“Desco Infratech Limited

H1 FY27 Earnings Conference Call”

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Moderator: Ladies and gentlemen, good day, and welcome to Desco Infratech Limited Earnings Call for Unaudited Financial Results of Half Year. 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 this conference call, please signal an operator by pressing star then zero on your touch-tone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Malhar Pankaj Desai. Thank you, and over to you, sir.

Malhar Pankaj Desai: Hi, thank you so much. Jai Shree Krishna first of all and very good afternoon to everyone. I extend a warm welcome to all of our shareholders, investors, analysts and participants joining us for Desco Infratech Limited H1 Financial Year '27 Earnings Call. First and foremost, I would like to thank each one of you for your continued trust and confidence in your company.

As a promoter and management, we understand that the trust of our shareholders comes with a significant responsibility and we remain committed to honoring that responsibility through transparent communication, disciplined execution and sustainable business growth. At Desco, we are focused on building an organization that creates long-term value rather than pursuing growth merely for short-term numbers.

Our priorities remain clear strengthening our core business, expanding our execution capabilities, diversifying into complementary infrastructure sectors and equally important, improving working capital efficiency and cash flow generation. We also understand that investors look beyond revenue growth and order book numbers.

The quality of earnings, timely cash flow conversion, execution capabilities and the strength of the balance sheet are equally important indicators of a company's long-term sustainability. These areas we remain conscious of and continue to work towards improving. As we move forward, our vision is to build Desco into a more diversified, financially disciplined.

And professionally managed infrastructure organization with multiple growth opportunities and reduced dependency on any single sector. During today's call, we will share an honest assessment of our financial performance, operational progress, challenges and the opportunities we see ahead.

We value our shareholders as our long-term partners in this journey. We believe that confidence is built not merely through words, but through consistent performance and delivery over time. During the first half of the current financial year, we have continued to focus on strengthening our execution capabilities, expanding our business presence, maintaining financial discipline.

And diversifying into promising infrastructure and energy-related opportunities. As you are aware, Desco Infratech Limited has been steadily expanding beyond its traditional city gas

distribution infrastructure business into power transmission distribution, solar EPC and emerging clean energy segments.

Our approach remains clear. We want to grow with discipline, execute projects efficiently, protect margins and create sustainable long-term value for our shareholders. The infrastructure and energy sectors continue to present significant opportunities. We believe that our experience in underground pipeline infrastructure, project execution and utility services gives us a strong foundation to participate in this growth.

During the previous financial year, we also took important strategic steps towards diversification through our presence in compressed biogas and the incorporation of Desco Global FZ-LLC in UAE. This initiative reflects our ambition to build a more diversified and a future-ready organization.

Our focus during H1 Financial year 27 has been on strengthening the foundation for the next phase of growth, while remaining mindful of project execution, working capital requirements and overall financial health. Before I take you through our H1 Financial year 27 performance and our roadmap for the future, I would request our Executive Director, Mr. Samarth Desai to share his perspective on the company's business performance, strategic priorities and growth opportunities. Thank you and Jai Shree Krishna. Samarth, it's over to you.

Samarth Desai: Thank you so much, Malhar bhai. Very good afternoon, everyone and thank you for joining today's Earnings call of your company, Desco Infratech Limited. Our journey continues to be guided by three important priorities that is robust execution, diversification and sustainable growth in line with the nation's interest.

Over the past few years, we have strengthened our capabilities in city gas distribution infrastructure and expanded into power distribution and solar EPC projects. These businesses complement one another and provide us with opportunities to participate and contribute in India's growing infrastructure and energy requirements.

Our core city gas distribution business continues to be an important pillar of the company. We remain focused on executing pipeline infrastructure projects, providing operation and maintenance services and strengthening relationships with our existing clients. At the same time our presence in power distribution and solar EPC allows us to broaden our project portfolio and participate in other essential infrastructure segments.

We believe that diversification is important, but it must be supported with execution capabilities, sound project selection and financial discipline. We are, therefore, conscious about the quality of the orders we accept and the returns that these projects can generate. Another important area of focus is our clean energy initiatives.

