



**PATEL ENGINEERING LTD.**

**CIN: L99999MH1949PLC007039**

February 15, 2024

To,

**BSE Limited**

Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai - 400 001

**The National Stock Exchange of India Limited**

Exchange Plaza,  
Bandra - Kurla Complex,  
Mumbai - 400 051

**SCRIP CODE: 531120**

**SYMBOL: PATELNG**

Dear Sir/Mam,

**Subject: Submission of Investor/ Analysts Meet Transcripts**

In continuation of the letter dated February 06, 2024 related to the Investor Conference Call to discuss the Financial Results for the Quarter and nine months ended December 31, 2023 and pursuant to Regulations 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), please find enclosed the Transcripts of the Company's Investor Call.

The said Transcript is also available on the website of the Company at <http://tinyurl.com/3k5jvhx7>

It is further confirmed that no unpublished price sensitive information was shared/discussed in the meeting / call.

We request you to take the same on record.

Thanking you,

Yours truly,

**For Patel Engineering Ltd.**

**Shobha Shetty**

**Company Secretary**

**Membership No. F10047**

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“Patel Engineering Limited  
Q3 FY2024 Results Conference Call”

February 12, 2024



**ANALYST: MRS. VAISHNAVI AMBOKAR – KIRIN ADVISORS**

**MANAGEMENT: MRS. KAVITA SHIRVAIKAR – WHOLE TIME  
DIRECTOR & CHIEF FINANCIAL OFFICER – PATEL  
ENGINEERING LIMITED**

**MR. RAHUL AGARWAL – HEAD STRATEGIC –  
FINANCE – PATEL ENGINEERING LIMITED**

**MR. ADITYA BAJAJ – INVESTOR RELATION –  
PATEL ENGINEERING LIMITED**



*Patel Engineering Limited*  
*February 12, 2024*

**Moderator:** Ladies and gentlemen, good day and welcome to Q3 FY2024 Results Conference Call of Patel Engineering Limited hosted by Kirin Advisors. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the 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 Ms. Vaishnavi Ambokar from Kirin Advisors. Thank you and over to you Madam!

**Vaishnavi Ambokar:** Thank you. On behalf of Kirin Advisors, I welcome you all to the conference call of Patel Engineering Limited. From management side, we have Mrs. Kavita Shirvaikar, Whole Time Director and CFO, Mr. Rahul Agarwal, Head Strategic Finance, Mr. Aditya Bajaj, Investor Relation. Now I hand over the call to Mrs. Kavita Shirvaikar. Over to you Madam!

**Kavita Shirvaikar:** Thank you madam. Good evening ladies and gentlemen. I sincerely welcome you all in this Q3 FY2024 earning call of Patel Engineering Limited. We have uploaded the presentation summarizing the performance of Q3 FY2024 and nine months and the press release along with the results on the stock exchange for your ready reference. Before I get in the details of the numbers, let me give you some insight on the industry scenario and the impact of the latest budget on the sector. India is one of the largest growing construction markets in the world largely driven by infrastructure projects and infrastructure development stands as a major contributor for realizing the India 2047 vision. In the recently announced interim budget, a significant increase in the outlay for infrastructure to Rs.11.11 lakh Crores for the upcoming financial year has been proposed which is an 11% increase over the last year accounting for around 3.4% of the total GDP of India. The swift development of nationwide infrastructure is turning every region into an active contributor to the expanding economy and the spending is expected to further increase in coming few years. The Indian government has been promoting investment in the renewable energy, especially in the hydro power sector to achieve a balanced energy mix and reduce dependence on fossil fuels. Hydro power plays a pivotal role in the integration of renewable energy into the national grid providing grid stability, peak load management and energy storage capabilities. The country has set a target at the COP 26 of achieving 500 gigawatt of non fossil fuel based energy by 2030. This is the world's largest expansion plan in the renewable energy. The installed renewable energy capacity including large hydro has increased by around 128% since 2014. Hydro power currently accounts for around 47 gigawatt which is about 11% of the total installed power capacity in India. Around 27,000 megawatt of hydro power projects are expected to be announced in the coming few years. These projects are currently at various stages of survey and investigation and under final clearance stage. The government has also increased its focus on hydro pumped storage projects. PSPs will help

integrate intermittent Renewable Energy with the Grid. The government has taken various steps recently in order to ensure that PSPs gets commissioned on a fast track thereby accelerating the growth of India's renewable energy capacity. As per the ministry update there are 39 hydro PSPs of 47 gigawatt to be commissioned by the year 2029 – 30. Tunnel construction offers a significant opportunity for contractors. There is a huge pipeline of at least 875 tunnels, spanning a length of around 2,600 km.

