



IRCON/SECY/STEX/124

27th May, 2025

BSE Limited Listing Dept./ Dept. of Corporate Services Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001 बीएसई लिमिटेड लिस्टिंग विभाग / कॉर्पोरेट सेवा विभाग पी. जे. टावर्स, दलाल स्ट्रीट, मुंबई- 400001 Scrip code / ID: 541956 / IRCON	National Stock Exchange of India Limited Listing Department Exchange Plaza, Plot no. C-1, G Block, Bandra –Kurla Complex, Bandra (East), Mumbai – 400051 नेशनल स्टॉक एक्सचेंज ऑफ इंडिया लिमिटेड लिस्टिंग विभाग एक्सचेंज प्लाजा, प्लॉट नं सी-1, जी ब्लॉक, बांद्रा-कुर्ला कॉम्प्लेक्स, बांद्रा (पूर्व), मुंबई-400051 Scrip Code: IRCON
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Sub: Transcript of the Q4 & FY'25 Analyst Conference Call held on Thursday, 22nd May, 2025

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in continuation to our letter of even no. dated 14th May, 2025, please find enclosed the transcript of the post result Analyst Conference Call held on Thursday, 22nd May, 2025 to discuss the financial results of the Company for the quarter and financial year ended on 31st March, 2025.

In accordance with Regulation 46(2)(oa) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Transcript of the Analyst Conference Call is also available on the Company's website at the link https://www.ircon.org/index.php?option=com_content&view=article&id=226&Itemid=643&lang=en which can also be accessed through below mentioned path:

www.ircon.org>> Investor Relations>> Presentation and Earning Calls>> Transcript of the Analyst Conference Call held on 22nd May, 2025 for financial results for the quarter and financial year ended on 31st March, 2025.

कृपया उपरोक्त जानकारी को रिकॉर्ड पर लें।

धन्यवाद,
भवदीया,

(प्रतिभा अग्रवाल)/ (Pratibha Aggarwal)
कंपनी सचिव एवं अनुपालन अधिकारी/ Company Secretary & Compliance Officer
सदस्यता क्र./ Membership No.: F8874

“Ircon International Limited
Q4 & FY'25 Analyst Conference Call”

May 22, 2025



Management
Ircon International Limited

Mr. Hari Mohan Gupta	:	Chairman & Managing Director
Mrs. Ragini Advani	:	Director Finance
Mr. Alin Roy Choudhury	:	CGM Finance
Mr. Ram Kumar Goyal	:	GM Finance
Mr. Sachin Garg	:	DGM/ Finance/ Investor Relations



Moderator: Good afternoon everyone, and welcome to the Q4 and FY'25 Post Result Earnings Call of Ircon International Limited. I am Steve, the moderator for this Conference Call.

From the management side we have with us Mr. Hari Mohan Gupta – CMD; Smt. Ragini Advani – Director Finance; Mr. Alin Roy Choudhury – CGM Finance and CFO; and Mr. Ram Kumar Goyal – GM Finance and Mr. Sachin Garg – DGM Investor Relations.

Please note that this conference call is being recorded. At this moment all participant lines are in listen-only mode, later we will conduct a question-and-answer session. At that time, if you have a question, please press “*” and “1” on your telephone keypad. I would like to remind you that some of the statements that will be made in today's discussion may be forward-looking in nature. It is subject to several risks and uncertainties and the actual results could materially differ. I would now like to hand the conference over to Ms. Hari Mohan Gupta, CMD , for the opening remarks. After which, we will have the forum open for interactive Q&A session. Thank you and over to you, sir.

Hari Mohan Gupta: Thank you, Mr. Steve. Good afternoon, everyone. I am Hari Mohan Gupta – Chairman and Managing Director of Ircon International Limited. On behalf of my team, I extend a warm welcome to you all, and thank you very much for your gracious presence today at the Ircon's earnings call for Q4 and FY'25. Operationally this year has been a little bit challenging for the company due to increased competition in the sector. However, we are hopeful to be back on the track and improve the performance going forward. Now, I request my Director Finance to give brief about the financial performance of the company.

