the particular tenders and also we will get the edge over when we are already operating those roads.

**Nitin Verma:** Okay, and one last question, if possible, could you please do the consolidated projection for next year or this year, what we are looking at?

**Vijay Oswal:** Sorry, sorry, I did not get.

**Nitin Verma:** I mean, the numbers, the consolidated numbers of Infra and when the merger will be completed, the consolidated numbers that we are looking to achieve in this year end and by next year end?

**Vijay Oswal:** We can do that, but I don't know whether we can publish it or not. We will have to check the provisions. If permitted, then definitely we will publish that. We can.

**Nitin Verma:** Okay, thank you. That was all from my side.

**Vijay Oswal:** Thank you very much.

**Moderator:** Thank you, Nitin. Sir, we will take a question from the chat, which is a similar question that after merger, what will be the total order book and total revenue?

**Vijay Oswal:** So, see, if I just look at the total order book, what we are looking at, generally the Markolines Infra contracts, they are differing in nature, basically they run on monthly billing basis because they are services. We do approximately INR10 crore to INR11 crore of billing per month. So now even if I consider INR133 crore, it would be about -- so this is, that will only take us to beyond INR400 crores.

And we are -- as Pavement also, we are looking at good number or the good increase this year also because we are eyeing on a few large size contracts, which we should be in a position to close very soon. Monsoon is the time generally these contracts are discussed or bidded and concluded for so that we can start the work post-monsoon. So we are looking at a good growth this year also.

**Moderator:** Okay, sir. This question was from Prakash B. He further asked that can you throw some light on the transferor company, their revenue, PAT, etc. What is the promoter holding in the transferor company? And mention their few major clients.

**Vijay Oswal:** So I think I just explained about the -- probably this question was, must have been before I explained about Markolines Infra numbers. As I said, still I repeat, as far as Markolines Infra is concerned, INR133 crores is the top line, INR12.29 crore is the PAT that we have given this year. And as far as clients are concerned, now this is a very limited -- the entire infra industry is governed by very limited number of asset owners.

Of course, NHI being the largest asset owner. But otherwise in the private sector, the entire assets are owned by very -- at the most, maximum 20 number of asset owners. And out of that, majority is now held by the international funds like I Squared Capital, Brookfield, Macquarie, Actis. And they hold, probably in the private sector, they are very hungry on acquiring the assets. They hold about 70% of them, 5, 7 people own them. So, if you consider the clients, they would always be similar and same in both the companies.

Only thing is, in Pavement the listed entity, we keep changing the projects because it is recurring activity once in 5 years. Whereas, in

Markolines Infra, if the project is acquired, generally we continue with the project for years together. The oldest project together today is, I am operating close to 16 years, one of the oldest projects in Infra.

**Moderator:** Thank you, sir. I think Mr. Prakash has few other questions. I will request Mr. Prakash to please unmute and ask the questions. Mr. Prakash? Okay, since he is not unmuting, I'll just ask his question. Any roadmap when our company will become a INR1,000 crore company? Future ambition of the management.

**Vijay Oswal:** So thank you, Prakash for such a good vision. We are also looking at. But as far as the this thing, we are also looking that in another 3-4 years, we should be crossing the INR1,000 crore mark. And we will put in our best to achieve that mark at the earliest, if we can even pre-pone it by one year, we will be greatly happy with that.

**Moderator:** Thank you, sir. And his last question is that, is Infra same like IRB Infra, mean business sense, toll collection, also the revenue? Is my understanding correct is what he is asking? Sorry, sir, you are on mute. Vijay sir, you are on mute.

**Vijay Oswal:** Yeah, yeah, because my reconnections -- connection reset. I lost your question. Can you just repeat the question? Sorry.

**Moderator:** Sure, sir. Prakash B. is asking, is Infra same like IRB Infra, mean business sense, toll collection, as also the revenue? Is my understanding correct, is what he is asking.

**Vijay Oswal:** Okay. So, partly yes and partly no, because IRB is also the asset owner and they do lot of activities in-house. So as far as the -- let's say, road construction division of IRB is concerned, it is different. We are not, as of now, we are not into the road construction or as asset owners who take the bid, construct the road and recover money by way of the tolls. We are, as of now, we are providing the services for the maintenance of the once road, once completed as Markolines Pavement. And in Markolines Infra, we provide them the services like operating their toll projects, surveillance of the roads, providing the emergency services on the highways, then the routine maintenance that also involves right from cleaning to the horticulture services. So in a way, we could be similar to the one of the section or part of the IRB.