So now coming to irrigation and water segment, the aim is to provide water supply to all households in the next few years through schemes like the Jal Jeevan Mission. In the interim budget there has also been allocation of around Rs.70,000 Crores for the Jal Jeevan Mission so we see huge potential in the coming few years in all segments of infrastructure development and especially in power, water and tunneling sector where the company has a dominating presence.

Now coming to the order book of the company, it currently stands at around Rs.19,000 Crores. These are orders where we were declared as lowest bidder for two schemes in an irrigation project by Maharashtra Krishna Valley Development Corporation. Our share in these orders is around Rs.175 Crores and subsequently these have now been converted to LOA in the current quarter. Due to the election period new order inflow has remained subdued in the last quarter, but we expect the same to pick up at a faster pace in FY2025 post the general elections.

Now coming to the composition and breakup of the order book which is around Rs.19,000 Crores, 61% is coming from hydro sector, 21% is from irrigation sector, around 11% from tunneling project and 3% is road and rest 4% from others. Out of that 62% of our order book is from central government PSUs which are double A and triple A rated entities and around 35% is from state government and balance 3% is for projects in Nepal. On the execution and operation front, we are happy to announce one of our most prestigious and challenging projects Sela pass tunnel project which is the world's largest B line tunnel at an altitude of around 13,000 feet located in Arunachal Pradesh which is nearing completion. The project is being executed for Border Road Organization (BRO) and the tunnel once commissioned will provide all-weather connectivity in the region of Tawang, Arunachal Pradesh, the local people and tourist visiting the district as well as the armed forces will also get benefited. With the outlook and focus of the government on infrastructure and increase in budget allocation for this year, we expect a large number of projects to come up for bidding in FY2025 post the elections and expect our order book to grow at a good pace in the coming few quarters.

Let me now take you through the performance of the company in the quarter, which has been reasonably good, and we have continued the growth moment on a year-on-year basis. On a consolidated basis, revenue from operation for Q3 FY2024 is Rs.1061.01 Crores which is up by 11% from Rs.954.63 Crores in the corresponding quarter in the previous year. This is due to strong order book growth and well execution of projects. Operating EBITDA for the quarter is Rs.142.09 Crores. Net profit is up by 260% at Rs.70.24 Crores for the quarter as compared to Rs.19.48 Crores in the corresponding previous period. On a consolidated basis nine months revenue stands at Rs.3200.93 Crores which is up by 19% from Rs.2686 Crores in the previous corresponding period. Operating EBITDA is up by 15.31% at Rs.452.72 Crores as against Rs.392.61 Crores. Net profits are at Rs.140.7 Crores which is up by 100% year on year from Rs.70.4 Crores. On a standalone basis, revenue from operation Q3 FY2024 is at Rs.1052.3 Crores which is up by 13.2% from Rs.929.39 Crores in Q3 FY2023. Operating EBITDA is up 10.73% at Rs.144 Crores as against Rs.130.7 Crores in the previous year. Net profit is up 100% at Rs.42.9 Crores as compared to Rs.21.4 Crores in the corresponding previous period. Nine months revenue on a standalone basis stands at Rs.3155 Crores which is up by 20.2% from Rs.2624.94 Crores in the previous corresponding period. Operating EBITDA is 18.6% which is up by Rs.432.53 Crores as against Rs.364.4 Crores and net profit at Rs.214.99 Crores which is up by 200% from Rs.71.7 Crores in the previous corresponding nine months period. The sector wise breakup for the revenue from hydro it is 50%, irrigation 16%, from tunneling sector it is 18%, from road and others it is 16%.