Through our investments and subsidiaries in the compressed biogas segment, we are working towards building capabilities beyond infrastructure execution and entering opportunities connected with the production of clean energy. We see this as a long-term strategic opportunity.

However, our priority remains to develop these businesses in a phased manner, with careful evaluation of capital requirements, operational readiness and commercial viability. Our international presence through Desco Global FZ-LLC also provides a platform to explore suitable infrastructure and energy-related opportunities in the Middle East.

We will approach these markets prudently, keeping in mind the prevailing business environment and the availability of the commercially viable projects. Going forward, we will continue to focus on: strengthening our core city gas distribution business, expanding our presence in power distribution and solar EPC, developing our compressed biogas and clean energy initiatives.

Exploring international EPC opportunities in the oil and gas pipeline infrastructure sector, leveraging our existing project execution capabilities and international presence through Desco Global FZ-LLC in the UAE, improving project execution and operational efficiency, maintaining margin discipline and strengthening working capital management.

We believe that the international oil and gas EPC segment offers very promising opportunities, particularly in pipeline infrastructure and associated utility projects. Through our UAE subsidiary, we aim to explore commercially viable opportunities in international markets, while leveraging our experience in underground pipeline infrastructure and project execution.

Our approach will remain measured and focused on building the right partnerships, evaluating project feasibility and ensuring disciplined execution. Our object is not simply to increase the size of the business. It is to build an organization that can scale responsibly, execute consistently and deliver sustainable value over the long term. With this, I would like to hand over to Mr. Malhar bhai for the financial performance overview for the half year ended 30th September 2026. Thank you so much. Over to you, Malhar bhai.

Malhar Pankaj Desai: Thank you, Samarth. Now, I would like to take you through the financial performance of your company for the half year ended 30 September, 2026. We are pleased to share the performance achieved during the first half of the financial year. The figures reflect our business activity during the period and we remain focused on building on performance in the coming quarters.

During half-year financial year '27, revenue from operations stood at INR 75 crores approximately as compared with INR 42 crores in H1 Financial year '26, representing a year-on-year growth of 78.52%. EBITDA stood at INR 14,60,00,000 as compared with INR 8,98,00,000 in the corresponding previous period, representing a year-on-year growth of 62.43%.

Profit after tax stood at INR 9,50,00,000 approximately as compared to INR 6,17,00,000 in H1 Financial year '26, representing a year-on-year growth of 54% approximately. EBITDA margin stood at 19.45% as compared with 21.38% in H1 Financial year '26. PAT margin 12.66% compared with 14.68% in H1 Financial year '26.

EPS at INR 12.38 per equity share as compared with INR 8.04 in H1 Financial year '26, representing a year-on-year growth of approximately 54%. Our debt-to-equity ratio stood at

0.45x as on 30 September 2026. Our tender pipeline as on date is INR 740 crores plus. Our order book as on date stands at INR 370 crores plus.

Our infra projects completed approximately INR 340 crores and project size capabilities now stand at INR 50 crores plus. These figures provide an overview of our financial performance during the first half. Our continued focus remains on profitable growth, efficient execution, cost management and prudent utilization of working capital.

Coming to our segment-wise performance, the city gas distribution segment contributed revenue of INR 49,67,00,000 with segment results of INR 10,15,00,000 during Financial year 26-27. The power distribution segment recorded revenue of INR 3,89,00,000 and segment results of INR 48,72,000.

General civil construction services contributed revenue of INR 21,47,00,000 with segment results of INR 3,52,00,000. Our compressed biogas segment is at an early stage of development and recorded a nominal loss of INR 5,09,000 during the period. Overall, this segment reflects our diversified business portfolio and our continued efforts to strengthen our presence across gas distribution, power infrastructure, general construction services and clean energy.

Business and operational performance. Our city gas distribution infrastructure business continues to be a key contributor to our operations. We remain focused on executing projects for our customers while maintaining quality standards and contractual timelines. Our power distribution and solar EPC business provide additional opportunities to diversify our revenue base.

As we expand in this segment, we will continue to assess project profitability, execution timelines and working capital requirements before taking up new projects. We are also working towards developing a clean energy presence through our compressed biogas initiatives.