**Moderator:** Thank you, sir. We will take the next question from Abhishek Agarwal. Please go ahead.

- Vijay Oswal:** Yes, Abhishek.
- Moderator:** Abhishek. Okay, we will move on to Raghav Agarwal. Please go ahead.
- Raghav Agarwal:** Sir, just wanted to check on the shareholding pattern of Markolines Infra as of today.
- Vijay Oswal:** So, Markolines Infra shareholding pattern. One second, I'll just give. Infra, can I just -- so, as of now, if you could just, I do not have the exact numbers. If you could just give me a moment I will pull the data. But we are currently, we are about 58% in Markolines Pavement. And post merger, we should be about 60%, 61%.
- Raghav Agarwal:** Right, sir. So, that's no worries. Can look at it later. But largely owned by promoters, right?
- Vijay Oswal:** Yeah. Similar, similar shareholding in both.
- Raghav Agarwal:** And lastly, sir, on the order winning rates, and this might be just a blip, but in the last H2 FY25, the order execution rate has been faster than the order winning rate. So do we expect that to reverse? And like, what is the projected order intake we expect for the next 1 to 2 years?
- Vijay Oswal:** So Raghav, that's what I explained to you before also in one of the questions that the major maintenance activities or the orders keep coming and rotating. So as far as the order book is not a very static, what do you say, the number. If you have just seen our announcement, I think, just to let you know, we have won another -- today only, we have got a confirmation for about INR25 crore, close to INR25 crore of an order. And in this last 1, 1.5 month, we have already closed the orders worth INR50 plus crores. So they will keep moving up and down. So it is not -- generally we would have about INR300 crore, to INR400 crore of orders in hand.
- Raghav Agarwal:** Understood, sir. Thank you.
- Moderator:** Thank you. Chitresh Lunawat has a question. Chitresh, if you can unmute yourself and ask.
- Chitresh Lunawat:** Hello, sir. Thank you for taking the concall. Thank you, Kaptify team. My question was for Markolines Infra. At what valuation have we raised funds from outside? Like I think there was a fund raise

happening for 4, 5 months. So at what valuation was the fund raise happened?

**Vijay Oswal:** INR100 crores. I suppose it was INR100 crores.

**Chitresh Lunawat:** So that was the only fund raise which happened or there has been multiple fund raises?

**Vijay Oswal:** No, no, no. That is the only fund raise.

**Chitresh Lunawat:** Okay. And currently when we are amalgamating, how much is the value we are giving?

**Vijay Oswal:** About INR263 crores.

**Chitresh Lunawat:** Okay. So people, the investors who invested before 6 months, so, they have got 2.5 times money.

**Vijay Oswal:** Because the results were also better, the improvement in the performance.

**Chitresh Lunawat:** Okay, okay. And sir, anything on the ILFS engineering thing like which we were planning?

**Vijay Oswal:** Not really concluded. We are still hoping for -- the NCLT has not yet cleared anything. There is no update as such on that. It is still in the process.

**Chitresh Lunawat:** Sure. Thank you, sir. And regarding warrants, I just wanted to know like what percentage of money have you got?

**Vijay Oswal:** So we have received 25% of the warrants. They were issued with a timeline of 18 months.

**Chitresh Lunawat:** So out of the remaining, have anyone paid or like?

**Vijay Oswal:** Not yet. Not yet. We are hoping to close it this. Of course, they will have to close this financial year.

**Chitresh Lunawat:** Okay. Thank you. Thank you, sir.

**Moderator:** Thank you, Chitresh. Abhishek Agarwal, please unmute and ask.

**Abhishek Agarwal:** Yeah, hi. Am I audible? Yes, please.

**Moderator:** Yes, please.

**Vijay Oswal:** Yes, Abhishek. You are.

**Abhishek Agarwal:** Yeah, hi. Thank you for taking my question, sir. So, my question is regarding the consortium that we were bidding for an asset of ILFS, if I'm not wrong. So, what is the update on that? And what is the business with respect to tunnelling that we expect?

**Vijay Oswal:** Okay. So Abhishek, just before this question, I answered that since it has to follow a lot of process because we have gone through the IDC-like process, the NCLT is involved, and there is no progress as of now in terms of the deal or it is still not being approved by the boards there. It is still at the same stage where it was.

Now your second question was in terms of tunnelling. What is exactly that you would like to know so that I can explain it in a better way?

**Abhishek Agarwal:** I want to learn about what is the prospect of our tunnelling business if we are not able to take over the company in the NCLT and if we go ahead on our own, what is the kind of momentum or prospect that we see for our tunnelling business?