Ragini Advani: Thank you CMD, sir. Good afternoon, everyone. Financial results, as well as presentation has been uploaded on the Stock Exchanges, and I am sure that all of you have had the opportunity to review these documents.

Just a little brief of the financial performance of the company in Q4 and FY'25. The operational performance is subdued, as we had also stated in our last investor call. This is because of completion of the major cost-plus jobs, reduced order book and some one-off entries that we had to put in certain projects on account of provisions for losses.

On consolidated basis, the company has had a provisioning of major maintenance in one of the subsidiary company, again, a one-off item. The company has reported total



revenue of Rs.11,131 crore in FY'25 the corresponding PAT stood at Rs.728 crore and core EBITDA at Rs.905 crore in FY'25. Earning per share is at Rs.7.73 per equity share in FY'25 on a face value of Rs.2 per share. The order book of the company as at 31st March, 2025 stood at Rs.20,347 crore. This comprises 58% on competitive bidding basis, and the rest of the orders on nomination basis.

In terms of domestic versus international split, almost 90% of our order book is from domestic business, and the balance from international. The Board of Directors, along with the accounts have also recommended a final dividend for Re.1 per equity share on a face value of Rs.2 per share. This is subject to shareholder approval in the ensuing AGM. This along with interim dividend of Rs.1.65 per equity share, would tantamount to a total dividend of Rs.2.65 per equity share for FY'25. Ircon has 11 subsidiaries and 7 joint ventures, including a renewable power company. Now, without taking much time, I would like to open the floor for Q&A sessions. Thank you.

Moderator: Thank you, ma'am. We will now begin the question-and-answer session. The first question is from the line of Shreyans Mehta from Equirus. Please go ahead.

Shreyans Mehta: Ma'am could you quantify the one off during the quarter which led to the lower margins?

Ragini Advani: Yes, two, three things. One in standalone, we have provision that we have made for LD, in case of our job on DFCC, that amounts to Rs.108 crores. And apart from that, I had mentioned in last quarter that we have taken certain losses on one or two of our jobs, one of them being Chennai metro, so that also is about Rs.40 crores. And on the consolidated side, we have had one issue in terms of one of our road SPVs, where we have had a major maintenance, that is what we have taken into account. And in one of our coal connectivity projects, this is Chhattisgarh, CERL. The project has been incurring operational losses. Some part of the project is yet to be constructed. So once that is constructed, and we have the full traffic there, then we shall probably not have losses going forward, maybe another two years down the line. So, all these are one of items, because of which we have taken hit on a P&L.

Shreyans Mehta: Okay. Second, from a medium-term perspective, how should one look at the growth from here on, right now we have an order book of say Rs.20,000 odd crores. So now should the focus move on building order inflows at lower margin, or will still wait for orders to come in at the margins we want, how should one look at that and secondly, how should one look at FY'26 standalone revenues and margins?

Hari Mohan Gupta:

Thank you very much for this nice question. Presently we have the order book of around Rs.20,500 crores. And you will be pleased to note that during 24-25 around Rs.2600 crores order were received by the company, out of which around Rs.1650 crore which were based on the bids which were submitted during the financial year, and around Rs.950 crores order were received for which the bids were submitted earlier. And during 25-26 also by now, by the 22nd May, when we are talking Rs.1150 crores orders already received, and also we have entered into new verticals like Kavach, the train protection warning system, the iconic technology of the country. It's a really a proud moment for the company that we have received the first Kavach order for South Western Railway. It's around Rs.253 crores and we have already bid in some other Kavach projects tenders as well. And we are very hopeful. Again, I would like to mention that you will all be pleased to note that the first Kavach tower tender we have won, it is around Rs.194 crores, and the work is under execution in Central Railway, there around so many towers are to be provided which will be used for the Kavach. That is the second tender, second contract for the Kavach. Similarly, we have entered into a new vertical of signaling diagnostic, which is the new field, and I am pretty sure that it will be replicated in the entire country in Indian Railways. And what it does is that whatever the signaling and telecommunication gears are available in the railway network. You can remotely monitor their health, that what is the condition, and you can predict their life just looking at the computer screen. So that is a new revolution which we have brought, we have already got an order from Northwestern railway and the Ministry of Railways has appreciated this to a great extent, and it will also be replicated in a big way. And now other zonal railways are preparing their tenders for floating in near future. In addition to above, yes we have already bid in various tenders, which are already under evaluation. To give some of the examples are, and we are very, very hopeful because they are under evaluation so, I cannot be very specific with them, but we have bid in three tenders in Metro in Mumbai. And we have also bid one in electrical tender of UP. And we are already bidding around 10 bids of around Rs.2000 crores have already been submitted during current 25-26 up to this period, around 18 bids of Rs.9200 crores are yet to be submitted very shortly and during 24-25 we have submitted around 120 bids of Rs.60,000 crores. So enough of scope is available to everybody, infrastructure is booming, and we are bidding for big ticket size projects, as well as middle size projects, and by joint venture, by pre bid, by bidding alone, depending upon the type of the project, the complexities involved, the competency available with each sector. And again, I forgot one more thing that one more vertical we have opened in this company, and that is the hydro power. We have received an order of around Rs.453 crores in Arunachal Pradesh. We have also received an order of Secretariat building in North frontier railway in the joint venture with one company. And we have also bid in various tenders of building works in

North frontier railway, which are already under evaluation. And we also got one order of railway project of around Rs.900 crores in, I am forgetting the name of the zonal railway, but we have already received the order.

Ragini Advani: So from whatever CMD sir has given an update on the business development side, as well as the orders. So as to answer your overall perspective in FY'26-27 while we are trying to get as many orders as we can. But even after picking up orders, the execution and the conversion into revenue takes some time. So given our current order book position, we maintain that our turnover should be in similar range going forward in 25-26 at least. And the margins, as we had mentioned earlier also yes, there is a slightly strain on the margins because of the increased competition and many of the bids being taken up at a very, very competitive rate. So there would be an overall decline, as I had previously mentioned, it would be in the range of about 0.5% to 1% going forward.

Shreyans Mehta: Okay, got it. Secondly, in terms of the strategic assets, the railways per se, or even the road assets which we hold. So is there an intention to hold on to those assets, I can understand, we have DIPAM, who will be taking a final call. But from our perspective, what is the thought process, do we intend to hold those or once they mature, probably we are looking to monetize those and come out of those?

Hari Mohan Gupta: Our objective would be to monetize as quickly as possible. Once the project is completed and we have already started process in that direction, and I hope two proposals are already.

Ragini Advani: So yes, you are absolutely right, Railway and DIPAM will ultimately give a go ahead. It is a longish process, but their intent is to monetize PPP projects which are operational.

Shreyans Mehta: Even the mining projects right?

Ragini Advani: We are a minority partner. So there that discussion will happen with coal companies, and they would be in a better position to take it. But wherever these are 100% subsidiaries, I have already gone ahead, and we have taken this decision to move ahead for monetizing them. There they have obviously coal mines as their ownership, so they may not like to monetize it eventually.

Shreyans Mehta: Got it. And lastly, in terms of coming back to the same point in terms of order inflows, assuming even if we get say closer to Rs.10,000 odd crores this year, as a shareholder what might happen is FY'27 again looks weak because even at Rs.10,000 odd will end up at say, Rs.30,000 and we will be doing, say, Rs.10,000 odd crore for next two years.

So, unless and until we scale up in that manner significantly, like Rs.20,000 crores plus. How do you intend, to take it from the de-growth phase to growth phase for 27-28?