Now moving on to the debt position. The consolidated gross debt as on December 31, 2023, stands at Rs.1965.89 Crores against Rs.1992.32 Crores as on September 30, 2023. Total advances from client as on December 31, 2023, is Rs.794.89 Crores versus Rs.910.7 Crores as on September 30, 2023. Cash and bank balance as on December 31, 2023, is around Rs.120 Crores. The consolidated debt to equity ratio has improved from 0.67% as on September 30, 2023, to 0.65% as on December 31, 2023. Breakup of our debt is working capital debt is Rs.1151.99 Crores and the balance is term debt is around Rs.800 Crores which is expected to be repaid over next three to four years. The finance cost on a consolidated basis is around Rs.88.9 Crores which has reduced as compared to Q3 FY2023 which was Rs.105.3 Crores. Our gross block of plant and machinery on December 31, 2023, is around Rs.1,100 Crores. Total employee base is at around 4,500 employees. Our normal working capital cycle is around four months that is 115 days. On a consolidated basis our diluted EPS from continuing operation has improved from 0.32% for Q3 FY2023 to 0.87% in Q3 FY2024 and debt divide by EBITDA has improved from 4.18% to 3.26% year on year basis. Further I would like to update you that the company has filed for various settlement amounts under the Vivaad Se Vishwas scheme which was launched for the

settlement of pending disputes related to government contract which were under ongoing arbitration. We expect to realize some of these arbitration awards through this scheme and / or release few bank guarantees which were given earlier for part release of arbitration awards earlier. The same is expected to be received in the last quarter. Receipt from this scheme will help us lighten the balance sheet and also augment working capital requirements for upcoming fresh orders.

Overall we remain positive on the outlook of the sector, the enhanced government spending, the steady growth in our revenue, we expect our revenue to continue to grow around 15% in the coming years. That was a small brief from our side and now our team here shall be happy to answer any further questions you all may have. Thank you very much.

**Moderator:** Thank you very much. We will now begin with the question and answer session. The first question is from the line of Tejas Shah from Unique Stockbroke. Please go ahead Sir.

**Tejas Shah:** Madam how is the pump storage demand coming up and out of the total project cost what is the our share of cost and what is the future on the pump storage if you can highlight?

**Rahul Agarwal:** Tejas, this is Rahul here. So pump storage projects lot of projects are expected to come up because pump storage projects are small hydro projects in that sense and where the construction period will be smaller and overall size of a project varies upon between Rs.3 Crores to Rs.5 Crores per megawatt.

**Tejas Shah:** Okay that full share will be ours or it is a part of the share?

**Rahul Agarwal:** So pump storage I mean we will do civil work so majority of the work in there is civil work itself.

**Tejas Shah:** Okay and how are we analyzing the land parcel monetization if you can throw some light on that?

**Rahul Agarwal:** So we are looking at land parcel monetization but not focusing too much on that right now. We have land parcels some good land parcels which we believe that in future upcoming time, the value will increase but we are still looking at some good offers. If we are getting offers for upfront payment then only we look at it. Right now we are getting some offers for doing a development agreement or something which we are not much keen on.

**Tejas Shah:** Okay thank you.



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- Moderator:** Thank you. The next question is from line of Yashwanti from Kojin Finvest. Please go ahead.
- Yashwanti:** Thank you so much and congratulations for the good set of numbers? Sir my first question is with regarding to your order book of around Rs.19,000 plus Crores so what is the executable time for this be? How much revenue we can expect year on year?
- Rahul Agarwal:** So book to bill ratio is around four to five years.
- Yashwanti:** Okay. The second question is with regarding to our debt? Currently we have triple B plus rating so when it has been done and when we expect it to be done next how is process over there?
- Rahul Agarwal:** So post March results mostly we will have to go back to the rating agencies.
- Yashwanti:** Our debt to equity has come down so what is company's target going forward? Where do it seems to go down and how much time it will take?
- Rahul Agarwal:** See debt we have been reducing debt and now with the growth we target to not reduce debt that is drastically, but we would like to maintain the debt or even increase only working capital debt.
- Yashwanti:** I just wanted to know what is our current rate of interest on the long term loan?
- Rahul Agarwal:** Current rate of interest, our average rate of interest is around 11% to 11.5%.
- Yashwanti:** What is our working capital cycle?
- Rahul Agarwal:** Around four months.
- Yashwanti:** Four months and Sir if I may ask one more question? What is the outlook you would like to give going forward on our operating margins? Where are they headed?
- Rahul Agarwal:** So we would maintain similar margins around between 13% to 14% that range.
- Yashwanti:** So that is for Q4 or even going forward?
- Rahul Agarwal:** Going forward also we would like to maintain these margins.
- Yashwanti:** Thank you so much and I will join back in the queue. Thanks from answering my questions.

