PSP Projects

Operator: Welcome to Bharat Connect Conference 2026 September edition. I welcome you all to the call of PSP Projects Ltd. Today, from management, we have Mr. Prahladbhai Patel, Chairman and Managing Director, and Mrs. Hetal Patel, CFO.

Before I hand over the call to management, I will explain the flow of the event. We will start with the opening remarks by management and then move on to the Q&A round. Participants who would like to ask questions can raise their hands or put their questions in the chat box. First, we will take questions from participants who have raised their hands and then move on to the chat box. If time permits, we will take the questions that I have received from clients who were unable to participate. Please note that we will take the last questions 5 minutes before the session ends. Without any further delay, I would like to hand over the call to management. Over to you.

Prahladbhai Patel – Chairman & Managing Director: Hello?

Operator: Yes, sir, you are audible.

Prahladbhai Patel – Chairman & Managing Director: Am I audible?

Operator: Yes, sir.

Prahladbhai Patel – Chairman & Managing Director: Okay. Thank you very much, and I welcome you all to this conference call of {? Arihant ?}.

Most of the things that we declared in the first quarter remain on the same lines. Therefore, I would not like to make any statement as of now regarding anything that we declared up to the first quarter. For any question related to business operations or our future vision, I would request everyone to start with the question-and-answer session because whatever we declared up to the first quarter remains the same, and whatever guidance we give for the whole year will also remain the same. If anybody wants to discuss anything related to the business, they can start with their questions. That is my point.

Operator: Sir, would you like to summarize the previous points for the participants?

Prahladbhai Patel – Chairman & Managing Director: As such, I do not have any data with me as of now. That is why I am saying that everything we declared in the first quarter remains the same, and everyone has the details regarding the results and whatever we declared in the first-quarter conference call. Therefore, if anyone wants to ask about operations and the future, they can start with their questions. That is my point.

Operator: Okay, sir. Fine. Participants who wish to ask questions can raise their hands, and I will queue you for answering your questions. The first question is from Smit Balani. Smit, you can speak now.

Smit Balani: Yes, hi. Good afternoon.

Prahladbhai Patel – Chairman & Managing Director: Yes, good afternoon.

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Smit Balani: My question is regarding our large order book. The majority of the orders are within one group, namely Adani Group projects. How should we think about the economic quality, meaning the margin profile, of these projects versus external orders?

Prahladbhai Patel – Chairman & Managing Director: As we have discussed previously, the margin profile of the non-Adani projects that we are executing will be in the range of 9-10%, while the projects that we are executing with Adani Group will be in the range of 7-7.5%.

Smit Balani: All right. Thank you, sir. All the best.

Prahladbhai Patel – Chairman & Managing Director: Thank you.

Operator: Participants who wish to ask questions can please raise their hands or put their questions in the Q&A. The next question is from Shravan Shah.

Shravan Shah: Hi, sir.

Prahladbhai Patel – Chairman & Managing Director: Hi, Shravan. How are you?

Shravan Shah: Fine, fine, sir. How are you?

Prahladbhai Patel – Chairman & Managing Director: I am good.

Shravan Shah: Regarding order inflow, after the first-quarter call, when we had an inflow of approximately 600 crores, have we received any further inflow from non-Adani or Adani Group projects?

Prahladbhai Patel – Chairman & Managing Director: There will be some orders that we will declare with the results for the second quarter. However, I am not able to give you the details of the figures today. There will be some order declarations at the end of the quarter for whatever we have received during this quarter.

Shravan Shah: Broadly, whatever our thought process was regarding an inflow of 5,000-6,000 crores, will that broadly remain the same?

Prahladbhai Patel – Chairman & Managing Director: Yes, absolutely. Throughout the year, it will be in the range of 5,000-6,000 crores.

Shravan Shah: Given what is happening at the geopolitical level, are we seeing any cost pressure at the ground level, or perhaps some improvement in labor availability, or is there a further shortage?

Prahladbhai Patel – Chairman & Managing Director: At present, we have more than 26,000 laborers, and we can still say that there will be a gap of 8-10% or 10-12% between the requirement and the actual availability. However, that depends on the sequence of the work and the monsoon season. Otherwise, we can say wholeheartedly that labor sufficiency has been fully managed. The remaining requirements will be covered in the third quarter. As such, we cannot say that there will be any pressure related to labor.

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As far as geopolitical concerns are concerned, I think there will be some cost impact on some projects, but not on all projects. For the Adani projects, there will not be any pressure from rate increases due to geopolitical issues. However, the non-Adani projects being executed by PSP, involving approximately 3,000, 500-odd crores of ongoing work, could face some impact, although it will also be marginal. We cannot say that the entire impact will be absorbed because some of it will be covered under escalation related to RBI. Beyond that, if there is an impact, we will have to bear it. However, it will be very marginal.