This project represents a longer-term opportunity for the company and their contribution will depend on commissioning, operational performance, customer arrangements and the pace of capacity expansion. We believe that our diversified business model can help us build a stronger foundation for future growth.

Working capital and cash flows: As discussed during our previous earning calls, working capital management remains an important priority for the company. Infrastructure projects require expenditure at different stages of execution while billing, certification and bills collection take place in accordance with contractual milestones.

As the business grows, it becomes increasingly important to ensure that the growth in revenue is supported by efficient working capital utilization. We are continuing to focus on timely billing, follow-ups on certification of the completed work, collection efficiency and the appropriate use of available finance and invoice discounting facilities.

Our objective is to improve the conversion of operating performance into cash flow while maintaining the financial flexibility required to execute projects and support growth. We recognize that revenue growth alone is not sufficient. Sustainable growth must also be accompanied by healthy cash flow, disciplined capital allocation and an appropriate balance between debt and internal accruals.

Some highlights on margins and financial discipline: We remain conscious of the importance of maintaining margins while expanding our business. Our approach is not to pursue growth at any cost. We evaluate projects based on their commercial viability, execution requirements, customer profiles and expected returns.

Margins may vary across business segments and from quarter-to-quarter, depending on the project mix, execution schedules, material requirements and other operating factors. Our focus is to maintain discipline in project selection, strengthen execution efficiency and improve operational leverage as the business scales.

We will continue to evaluate financing requirements prudently and work towards optimizing our funding structure wherever commercially feasible. Now, looking ahead, we remain constructive about the opportunities available across CGD, power distribution and solar EPC and clean energy infrastructure.

India's continuing infrastructure development and expansion of energy networks provide a favorable long-term opportunity for companies with the ability to execute projects efficiently and maintain stronger customer relationships. Our long-term ambition remains to build Desco Infratech into a substantially larger and more diversified infrastructure and energy solutions company.

As discussed previously, the company has articulated an ambition of reaching INR 1,000 crores in revenue by Financial year 2030. This remains a long-term ambition and depends on the business opportunities, order inflows, execution capabilities, condition of the market and the company's financial health.

We will continue to pursue this objective through a combination of organic growth, diversification, execution excellence and prudent financial management. With this, I conclude the financial performance and would like to open the floor for questions and answers. Thank you for your time and attention.

Moderator: Thank you very much. We will now begin the question-and-answer session. Anyone who wishes to ask a question may press star and 1 on the touch-down telephone. If you wish to remove yourself from the question queue, you may press star and 2. Participants are requested to use handsets while asking a question. Ladies and gentlemen, we'll wait for a moment while the question is assembled. The first question is from the line of Bhavesh Saraiya from Bhavesh Saraiya & Company. Please go ahead.

Bhavesh Saraiya: Yes. What opportunities do you see in renewable energy and CBG. For the long-term sustainability we want to know from the stakeholders of the company what the vision is in this regard. Can you please elaborate?

Malhar Desai: Hello. I beg your pardon. The voice was not audible. Can you please pardon?

Bhavesh Saraiya: Yes. I can repeat the question, sir. What opportunities do you see in renewable energy and CBG for the long-term sustainability in the current environment? I want to know about these things. Can you please elaborate, sir?

Malhar Desai: Yes. Thank you so much Bhavesh ji for your valuable time. Now city gas distribution remains an important foundation of our business, but however we are consciously expanding ourselves into renewable sectors such as solar rooftop and PPA models and compressed biogas. We believe this diversification will provide additional growth revenue, will reduce dependency on any single business vertical and create a broader infrastructure platform.

Now when we speak about green energy and clean energy, the solar business remains the most essential business for the country coming up to 2030 as the vision derived by our Prime Minister, Mr. Modi sir. So, our business incentives are purely aligned with essential services that has been monitored closely by the government themselves and the nation's priority.

While CBG being an early entrant, we remain focused much more on the compressed biogas segment. Since this Middle East issue has arisen, the dependency on the import of RLNG and natural gas has impacted the supply chain.