- Moderator:** Thank you. The next question is from line of Nikhil Malik from Whale Investments. Please go ahead.
- Nikhil Malik:** Sir my question is from slide 46 which is on the arbitration so can you give us some timeline when do we expect something for the next quarter or let us say FY2025?
- Rahul Agarwal:** So you are talking about the arbitration award.
- Nikhil Malik:** Which is in our favor?
- Rahul Agarwal:** Right so out of that there are some things which are under Vivaad Se Vishwas scheme so we expect some money to get realized from there and then post this is over, next year then we will start focusing on the court side also whatever is left.
- Nikhil Malik:** Okay but I mean do we have a timeline that in this quarter?
- Rahul Agarwal:** We expect by next year.
- Kavita Shirvaikar:** By March we expect around Rs.150 Crores to Rs.200 Crores to be realized and going forward next three to four years we expect...
- Rahul Agarwal:** To realize the balance funds.
- Nikhil Malik:** Okay and Sir my second question is actually I have been following the concalls and from the past one year or even more, I think we are talking about the land monetization? The whole year has passed out and I mean do we have anything concrete on the monetization part?
- Rahul Agarwal:** So this year there has been not much keen interest coming up for few land parcels which we are looking to sell. There are a few land parcels which as I said that we want to hold for valuation improvement in the future and there are other land parcels but being this year went into like we had some land parcels in Telangana. There were elections there so not things were moving much. Elections got completed in November so maybe after general elections everybody will be clear because we are looking at upfront cash. We are not looking at doing a transaction where we do some sharing and then we wait on that developer to give us money later.
- Nikhil Malik:** Right because Sir the opportunity cost is what we are paying as interest for the whole year, so I mean that is the opportunity cost we are paying so I think you are taking care of that?



**Rahul Agarwal:** Yes see the debt was never taken for real estate. It was only a plan to monetize real estate and reduce the debt but that is anyways being serviced from our normal operations.

**Kavita Shirvaikar:** So if you see our interest cost net to net as compared to last year, it has been reduced. Overall if you consider debt plus contracted ones, overall the liability has reduced.

**Rahul Agarwal:** Yes so we are reducing the interest obligations and the total amount payable which includes client advances and debt so that is happening from normal operations but in the past we have sold land parcels quite a bit to reduce the debt. Now whatever land parcels we have we will sell but we just do not want to sell at distress price.

**Nikhil Malik:** Right Sir. Thank you. That is all from my side.

**Moderator:** Thank you. The next question is from line of Ananyaa Swaminathan from C Square. Please go ahead.

**Ananyaa Swaminathan:** Thanks for the opportunity. We have seen good improvement in our net profit margin in Q3 and nine months as well so can we see this same improvement to continue going forward?

**Rahul Agarwal:** See our top line is improving and our interest cost have not been going up. In fact it has come down so yes in that sense that improvement will come.

**Ananyaa Swaminathan:** Okay all right Sir. Thank you.

**Moderator:** Thank you. The next question is from line of Dr Ashok Nyayadhish from HLL. Please go ahead.

**Dr Ashok Nyayadhish:** Thank you for the opportunity. My question is in the agenda of the today's meeting there was a point of raising funds by QIP what is the update on that?