Shravan Shah: Okay. Regarding non-Adani projects, have we been looking at or participating in tenders where the bids are yet to be opened?

Prahladbhai Patel – Chairman & Managing Director: We have not participated in many tenders yet. I think we have quoted for one tender of approximately 500 crores in the state of Uttar Pradesh. The presentations have been made, but the results have not yet been declared.

There are also a few projects that are yet to come. They may be related to the Commonwealth Games or to an iconic project of the Municipal Corporation that is going to come up on {? Sindhu Bhavan Road ?}. We will participate in some large projects of more than 400-500 crores. However, we will not participate in government projects of 100-300 crores.

Shravan Shah: Okay. Have the Commonwealth tenders started?

Prahladbhai Patel – Chairman & Managing Director: No, not yet. Something is still happening at the government level, and we are actually not sure when the tenders will come. However, things have started moving at the government level because it is now a critical time for the government as well. If they do not conclude those matters by December, it will be difficult for contractors to complete the projects by 2030. Therefore, most probably, by the third quarter, we should be in a better position to understand how the government is proceeding with the Commonwealth projects.

Shravan Shah: Okay, thank you, sir, and all the best.

Prahladbhai Patel – Chairman & Managing Director: Thank you, Shravan.

Operator: Thank you, Shravan. The next question is from Chirag Shah. Chirag, you can speak now.

Chirag Shah: Thank you. I have a follow-up to the earlier participant's question regarding the Commonwealth Games. In the past, when the Commonwealth Games took place, or in similar situations, how quickly did the ramp-up happen from the government side? Ultimately, if the government is late, the ramp-up and execution requirements will have to be much faster. How should we think about the situation today in terms of their decision-making, order announcements, and the players winning the orders? How should we look at the timelines?

Prahladbhai Patel – Chairman & Managing Director: When we talk about such large projects coming from the government, projects such as stadiums costing 3,500 crores or 5,000 crores would obviously require a timeline of more than 2-3 years. It is now a critical time for the government as well, but we do not have any clear information regarding the government's position.

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This is my assumption, but before the end of the third quarter, they should be in a position to declare the tenders. By the end of December, they should be in a position to start the large projects that require a timeline of 2.5-3 years.

Chirag Shah: The projects in which we participate would also require a timeline of 2-2.5 years, or would they be projects with shorter timelines?

Prahladbhai Patel - Chairman & Managing Director: At present, we have not heard much about the scope. I have only heard about 2 tenders. One is for 2 stadiums, involving approximately 5,000 crores, and the other is for 1 stadium involving approximately 3,000 crores. If these 2 tenders come up as they have been discussed so far, they will require 2-3 years.

Chirag Shah: I am trying to understand what our scope of work would be. Assuming that the 5,000-crore and 3,000-crore stadium announcements happen soon, what would be our scope of work?

Prahladbhai Patel - Chairman & Managing Director: It would be an EPC project based on the intention that the project will come up as an EPC contract. Based on the intent given by the architects appointed by the Government of Gujarat, we would have to carry out the final execution from the foundation to the interiors, including civil, ME&P, and everything else, based on our detailed design and procurement.

Chirag Shah: So, basically, would this be a single-vendor project? Would only 1 company receive the order, or would the 5,000 crores be divided among 5-6 players, with each receiving 700-800 crores?

Prahladbhai Patel - Chairman & Managing Director: It depends. We still have to see how it develops. I should not say that the projects will definitely be worth 5,000 crores or 3,000 crores. In our previous discussions with the department, we heard that they would conclude on 1-2 stadiums as a package and 1 stadium separately, which would be the main Olympic stadium. That would be 3,000 crores, while the 2 slightly smaller stadiums would together be worth 5,000 crores.

It depends on whether all 3 stadiums come up as separate tenders or whether the 2 tenders are combined into 1 scope. The 2 smaller stadiums are coming up on the same campus, while the 3,000-crore stadium is coming up on another campus. There could therefore be a different thought process from the government because considerable time has already passed. We will have to see how the tender is issued.

Chirag Shah: For 1 tender, say for 1 stadium, whether the large one or the smaller one, there would be only 1 vendor, correct? Suppose PSP is the vendor; that is how it would work.

Prahladbhai Patel - Chairman & Managing Director: Based on the information we have heard so far, if it is a 5,000-crore package, it will be 1 tender, and if it is a 3,000-crore package, it will be awarded to 1 contractor.