Shreyans Mehta: So currently, we would like to stick to our forecast, or what we assume to be a reasonable prediction for FY'26, for FY'27 you are absolutely right for us to come back to make going into a growth phase, definitely we have to pick up more orders. But having said that, since the market has been tough and we have recently diversified into certain areas as CMD sir also mentioned, we will be in a better position to tell you maybe few months down the line. So we do not want to commit something which is just theoretical right now, but yes efforts are fully on to make the order book grow at a faster pace.

Hari Mohan Gupta: To add further what my Director Finance madam has said, rest assured we are working very hard, bidding aggressively and with full focus what is to be bid. We will not be bidding under losses at all, and we will be attacking more and more verticals in which we feel very, very confident, we are already working and we would be bidding very, very shortly in some new verticals as well and I am pretty sure that we should be successful in those efforts. So future is bright, I do not see any negativity in the market because it's a huge market and only thing what I can say presently and you all will appreciate that around 24 bids are coming in the railway tenders per tender, 17, number of bidders are there in road projects tenders, and 19 number bidders are there in building bids. So it's a tough competition, and really very tough competition. But the only answer lies in opening up the new verticals and entering into joint venture pre bid tie ups, bidding in those area independently, where the ticket size is big, and we feel very confident we were like the railways, the highways. So it would be a combination of all these strategies, but we will be successful.

Moderator: Thank you so much. The next question is from the line of Rahul Thakur from NVS Brokerage. Please go ahead. We will move on to the next question it's in the line of Vishal Periwal from Antique Stock Broking. Please go ahead.

Vishal Periwal: Thanks for outlining a picture like how things could be for our company in time to come. So on this front, I have couple of question. One you did mention that new opportunities like signaling, diagnostic, Kavach. So will that be, will you have that data or anything ready how big is the opportunity in these segments and any color that can be produced?

- Hari Mohan Gupta:** Usually, I don't have the numerical number for the country size, but I hope you will be satisfied with my reply. The entire country, more than a lakh kilometer of Indian Railways, is to be covered under Kavach, it's a train protection warning system so that two trains may not collide, and any driver inadvertently may not exceed the speed. It will be automatic brake application in the locomotives. So the entire country is to be covered in a huge, more than a lakh crore business is available in this sector. What I have come to know, but I am not very sure about the numerical numbers at this stage. But the entire country is being covered through Kavach. Diagnostic, entire Indian Railways would get covered progressively, because it's the new thing which is coming up in the country. And it has started one more field, elephant passes wherever the elephants do cross the railway track. So Indian Railways is now coming up with fresh tenders for electronic systems in such a way so that these animals when they cross the track, it gets noticed in advance, and they may not get hit by the moving train. So which will be win-win situation both for the railway as well as for the animal. So it's a huge business opportunity, I will only say this.
- Vishal Periwal:** Okay, sir. And in terms of for tenders which are open right now, may be say Kavach or maybe diagnostic what could be the size of it?
- Hari Mohan Gupta:** Every Kavach tender is of the order of Rs.250 crores to Rs.300 crores, every Kavach tender. Whatever we got it is Rs.253 crores we got the order for SWR, and we have already bided in three more tenders. They are under evaluation, and the next phase of tendering would be available, whatever is known to me by July or August. Next wave of tendering again for Kavach will come. So, it's an ongoing process, and whatever tenders are getting finalized, the execution is taking place. It's a government of India prime project, because they want this Kavach to be installed as quickly as possible to enhance the safety of the moving trains and the passengers.
- Vishal Periwal:** Okay, sure sir. Maybe one last question from my side, and then I will come back in the queue. Ma'am you mentioned, probably there will be a pressure on the margins in FY'26 also. So on a standalone we have done almost 4.7% sort of margin. So one is like, there is a continuing losses in certain projects. So this 4.7% probably ball park projected could be how much based on what are pending loss making orders?
- Ragini Advani:** So if I was to exclude out of 4.7 the one of items, it should be in the region of about 5.7, 5.75 so, we are expecting these margins to be in the range of 5, core EBITDA to be in the range of 5 to 5.25. Other than the one time losses, which is very difficult to predict, and hopefully we should not have more in the coming year, but that is



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something as and when it comes we will keep you informed. The typical margins of core EBITDA should be in the range of 5 to 5.25.