**Vijay Oswal:** So first of all, our current business is risk-irrespective of the proposed bidding that we have done for the acquisition. Okay. One. Now as far as tunnelling business is concerned, as of today, we have two projects, one in Maharashtra and one we have -- one we are doing in Jammu-Kashmir. The Maharashtra project cumulatively is about INR300 crore, INR350 crore all put together, will be out of which we have done about INR172 crore or INR180 crore. And on the Jammu-Kashmir project, it is a very long project. We have just began. These are 4.2 kilometres of twin-tube between Jammu and Srinagar. As far as the progress there is concerned, we have done about one kilometre of progress from the tunnel -- from one side.

As far as business prospects are concerned, the tunnelling is one of the very much growing potential because to increase the average speed, the tunnelling is a very good solution. And we are doing tunnelling across the India and we see a very good prospect in terms of business and adding at least one more project this year. We are hoping for that.

**Abhishek Agarwal:** Sure, sure. And what kind of projects do we envisage from tunnelling? I mean, what size and quantum?

- Vijay Oswal:** So, tunnelling project by and large would minimum would vary from at least INR200 crore to INR400 crore depending upon the size of the tunnel, the length or -- that is length.
- Abhishek Agarwal:** And normally what is our portion? I mean, the quantum that we build or we work on?
- Vijay Oswal:** Means I did not get your question.
- Abhishek Agarwal:** Do we execute all of the projects by ourselves or do we partner with people and what is our quantum then?
- Vijay Oswal:** So it depends. There are various things like Jammu-Kashmir project, as I said, we have taken in consortium because it is a huge project and different skill sets are required. Whereas Maharashtra project we are doing on our own wherein we are working with a subcontracting party there which is working.
- So it depends upon the project. It would vary from project to project but as such we have a capacity and capability of doing everything on our own.
- Abhishek Agarwal:** Sure, sure. That helps. Great. Thank you so much and all the best.
- Vijay Oswal:** Thank you.
- Moderator:** Thank you, Abhishek. Sir, we will take the question from chat from Soham Pimpale.
- Vijay Oswal:** Okay.
- Moderator:** It's hello. Are we using the white topping technology as well?
- Vijay Oswal:** Sorry, which technology?
- Moderator:** White topping technology. White topping.
- Vijay Oswal:** White topping technology. As just till now we have not done the white topping but recently we are looking at few projects and we are bidding for them also.
- Moderator:** Okay, sir. Sir, I had a question regarding the specialized equipment that we have. Are there any plans to add the specialized equipment?



- Vijay Oswal:** No, not immediately. We have the -- as I said that the specialized equipments like the micro-substation pavers and the recyclers that we have, already we have. So they should suffice as of now.
- Moderator:** So, what budget has been allocated?
- Vijay Oswal:** So this year we are not looking at adding any major of the same investment because we have already acquired few of the whatever was to be acquired last year.
- Moderator:** Okay, thanks.
- Vijay Oswal:** So, this year we are not looking at adding any major of the same. Otherwise the hot mix plants are there always as a requirement if more number of projects comes and as they get older based on the client's requirement, we keep doing that.
- Moderator:** Okay. Thank you, sir. We will take the question from Sandeep Biyani from chat. He asks, since major of orders in FY25 are completed in Q4, hence receivable cycle increased more than 200 days. What is the average receivable cycle in a normal scenario?
- Vijay Oswal:** So, generally 90 to 120 days is what we say. If we average it out over the year, like if you look at -- I think last year we were close to 100 days. And now when you see as we are talking, the majority or major portion of the receivable has been received in the past one and a half month. We have already recovered more than INR50 crore, INR60 crore out of the outstandings as of March.
- Moderator:** Okay, sir. And he asks that do we see any non-recoveries as I guess most of the projects are from government entities?
- Vijay Oswal:** No, we don't see -- and few of them which we have already said the earlier ones, we are only in the court of law and we have already recovered few and we will be recovering everything.
- Moderator:** Okay, sir. Thank you. Anybody who wishes to ask a question, please use the option of raise hand. We will take the question from Abhishek Agarwal. Please go ahead.
- Abhishek Agarwal:** Thank you again. Just one last question from my end. Sir, what is that one thing or two, three things that we look forward to or that excites

us going forward that will catapult us to a different orbit or help us achieve much greater revenues, exponential revenue growth?

**Vijay Oswal:**

Thank you, Abhishek. This is a very -- question which is close to our heart or any promoter of the company would be, that is growth. So in infra industry, as you grow, your credentials and experience always count and your eligibility increases. So, by completing the projects, whatever we are at hand, we would be eligible for very large size of projects. Up till now, if we were only doing maintenance projects, but since we have completed about close to INR200 plus crore of work in the first tunnel, that tunnel work, now, our eligibility is more than the INR500 crores. So we will be definitely looking forward to bidding for the higher size of projects.

So that will definitely give a rise in terms of revenue and the growth also over next few years. That's what we are looking at.