Chirag Shah: There would then be subcontractors, and we are qualified to be the—

Prahladbhai Patel - Chairman & Managing Director: Being a subcontractor would be difficult to—

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Chirag Shah: No, I mean the main contractor may allocate work to someone else because of the timelines.

Prahladbhai Patel - Chairman & Managing Director: It is not necessary to subcontract all the work. It depends on the strategy of the contracting firm or the main principal contractor. As a principal contractor, we never subcontract all the activities. We subcontract work in parts. Civil and ME&P work is divided, fabrication is divided, we execute the civil work, and other vendor-based activities are carried out by OEMs. It depends on the company's strategy.

L&T sometimes outsources everything related to civil work and executes the remaining activities itself. Therefore, it depends on the strategy of the contracting firm.

Chirag Shah: If we win the project, or qualify for any one or all of these projects, depending on how they are structured, are we technically qualified to win the project?

Prahladbhai Patel - Chairman & Managing Director: Yes. However, we have not yet seen the complete PQ criteria. Until the PQ criteria reaches us, it is very difficult to say. As far as the government's requirement is concerned, I think they will require 2-3 large companies from across India. Since we are a player in Gujarat, we will also be given an opportunity to participate.

Chirag Shah: I will take this up later offline and come back during the Q&A. I have some more questions regarding exactly what we can do and what we would need to outsource. I just wanted to understand this point.

Prahladbhai Patel - Chairman & Managing Director: Okay.

Chirag Shah: Thank you.

Operator: Sir, if you wish to ask more questions, you can continue.

Chirag Shah: I have one last clarification. I am trying to understand which activities are our core capabilities and what kind of work we generally outsource. I am not asking about capability in general, because you are not expected to do everything on your own.

Prahladbhai Patel - Chairman & Managing Director: I understand your question. Out of the company's capabilities, we have our own capabilities to execute civil and ME&P work. As far as fabrication is concerned, when we talk about such stadiums, there will be a large quantity of fabrication and steel work. We usually give that to large—

Management: Companies like Interarch or Kirby. We have been doing 2 or 3 projects with Kirby for the last 1.5 years. Today also, we are executing large projects with them.

Most of the things that you want to understand regarding the fabrication part will be offloaded from the company's scope to large companies that can manage 5,000-10,000 tons of steel. For the remaining MEP work, we still have in-house capabilities. We have our own set of contractors who have been working with PSP for the last 10-12 years. They work as contractual partners of PSP.

For sports-related activities, such as track construction and the track chemicals that are required, the work is divided item by item. The surface has to be prepared by PSP, while the specialized

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surface treatment and creation are carried out by specialized agencies.

Chirag Shah: Okay. This is helpful. Thank you. I will come back.

Operator: Thank you, Chirag. There are now some questions in the question box. The first question is from Shubha. Shubha is asking whether the labor situation has improved over the quarters and whether the tenders for the Commonwealth Games are now being issued by the government.

Management: I think I have answered both questions. The labor situation is much better than in the first quarter. The government has already taken up the Commonwealth tender. We are still not sure, but we expect it to be concluded before the third quarter, within the timeline required to complete the Commonwealth projects.

Operator: The next question is from M K. He is asking whether any order-related activities have started for the Commonwealth Games and, if not, when they will start and how we are targeting them.

Management: I think that question has also been answered.

Operator: Next in the queue is Sunil Shah. He would like to ask a question.

Sunil Shah: I want to understand how our client breakup would look by FY28 in terms of the mix we are comfortable with. We will have 3 different segments: orders from Adani Group, non-Adani orders, and government orders. To ensure adequate diversification, what are management's thoughts regarding the percentage contribution from each segment so that we are not dependent on any one segment?

Management: The order book we currently have from Adani and the order book we have from non-Adani clients, which includes both private and government players, are in the range of 70-30 today. We would like to maintain the order book within that range. It can move to 25% or 35%, depending on the size of the projects we receive from the non-Adani group.

Otherwise, there is a large order book to come from the group itself. As we expand and multiply our capabilities by 2X from the level we have already reached over the last 1.5 years, the mix will depend on our capabilities. The first priority will always be Adani. At the same time, we will participate in all the large opportunities coming from the private sector or the government, such as the Commonwealth projects and specialized projects coming from the corporation, particularly in Ahmedabad.

At the group level, when we talk about Adani, we have always emphasized that we would like to maintain our presence in the market at approximately 30%.

Sunil Shah: Is it fair to say that Adani Realty is expanding and that if we monitor its growth plans, this could indirectly translate into our growth plans as well?