**Rahul Agarwal:** So we are taking an enabling provision in the board because post elections, we expect lot of orders to come in and we may need funds to deploy for augmenting the working capital for these projects and hence we have taken an enabling provision and at the right time we will try to raise funds.

**Dr Ashok Nyayadhish:** So now no decision has been made on that point now is it?

**Rahul Agarwal:** So the decision is only made is that we have taken an enabling provision in the board that we may take it.

- Dr Ashok Nyayadhish:** And what would be the size of that QIP?
- Rahul Agarwal:** So we have up to Rs.500 Crores is what we have taken in the board.
- Dr Ashok Nyayadhish:** Okay will that reduce the interest cost on the overall debt?
- Rahul Agarwal:** Yes so it will help to reduce the overall cost because if for new projects we will not be required then to raise more for debt so it will be a combination.
- Dr Ashok Nyayadhish:** And my next question is what I see is very low promoter holding? Do you have any plans to increase the promoter holding?
- Rahul Agarwal:** The promoter holding is around 39.5% right now and promoter last year rights issue they had subscribed so right now there is no plans for promoter to increase the holding.
- Dr Ashok Nyayadhish:** Okay that is all from my side.
- Moderator:** Thank you. The next question is from line of Tejas Shah from Unique Stockbroke. Please go ahead.
- Tejas Shah:** The raising of funds and I think that you answered but if you can just share Rs.500 Crores is fine but what is the price that we are looking at? Anything above Rs.100 or any figure that you might have it in your mind? If I am going to raise funds at the right price and not at 40 to 50 something on those lines?
- Rahul Agarwal:** No obviously so that thing is decided. It will be based on whatever is the market pricing and guidelines for the pricing when we come up with the issue.
- Tejas Shah:** Okay fine and can you throw some light on the arbitration awards? I missed it? I do not know if somebody asked the same question? If you can throw some light on arbitration awards how much are we trying to get within this quarter and are we going to get more orders this quarter but being election year maybe because last time there was a talk the orders will get postponed after election only?
- Rahul Agarwal:** So we may get before that also, but we expect majority of the orders coming after elections only.
- Tejas Shah:** Okay after elections only. Okay thanks. Thank you. That is it from my side.



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- Moderator:** Thank you. The next question is from line of R K Khandelwal an Individual Investor. Please go ahead.
- R K Khandelwal:** Sir the profit of this quarter include Rs.52.88 Crores of arbitration award received whether this amount is actually received or only provided and if not received then what is the expected time to receive?
- Rahul Agarwal:** So this is for an arbitration award which we received in the last quarter, and we expect that that money will be received in the next year or so.
- R K Khandelwal:** Whether this award is final or subject to further appeal by other party?
- Rahul Agarwal:** Sir all arbitration awards is always the other party can put an appeal, but it is an international award, so I mean the history says that it is only a time process to realize the money.
- R K Khandelwal:** Thank you and now in exceptional item there is a loss of Rs.15.97 Crores is written of some project how this is exceptional because this may be of our routine matter and if this loss is arises whether this type of loss can arise further also if you can throw some light on this?
- Rahul Agarwal:** No actually. This is for a real estate project which we completed in Hyderabad. The project was a bit delayed, and the project got completed so whatever sold inventory is there on that we had to book losses.
- R K Khandelwal:** Whether this type of loss will continue in some other project also?
- Rahul Agarwal:** No we are not doing any other real estate development project. This is a one time exceptional loss only.
- R K Khandelwal:** Okay. All right. This is from my side. Thank you.
- Moderator:** Thank you. The next question is from line of Yashwanti from Kojin Finvest. Please go ahead.
- Yashwanti:** Thank you so much for the opportunity? Sir we have seen over the last two years like from FY2021 to FY2023 we have seen almost we have doubled our count for the employees and also the equipment base has increased? That is clearly an indication there are good order inflows which is happening at companies end so what has been the development for the first



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10 months of the FY2024? Have you added any staff or the talent on the board and how are the things happening at the company's end?

**Rahul Agarwal:** So see we have been growing. I mean a few years back our order book was almost half of what we have today so yes and accordingly we have been growing our employee base and equipment base also and we have to get ready to take the upcoming orders which are expected in the renewable energy sector where we operate so yes there are a lot of projects expected to come up and we are geared up to take them. That is why we have taken equipment and employee and everything so that we are ready to execute.