So, likewise, I just mentioned that our business incentives are aligned with the nation's interest, this CBG business is going to be the next essential service considering long-term revenue growth and long-term value creation chain for each and every shareholders.

Bhavesh Saraiya: Thank you so much, sir, for a very detailed explanation. Am I permitted to ask another question?

Malhar Desai: Yes, sir, please.

Bhavesh Saraiya: Yes. We are seeing the financial statistics declared by the company. And I would like to congratulate the board for the very comprehensive growth in all respects of the financial performance of the company.

And regarding this, I would like to know how management will ensure better corporate governance as the company grows, because the growth is, I think, expected at a very high rate. And along with the same, to maintain corporate governance will be a big challenge. So, can you please explain your roadmap regarding the same, sir?

Malhar Desai: Thank you so much for appreciating the results, sir. Sir, our focus is expansion that is aligned with the opportunities emerging in India's infrastructure sector as well. We have been

strengthening our presence in city gas distribution while entering and expanding ourselves into power distribution, renewable energy, and allied infrastructure opportunities.

But however, we understand that expansion must be supported by adequate financial resources, experienced team members, and internal systems. We are focused to build an institution that can execute larger projects without compromising any financial discipline.

Recently also, we have some of the pioneers who are one of the pioneers and key members who has established the CGD network in the nation, Mr. Arun Kumar, who is an execution excellence guy, Mr. Shailesh Naik, who is the Independent Director, and Mr. Kalpesh Patel, who has recently joined the board. So, the company is focusing much more on getting the professionals on board to create better transparency and better execution efficiency.

Bhavesh Saraiya: Thank you, sir. I am very satisfied with your long-term plan, vision, and readiness on the subject. And I would like to wish you all the best for the comprehensive growth in the time coming ahead also. Thank you so much for giving me opportunity.

Malhar Desai: Thank you, sir.

Moderator: Thank you. The next question is from the line of Prafulla Salve, an Individual Investor. Please go ahead.

Prafulla Salve: Hi, Malhar and team. I hope I am audible.

Malhar Desai: Sir, can you please -- pardon? You are not audible.

Prafulla Salve: Okay. Can you hear me now?

Malhar Desai: Sir, can you please talk a little louder?

Prafulla Salve: Yes. I hope you can hear me now.

Malhar Desai: Yes. It is good now.

Prafulla Salve: Yes. First of all, congrats on the great set of numbers with regards to year-on-year, so first, congrats on that front. So, I have a few questions that I wanted to clarify. So first is, management had previously guided about 70% to 80% conservative growth on revenue front. But I see the September earnings don't show that much growth. So, should we expect in the next 6 months results the growth will be seen, or are there any other reasons?

Malhar Desai: Thank you for the question, sir. We remain focused on our projected financial year '27, revenue of approximately INR 190 crores to INR 200 crores. Our business has a natural execution cycle, sir, with a significant portion of project activity that concentrates much more in half-year, or in half-year 2, which has started now from October to March 31st.

We have an executable order book of approximately INR 384 crores at different stages of execution that is providing business visibility. The guidance is purely supported by our existing order book, ongoing execution, and the revenue pipeline. We will continue to monitor execution and billing progress very closely, sir.

Prafulla Salve: Okay. Thank you for the answer. And so, recently, the government has launched the GOBARDHAN scheme, and I think they have fixed the prices for CBG sale, and I think they are going to support financially to set up CBG plants. So, will this new scheme be helpful for Desco, specifically when we are going full force in CBG?

Malhar Desai: Definitely, sir. This new subsidy that has been enrolled in the central government, it is definitely going to benefit us moving forward considering the long-term growth. Since this subsidy is still in drafting phase in most of the states, and we are waiting for the government to declare the state-level subsidy, which will enable us to have some better profitability and long-term value creation moving forward.

Prafulla Salve: Okay. And last few questions with regards to the cash flow, sir. How are we doing on the cash flow front? Are we on track to make it positive, because there has been lot of concerns with regard to cash flow?

Malhar Desai: Sorry, sir. Last statement, I didn't get.