Moderator: Thank you. The next question is on the line of Shreyans Mehta from Equirus. Please go ahead.

Shreyans Mehta: Few data points, one in terms of inflow number for FY'25 and secondly, what are our investments if you could broadly split it into roads and the other?

Ragini Advani: Sorry, what was your first question?

Shreyans Mehta: Inflows for this year FY'25?

Ragini Advani: Inflows, as in the order book?

Shreyans Mehta: Order inflows.

Ragini Advani: Yes, so order inflow we mentioned to you that we have currently an order book of about Rs.20,000 crore, and in the month of April and May, we have add order wins closely to the extent of about Rs.1100 crores.

Hari Mohan Gupta: So for 24-25 we got order of Rs.2600 crores. And in 25-26 up to this month, we have got Rs.1150 crores.

Shreyans Mehta: Got it.

Ragini Advani: And in terms of the investment, we have made in road projects and investment of about Rs.1500 crores. We still have to invest another Rs.400, Rs.500 crores. In coal connectivity we have made investments of about Rs.1000 crores, we still have to invest another Rs.500 crores and in renewable we have mostly done all the investments. But yes, there is a close amount of about Rs.30 to Rs.50 crores that we still need to put in in this current year. So, overall you can say that we have invested about Rs.2300 crores in all our SPVs, and we have another Rs.1000 crores that we need to put out of which in this financial year we should be investing in the region of about Rs.500 crores

Shreyans Mehta: So, one clarification, so renewable we have invested closer to Rs.300 odd crores?

Ragini Advani: Yes, that's right. So Rs.200 odd crores we have already done.

Shreyans Mehta: Rs.200 odd crores?

- Ragini Advani:** Yes.
- Shreyans Mehta:** Sure. And ma'am just on dwelling more on margins, since we have entered new segments like Kavach, which I am presuming would be margin accretive compared to our current EPC. So still, why are we guiding for a lower margin for say probably FY'26?
- Ragini Advani:** That's because Kavach is going to play a role in our order book, but we will still continue to have dominance of EPC orders and EPC projects in both rails and road, as sir also mentioned, has many, many players and the margins and the competition is intense, there are margins will take a squeeze. So overall perspective would be the guidance that we have given please.
- Hari Mohan Gupta:** We are also trying to get more orders from overseas. Presently, we are working in Algeria, we are working in Myanmar. Recently, we have completed the project in Sri Lanka, Bangladesh, Nepal. Recently, also completed the doubling project of Indian Railways Kiul-Gaya 128 route kilometer, doubling project from Katni-Singrauli 261 kilometer, except the Sanjay Tiger Reserve portion, where the alignment is being bypassed and the USB RL project, which was a big, huge project completed and handed over to the Indian Railways, also around 190 kilometers. So these huge projects we have completed during these nine months. So we are working very hard to get the orders both from India as well as abroad.
- Moderator:** Thank you. As there are no further questions, I would now like to hand the conference over to the management for their closing comments.
- Ragini Advani:** Thank you, Steve for moderating the call and I would like to thank all our shareholders, business partners, analysts, investor friends, who have shown continued support and faith on us. We would be happy to connect with you on a one-to-one basis as well as and when required, and for any further queries that you all may have. I conclude today's con-call and thank CMD sir for being here. Thank you all for the active participation. And thank you once again.
- Hari Mohan Gupta:** Thank you, my dear shareholders. Thank you very much.
- Moderator:** Thank you all for being part of this conference call. If you need any further information or clarification, you may contact to Mr. Sachin Garg or email at sachin.garg@ircon.org. Thank you for joining us.