Management: As I have been saying for the last 1 month, the first right of refusal always comes to PSP when we talk about Ahmedabad and Mumbai. For any projects where we have the capabilities, or projects that we have already started and that are progressing on track, there will be a good

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opportunity to start a new project, whether it is related to realty, an airport, realty in Ahmedabad, or a project in Mundra.

As such, the order book capability-building responsibility lies with PSP. It is not about Adani giving us projects by choice. It is more about our choice to select the projects. They always insist that, at least in these 2 locations, we can grow to whatever level we want, and the group also wants us to be in a position to grow by 30-35% year on year.

Sunil Shah: Regarding airport construction, there is also ITD Cementation and {? Sempro ?}, in which Adani is also a stakeholder. How does the allocation between PSP and {? Sempro ?} projects work? Realty construction and residential projects are clearly areas where we are the undisputed choice, but how does it work for airport construction?

Management: Again, it depends on the size and timeline of the project. PSP has already been given a significant volume of work in Ahmedabad and Mumbai. We have just started work on Dharavi, where the project is at the foundation stage and the first tower has reached the ground floor. We have also started barricading and piling at Matunga. We have already started work on the MIAL office in Mumbai, which is at the piling stage.

All these projects are at a stage where we are trying to build our capabilities in Mumbai. In Ahmedabad, we have already strengthened ourselves through a large order book. The key point is our spare capacity and the point at which we can enter a large project.

If our main projects are streamlined over the next 4-5 months, there can be another large opportunity in Dharavi, Mumbai, for PSP. It develops as things move on the ground for different projects. Therefore, it is very difficult to say what ITD Cementation's or {? Sempro ?} India's scope will be, or what the scope of another contractor will be.

As far as Mumbai and Ahmedabad are concerned, I would say that PSP will be given the first priority and the right of first refusal.

They made a capex of, I think, 1.5 lakh crore last year and have a vision of 2 lakh crore this year. Even if PSP executes 5,000 crores this year and perhaps 6,000-7,000 crores next year, that would be a small portion of the overall capex that the group is planning.

Any contractor building itself to a different scale can grow by 30-40%, or a maximum of 50%. No single company can execute the entire requirement. It is about distributing the order book among different contractors that are capable of executing these types of projects and that also have geographical strength in those areas.

Since PSP has strength in Mumbai and Ahmedabad, we will be given that opportunity. However, building PSP to a level where the entire Adani capex is executed by PSP would be difficult because of the time and speed required. More contractors will need to come on board. The opportunities are good for PSP; that is the only point I am trying to make.

Building ourselves to 2X, 3X, or 4X within 3 years is also what we are envisaging. The Group Chairman is also envisaging that PSP should strengthen itself to 3X or 4X within the next 3-4 years. That is the pace at which we are moving, and that is the thought process between the 2 groups.

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To build the total order book, total capex, or total infrastructure that the Adani Group is developing across different sectors, including airports, energy, and realty, I would say that PSP has a stronger position in buildings. Geographically, we can strengthen ourselves in Ahmedabad, Gujarat, and Mumbai.

Sunil Shah: I really appreciate that. Your experience of 40 years will be put to the test over the next 4 years. I have personally visited Surat Diamond Bourse, one of the best infrastructure projects built by PSP. It is an outstanding project.

I want to understand the capabilities that we need to develop and how challenging that could be. The opportunity is tremendous, but coping with it will not be easy. It sounds simple to say that we will have an order book of 5,000–6,000 crores and 35% growth. Those are great numbers, but achieving them and building those capabilities will be challenging. How challenging will this be?

Management: Over the last 1 year, we have built up our technical strength from 1,500 to 2,500. We have developed each department to a different scale, keeping Adani's growth in mind. As far as top management is concerned, we have appointed some good people at the top management level. We are also going to appoint a CEO, who will join within a month or 2.

We are first trying to strengthen our processes and human resources, as well as our technological capabilities through the software we are implementing and the software on which we are already working. We now have to address every parameter where PSP needs to strengthen itself. It is not something that can be achieved in one step.

Anyone who wants to expand to a different scale needs to understand the quality of people required and the quality of technical capabilities needed. We also need to identify the small areas where we are falling short in terms of planning.

From now onward, I have personally appointed 4 MBA professionals who work directly under me and focus purely on the revenue function. The revenue coming from the sites is also calculated in terms of {? LPX ?}. The quantity multiplied by the rate becomes the revenue for that project.

Therefore, revenue, planning, procurement, and management are all controlled. We are now thinking about how to handle utilization and the areas where PSP was previously moving somewhat slowly, but at the required scale.

Today, we are handling approximately 40 projects from Adani and 35–40 projects from non-Adani clients. We have already expanded to a scale where we can easily cope with all these requirements as and when the clients require them.