Prafulla Salve: Like, the operating cash flow front, there were lot of concerns previously raised. So, are we on track to…?

Malhar Desai: Yes. Fair enough. I got you, sir. We definitely understand the concern. The profitability and cash generation, basically, sir, these are two different, but equally important aspects towards any sort of business, sir. We have basically demonstrated growth in revenue and profitability.

The next priority is improving the quality of that growth through better working capital management and conversion of the cash. We want shareholders to judge us not only by our order book or gross revenue, but also by our ability to convert that growth into sustainable cash flow, sir.

Prafulla Salve: Okay. And the last question is regards to the UAE subsidiary and commercial sales of green hydrogen, how are we doing on that front?

Malhar Desai: Yes, sir. Our Dubai subsidiary due to this Middle East geopolitical issues, it got on hold as there were some tensions that were taking place in that precise geography. But now tenders have already been floated, and your company, Desco Infratech has -- Desco Infratech subsidiary, Desco Global has already participated in the tender with ADNOC.

So yes, I am waiting for the opportunity to open the price bid, and let's hope for the best that we even get that opportunity to work in Ras Al Khaimah moving forward in the next 2 to 3 months maximum.

Prafulla Salve: Okay. And on the commercialization of green hydrogen sale, is it too early, or is it still a concept, or because we had signed the MoU with…

Malhar Desai: No, sir. We are all set. The pilot project has already done. We already had a pilot project. We even had flared the compressed biogas for 60 days to see whether this monsoon weather makes any hindrance to run that plant or not. But it has done quite well, and calorific value, and 97% to 98% capacity has already been incurred. I hope before Diwali, we are definitely going to make this on the commercial.

Prafulla Salve: Okay. That's great.

Malhar Desai: So I am expecting before Diwali, we may open the valve and inject our compressed biogas to Adani Total Gas pipeline.

Prafulla Salve: Okay. That's great to hear. And the last question is with regards to the loan interest rate. I think previously we had taken loans from NBFC on higher interest rates, like 16% to 17%. And I think there was plan to basically realign the loans in the future with maximum interest rate below 10%. So, are we on track on that front?

Malhar Desai: Yes, sir. Actually, all those business loans that we took, we took in 2024 calendar year, and those are all about to get closed in 2027. So while calculating everything, the foreclosure charges and all, I think, it was getting a little bit heavier on us. So, we have decided to close that loan in 2027. So we have decided to close that loan in 2020 and we are expecting it to close by 15th of December maximum.

Prafulla Salve: Okay. And so, I've seen the recently loan limit has been increased to INR150 crores. So that will be financed on lower interest rate, or?

Malhar Desai: Sir, see, out of all these loans, we are having the cash bill discounting limits as well, trade payable limits as well, which we use to churn for 90 days. Those are just the term plans and which is going to be rare in our books. But all the business loans, we are definitely going to restructure by 15th of December maximum. It won't take much more time after 15th December 2027.

Prafulla Salve: Okay. And I see recently a lot of senior management hiring has begun, specifically Mr. Arun Kumar and Kalpesh Patel. So, what's the strategy behind this? So, is this more around execution, or is this around the vision of the founder of the company with regards to the target for FY30 of achieving INR1,000 crores revenue?

Malhar Desai: It is about better governance, which will drive the complete execution excellence moving forward to achieve our financial year 2030 target.

Prafulla Salve: Okay. Thank you, Malhar, for patiently answering all the questions. Wish you all the best…

Malhar Desai: Thank you so much for supporting us, sir.

Moderator: Thank you. The next question is from the line of Bhagwat from Prosperity Wealth Management Private Limited. Please go ahead.

Bhagwat: Thank you for the opportunity. Congratulations on the great H1 result. You commented about current year execution. So looking beyond FY27, how do you see FY28 in terms of revenue and margin trajectory over the next 3 years?

Malhar Desai: Sir, likewise I mentioned earlier that we are in line to achieve the numbers that were already committed by myself only in May '26. We are in line to achieve the paid number on the conservative basis. And giving you the forward outlook for another 3 years, we are moving as an infrastructure energy-mixed EPC company such as city gas distribution, power and transmission distribution, solar EPC solution, then, what we call, the water treatment plant.