**Yashwanti:** Okay Sir and out of the Rs.19,000 plus Crores order book what was the net we have received in the current year?

**Rahul Agarwal:** So I think this year, we have got some LOAs of around Rs.3,700 odd Crores.

**Yashwanti:** The first 10 months we have received LOA of Rs.3700 Crores right Sir?

**Rahul Agarwal:** Rs.3700 Crores LOA letter of awards have come. There were some projects which were L1 earlier, but the award has come in this year.

**Yashwanti:** Okay and Sir can you please throw some light on our export endeavors? What are our international improvement and how are we moving and our strategies over there?

**Rahul Agarwal:** So international projects we are only executing couple of projects in Nepal yes and it is more of projects which are strategically important for India only because the energy will come to India like that.

**Yashwanti:** Okay so we are trying any other countries to expand our presence? Do we see any opportunities around?

**Rahul Agarwal:** There are barriers but yes we are right lot focusing on India only.

**Kavita Shirvaikar:** And based on the opportunity we may.

**Yashwanti:** Okay so what are our strategies to mitigate the risk coming in from the infrastructure projects?

**Rahul Agarwal:** The strategy is very clear that lot of projects are going to come up and we will take projects selectively. Obviously we cannot take everything and so we take handful of projects so that we keep growing at CAGR of around 15% at least.

**Yashwanti:** Okay so any steps has been taken like what we had done in the last year for exiting from the noncore business, so any such things are still existing in the business and are we doing anything on those business?

**Rahul Agarwal:** So whatever land bank and all we have, we will try to keep selling them and.

**Yashwanti:** Other than land bank or the noncore any other noncore business which we have?

**Rahul Agarwal:** I do not know. We are not doing any other non-core business currently.

**Yashwanti:** Okay so the monetization of the land bank will take another one year we can say one year also as the opportunity comes in?

**Rahul Agarwal:** Yes and not exactly one year because there are huge land parcels maybe two to three years but yes every year something, something will happen.

**Yashwanti:** Okay Sir what are your plans to reduce debt in the next financial year?

**Rahul Agarwal:** See if we have to grow at the pace which we are looking at so then if we are able to maintain this debt with the growth that is the first thing which we are looking at and as and when money get realized on arbitration awards and all then we will try to see if we can reduce the debt from that. Anyway term debt is around Rs.800 Crores which is to repaid.

**Kavita Shirvaikar:** Get repaid over the period of three to four years.

**Yashwanti:** Okay and what is your outlook for Q4? Will you be able to maintain the Q3 level?

**Rahul Agarwal:** You are talking about Q4. On a full year basis we have.

**Yashwanti:** Q4 of FY2024 as compared to the Q3 of FY2024?

**Rahul Agarwal:** See quarter-on-quarter it is very difficult to judge that way because our business is little seasonal that way. On an overall year basis we can say that we 15% to 20% whatever growth there till nine months, we will be able to maintain.



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- Yashwanti:** Okay and we expect the same growth momentum to continue even for FY2025 15% to 20% growth rate?
- Rahul Agarwal:** Yes 15% is something which we are looking at as we should be able to do.
- Yashwanti:** Okay Sir thank you so much.
- Moderator:** Thank you. The next question is from line of Chirag Shah from White Pine. Please go ahead.
- Chirag Shah:** Thanks for the opportunity. The first question there seems to be some pressure on margins both Y-o-Y as well as Q-o-Q so any specific thing to note or it is more driven by mix?
- Rahul Agarwal:** No it is only driven by the mix executed right now.
- Chirag Shah:** Okay second is if I have to ask you that at the beginning of the year versus today as compared to your expectation how is the order flow for yourself or as well as industry because you are aware that it is an election year, so you have been subdued in your expectations so is it on line or there has been significant slowdown from the government side on awarding orders?
- Rahul Agarwal:** See when being an election year yes it was expected to be subdued itself. We had expected that we could have received few more orders but then yes it is only a shift. It may happen after six months.
- Chirag Shah:** Yes and last question is as on date what is the contract that you have put a bid which you think will come up in the next 12 months or in next six months or say post-election six months so what is that pipeline that you have if you can just highlight indicate something on that side?
- Rahul Agarwal:** Sir pipeline wise I would say that almost Rs.2 lakh Crores of work is there in pipeline.
- Chirag Shah:** No that is for the industry you will not put everywhere right? Where you have already bid and you are expecting announcements? I am not asking future pipeline what we have already bid and which we expect what is that number if you can indicate?
- Rahul Agarwal:** I do not have that exact number, but we can give you that we are expecting our order book to grow at around 15% to 20% year on year for the next year.