**Abhishek Agarwal:**

Sure. Thank you. Thank you so much.

**Moderator:**

Thank you, Abhishek. Sir, we'll take a question from the chat from Nishchay Mehra. He's asking, what was the main reason for the drop in the revenue?

**Vijay Oswal:**

Drop in the revenue, basically, as I have already said, the H1 we suffered because of the wettest monsoon, the performance was low and it also continued for an extra time. So work could start only very late in the Q3 and we could do much, much better work in Q4.

**Moderator:**

Okay.

**Vijay Oswal:**

And I think I missed one point. Abhishek had asked what excites us. So I'm sorry for missing, Abhishek, I just realized you had asked me. One is the growing potential, what is the way we are growing and we see a huge potential. And as far as Markolines is concerned, the credibility that we carry in market, giving us an edge over the competition, the preference or the preferred vendors in terms of the listing and as I have spoken about the size. These are the things that excite us into this particular thing.

To be honest, once we had a vision of being an Indian originated MNC, but looking at potential, we feel that it is really the India with the large terrain like what we have there is huge potential in India itself. Okay.

- Moderator:** Yes, sir. Nishchay Mehra further asks, what is the execution timeline of the current order book?
- Vijay Oswal:** So it would vary from a project to project. Generally, the maintenance, major maintenance projects would be completed in six to eight months time by and large, unless it is more than INR75 crores, INR80 crores, then that period would go to 12 to 15 months because of the monsoon break. And on the specialized or tunnelling projects like work, the timelines would be spread across two to four years.
- Moderator:** Okay, sir. And he is asking about margins. How are the margins in different verticals? Which vertical has the highest margin?
- Vijay Oswal:** So specialized construction vertical definitely has higher margin than the major maintenance because as of now, when we are working in major maintenance, we are working in the private industry. So generally, there the payments are prompt, but the margins are thinner. Whereas the specialized construction, they are longer in tenure and wider scope, which also gives us the better profitability.
- Moderator:** Okay, sir. And Nishchay Mehra further asks, what is the cash conversion cycle management sees going forward?
- Vijay Oswal:** The payment cycle?
- Moderator:** Cash conversion cycle going forward.
- Vijay Oswal:** So approximately, see -- it will, as we see that it will -- you know, if we really look at the closing numbers, it will keep varying. But by and large, our cash conversion cycle is about, averagely 90 days. 90 to 100 days is the general cash conversion cycle.
- Moderator:** Okay, sir. Okay. Sir, we'll take the next question from Nitin Verma. Please go ahead.
- Vijay Oswal:** Sure.
- Nitin Verma:** Hi, the last question is, why is the promoter shareholding decreased?
- Vijay Oswal:** So sorry, the promoter share percentage has decreased because of one is because of the addition of the preferential issue that we did in the month of September. So if you look at really the number of shares that the promoters have, there's hardly any change.

- Nitin Verma:** Oh, okay. Okay. Thank you.
- Moderator:** Thank you, Nitin. Sir, Nishchay Mehra has another question in chat. He's asking, what are the margins in number, if you can give?
- Vijay Oswal:** Number. So one second, let me just have a look. So as far as the -- if we look at the grossly, then about, we can say 12% in terms of the -- what do you say, major maintenance. But as I said that the turnaround times is faster. And it will be 18% to 20% in the specialized construction. It will vary also from the activity to activity or the billing to billing what we do in a particular period of time, based on the activities that we do.
- But if there are specific activities which are being completed in a shorter period, even if it is a longer project, it gives better results. But on an average, it would be about, if you have numbers, it would be 12% in terms of the major maintenance and about close to 18% in terms of the specialized construction.
- Moderator:** Okay, sir. Thank you.
- Vinay Pandit:** So, since that is the last question for the day, would you like to give any closing comment before we end the call?
- Vijay Oswal:** Sure. So guys, thank you very much for being with us and wanting to hear about what we do here. As management, I want to definitely tell one thing that we are committed. We are basically technocrats. We have always believed in business. And we will definitely be. Our focus is always going to be, remain on business and growth. We will keep up to every -- try our best to keep up to the commitment of all the stakeholders.
- And out of this also, if there are any questions, queries, if we have missed out onto anything, you can definitely write back to us and we would be happy to answer. And looking forward, we are also looking very excited for this particular FY26 because a lot of things are going to happen like migration, merger, and new business coming in. That's all from our side. Thank you very much. Thank you, Vinay, and entire Kaptify team too.
- Vinay Pandit:** Thank you. Thank you, sir. And thank you to all the participants for joining on the call. And thank you to the management team. This brings us to the end of today's conference call. Thank you.

**Vijay Oswal:** Thank you. Thanks a lot.