So yes, moving forward, I am expecting margins to remain as it is. But if any geopolitical issue arises or any price rises abnormally, that might affect our margin little bit, as we know that Middle East issue has already taken place, but the margin has not substantially fallen much considering 3.5 decades of presence in the same industry, which gives us the extra benefit which is unseen.

Bhagwat: Okay. Thank you for the answer. If you could help us understand the margin apart from the CGD business segment-wise, if you could comment what sort of margin do we expect in other segments roughly?

Malhar Desai: Definitely, sir. I can give you the margins that can stay intact. CGD must to remain at a better margin than any other infrastructure business of ours. CGD might continue at approximately 12.5% to 13.5% on the conservative basis.

While solar EPC solutions, we being the new player into the same industry, but the cash conversion cycle in the renewable and clean energy sector gives us another distinct benefit of better cash conversion cycle. So, solar to remain at approximately 10%, 10.5%, or 11% maximum, while power transmission and distribution to remain at 11% to 12%.

Bhagwat: This, so you are talking about PAT margin?

Malhar Desai: Yes, sir, I am talking about PAT margin.

Bhagwat: Okay. This gives clarity. So my next question is, as we scale towards the FY30 target, so how do you expect the order book to grow over the next 2 to 3 years?

Malhar Desai: Sir, likewise I previously mentioned in my opening remarks, the tender pipeline is already INR740 crores plus. And the conversion ratio of ours is conservatively 30% to 40%. So, if we consider the INR250 crores to INR300 crores of the tender pipeline that gets award to us, we are definitely moving forward with the said guidance, because there are some other opportunities in UAE as well that we are definitely exploring, which is definitely going to convert into the cash very, very soon.

Bhagwat: Okay. Thank you so much. That clarifies. And thank you, and all the best for upcoming years.

Malhar Desai: Thank you, sir.

Moderator: Thank you. The next question is from the line of Brijal Rana from Bhavesh Saraiya & Co. Please go ahead.

Brijal Rana: Hello. Good afternoon, sir.

Malhar Desai: Yes, ma'am. Good afternoon.

Brijal Rana: Okay. My question is, how important are minority shareholders to promoters?

Malhar Desai: Ma'am, see, you just said how important the minority shareholders. For us, when I look back 18 months -- sorry. 24 months, there were only three shareholders, which used to be the promoters group only. And when I see today, we have 1,800 to 1,900 shareholders, which I consider at the top most priority of mine, because all these numbers have increased in our shareholding pattern, which is giving us the boost, which is giving us the morale, and which is making us see to the very broader picture.

So yes, a shareholder who is holding 100,000 shares or a shareholder who is holding one or 500 shares, they are equally important to the company and their promoter. So yes, there is no distinguish between any sort of shareholder minorities or majority. We consider every shareholder at our topmost priority. That's it, ma'am.

Brijal Rana: Okay, sir. I would like to ask another question. Is there any point of geopolitical actions in operations and distribution line?

Malhar Desai: Sorry ma'am, I peg you pardon.

Brijal Rana: Okay. Whether geopolitical actions of Middle East can affect Desco -- create tension for Desco?

Malhar Desai: Geopolitical, ma'am, we are actually, basically conscious of the geopolitical uncertainties that has taken place already in Middle East and their potential impact on crude-linked material prices, logistics, procurement costs. But at present, we are closely monitoring these developments. Our diversified project portfolio and domestic infrastructure focus provide some operational resilience. Nevertheless, we remain very much cautious about material price volatility and are taking procurement and execution decisions accordingly to the situation that is being arising.

Brijal Rana: Okay. Nice, sir. Okay, sir. Thank you for the opportunity. And those answers are satisfied. Thank you.

Malhar Desai: Thank you, ma'am.

Moderator: Thank you. The next question is from the line of CA Manish More, an Individual Investor. Please go ahead.

CA Manish More: First of all, congratulations on a great set of numbers. I just wanted to know one thing, is Desco transforming from a CGD contractor into a diversified EPC company?

Malhar Desai: Certainly, sir.