- Chirag Shah:** Okay great. Thanks.
- Moderator:** Thank you. The next question is from line of Rakesh from Bhana Equity Advisors LLP. Please go ahead.
- Rakesh:** Sir I just wanted to ask one question? In other expenses I am seeing a Rs.71 Crores figure and year-on-year compared with this Rs.43 Crores so can I know the jump? Is it any one off over there?
- Rahul Agarwal:** You are talking about other expenses right.
- Rakesh:** Yes correct Sir?
- Rahul Agarwal:** No there is nothing one off as such. There is nothing one off as such. Yes it is all normal expenses only. Only the operations have improved so maybe that expense has come this year.
- Rakesh:** Okay thanks.
- Moderator:** Thank you. The next question is from line of Aashka Trivedi from Kedia Securities Private Limited. Please go ahead.
- Aashka Trivedi:** Sir my question is on the international arbitral tribunal award which we received so we have already like provided for Rs.55.2 Crores of the value and this is the partial final award as stated in the notification filed on December 30, 2023, so what is the full amount of the award we are expecting in this case?
- Rahul Agarwal:** See we do not have an exact value. What is remaining is award for the costs incurred and during the course of the arbitration so that may not be too much in quantum.
- Aashka Trivedi:** Okay so like because here it has been stated that equivalent to \$40.22 million as on February 2015 so does it have any relation with the leftover amount of the award or no?
- Rahul Agarwal:** No see \$40.2 million is what we got. Out of that so we had certain receivable from the subsidiary so after setting that off and cost of funding taken for the arbitration and any future cost to be incurred for enforcement of this award all that has been netted off by booking for this income of Rs.52 Crores.
- Aashka Trivedi:** Okay so Sir can we assume that we have received the majority part of this award?



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- Rahul Agarwal:** Money is not yet received.
- Kavita Shirvaikar:** This is just an award.
- Aashka Trivedi:** Yes I mean what we have provided for the majority part that is what I?
- Kavita Shirvaikar:** Right
- Aashka Trivedi:** Okay madam thank you so much.
- Moderator:** Thank you. The next question is from line of Rakesh Arora from Go India Ventures. Please go ahead.
- Rakesh Arora:** Thank you for the opportunity and congrats on a decent set of number? So I just had one question so what is your current bidding pipeline and are you expecting more order flow in the future so but currently how much we are bidding and how much bid capacity we are left with?
- Rahul Agarwal:** See in terms of bid capacity we have enough capacity to increase our order book by 15% to 20% in next year.
- Rakesh Arora:** Okay and what is your current bidding we have done in terms of size?
- Rahul Agarwal:** So see that is a continuous process. I do not have an exact number on that but yes I mean what we can say is that we are expecting our order book to grow by 15% to 20% from the current levels of the next year post execution.
- Rakesh Arora:** Okay yes thank you so much.
- Moderator:** Thank you. That was the last question. I would now like to hand the conference over to Ms. Vaishnavi Ambokar for closing comments.
- Vaishnavi Ambokar:** Thank you Tushar. Thank you everyone for joining the conference call of Patel Engineering Limited. If you have any queries you can write us at [research@kirinadvisors.com](mailto:research@kirinadvisors.com). Once again thank you everyone for joining the conference call.
- Moderator:** Thank you. On behalf of Kirin Advisors that concludes this conference. Thank you for joining us and you may now disconnect your lines.