CA Manish More: Okay. And how confident are you about the future growth opportunities apart from the CGD sector?

Malhar Desai: Sir, we are mainly moving towards energy mix and associated infrastructure sector. And like – I'll beg your pardon, sir?

CA Manish More: I asked one thing that how confident are you about the future growth opportunity?

Malhar Desai: Sir, since I mentioned that we are into the essential services which is aligning with the nation's top priority, so you must have heard the news as well. Since April and May that in this current business of CGD, already with PNG drive has taken place, and in the geography in India, wherever the piped natural gas is available and if our citizens are not using piped natural gas, there has been a compulsion mandate has already taken place by the Ministry of Petroleum and Natural Gas through their PNGRB which is regulatory board.

If they won't taking the piped natural gas connection at their residence, their LPGs will be confiscated since it has become the nation's emergency as of today, because this Middle East issue has happened. And considering the other aspect, the other business mix, green energy, green energy is also by 2030, the target is 500 gigawatts, that is already been given by our Honorable Shri Prime Minister Modi ji, right? And thereafter, we are even into water infrastructure distribution segments. So, we are actively taking part and we are keen in participating into the nation's growth very actively.

CA Manish More: Okay, sir. Just one more thing. I was going through the balance sheet uploaded on BSE. There is general construction contributing INR21.47 crores. What is the significance of that?

Malhar Desai: Sir, it is basically the infrastructure business, it is basically the road business that we have already mentioned that we have already made.

CA Manish More: Can you just repeat what you said?

Malhar Desai: Hello?

CA Manish More: Hello? It is regarding the road construction business which we have entered into, right? That's what you said?

Malhar Desai: Road construction as in piling works and what we do in this solar industry as an EPC, like commissioning and installation, so we are into this piling work. We did the same in Maharashtra, in the boisar.

CA Manish More: Okay. And one last thing. Other current assets have increased significantly on the balance sheet. Is it a concern for investors?

Malhar Desai: Sir, certainly, it is not at all a concern for the investors. Like I just mentioned that PNG drive has begun and CGD has played the most important role during these 6 months. So, considering the nation's emergency and our participation into the same sector, we have executed state jobs, and certifications, billings, measurements already has started, and I am expecting it to be getting converted into cash in the next 45 to 60 days maximum.

CA Manish More: Okay. Thank you very much.

Malhar Desai: Thank you, sir.

Moderator: Thank you. Ladies and gentlemen, we will take that as the last question for the day. And now I would like to hand over the conference to Mr. Malhar Pankaj Desai for closing comments.

Malhar Desai: Thank you everyone for your valuable questions and for taking the time to participate in today's earnings call of your company. At your company, we remain focused on building a very stronger, more diversified, and more efficient organization.

Our priorities continue to be clear. Execute projects with discipline, maintain appropriate margins, improve working capital efficiency, and capitalize on the opportunities emerging across India's infrastructure and energy sectors.

We recognize the trust that our shareholders have placed in us. We also understand that sustainable value creation requires consistency, transparency, responsible decision-making, and a long-term perspective.

As we move forward, we will continue to strengthen our core business while carefully developing our presence in power distribution, solar EPC solutions, compressed biogas, and other promising infrastructure and clean energy opportunities.

Our long-term ambition is to build a company that grows not only in size, but also in execution capability, financial strength, governance standards, and stakeholder value. I would like to thank each of our shareholders, customers, business partners, employees, and vendors, and more likely our unskilled laborers for their continued trust and support. I would also like to reiterate our commitment to responsible growth and disciplined execution.

There is a simple principle that guides us. Growth is meaningful only when it is supported by strong execution, sound financial management, and the confidence of our stakeholders. As we continue this journey, we remain committed to contributing to India's infrastructure development and energy transition while creating sustainable long-term value for everyone associated with Desco Infratech Limited.

And last thing, my grandfather used to say that "We are not on a business; we are on a mission" to make India great and contribute the maximum to India and our India's interest in essential services. Once again, thanking each one of my shareholders. Thank you, and Jai Shree Krishna.

Moderator: Thank you. On behalf of Desco Infratech Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.