To explain exactly how we are doing this, we are trying to develop every level where there may be gaps in the organization. Whether it is the HR department, the planning department, or the operations department, we are trying to build ourselves to a different scale and make every department accountable and responsible.

Previously, 1 or 2 people were handling 2 or 3 responsibilities. Now, I am defining different cluster heads and different project managers. We also have senior managers for smaller projects, who handle projects in the range of 100–150 crores.

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The company's overall thought process is aligned with the group's thought process. I personally believe that, with my experience of 40 years, I understand how to expand ourselves, how to manage things at the ground level, what failures we have seen over the last 1-2 years, and what mistakes PSP has made over the last few years.

Putting all these small things together can allow us to expand to whatever level we want. It is about management making people accountable and giving them ownership.

Sunil Shah: I really appreciate that. Your experience of 40 years will be put to the test over the next 4 years. Are there any role models of companies that we are trying to emulate, whether an Indian or global company that is a master of execution? Do you have any thoughts or vision regarding the kind of company we want to become?

Management: Any good contracting firm in India would always aspire to reach the level of L&T. As far as Indian culture and Indian processes are concerned, L&T is the best example, and everybody would like to reach that level.

The point is that we can utilize some of the models they have used to expand across India and later outside India as well. At present, the first priority is my experience and understanding of how to expand ourselves, the mistakes I have made, and what other companies are doing to execute projects on a larger scale.

Previously, we did not offload some small projects at different scales directly to different contractors as a whole. Now, when we are talking about small projects that are part of Adani, we can outsource the reinforcement and RCC work to them.

Things are going to change at every level, keeping Adani's vision and our strength in buildings in mind.

Management: Our thought process has changed regarding how to handle large projects, how to handle small projects, and how to handle MEP partners. Everything is well aligned and is proceeding in the direction and according to the thought process that I personally believe in.

I am confident that I have worked very hard over the last 1 year, mainly to improve our processes and the areas that were not under control. Now everything is calculated, right from revenue to the manpower requirements at the site. Everyone is aligned, from top management at the revenue level to the supervisor level, who understands how his scope of work is converted into revenue for the month.

Chirag Shah: Fine, sir. I really appreciate that. I have one small request. During the quarterly conference calls, if this aspect is highlighted apart from the numbers that everyone looks at, we would be very thankful if the things behind the numbers could also be shared.

Management: This time, we will clearly discuss the things we have done and developed. Whether it is at the BIM level, the Primavera level, or through the software that can help strengthen our processes, we will explain everything point by point.

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Today, I am speaking from the heart about what I have done over the past 6, 7, or 9 months. However, PSP is absolutely a process-driven company, not an owner-driven company, and people are taking responsibility and accountability. People are clearly told that if they do not want to take responsibility, there is no place for them in PSP now.

Chirag Shah: Absolutely, sir. All the best to Mr. Patel and everyone at PSP for the days ahead. Thank you very much for this candid discussion.

Management: Thank you. Thank you.

Operator: Chirag has some more questions. Chirag, you can speak.

Chirag Shah: Hello?

Management: Yes, Chirag.

Operator: Chirag, you can speak.

Chirag Shah: Am I audible now? Hello?

Operator: Yes, sir, yes, sir.

Chirag Shah: Sorry, I was on mute. I have another qualitative question. You have indicated earlier that over the last 1-1.5 years, you have put in a lot of effort to bring about changes in the way you and the company operate. Could you highlight the role Adani's central team has played in guiding you and bringing about certain changes, and how their role has evolved? They must be focusing on various areas, so what is the extent of their involvement today?

Management: Regarding Adani, as you have already said, they have to manage a large order book. They have also started discussing the conversion of projects into EPC or GC partnerships.

When we talk about partners, once the design is complete, the engagement of the contractors initially takes place directly during the design stage. Once the schematic design is complete, we are given complete freedom and the privilege to execute the project from schematic design through detailed design using our own resources and the consultants appointed by them.

Usually, in a project, everything is not 100% under the contractor's control. From the schematic design stage onward, it is 100% owned by the contractor. Therefore, the contractor can establish the processes properly at the ground level so that, before execution begins, there are no delays from the design side or from the company's decision-making side. Things move much faster than they did in the past.

This also relieves Adani of detailed project management responsibilities, where they were unable to manage the consultants properly. Some projects do not become operational or are not executed on time because of confusion between the client and the consultant.

Here, ownership has been transferred from the client to the contractor. Schematic design, detailed design, and execution all fall under the GC partner. This is the model on which Gautam sir and Adani Group are working.

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Their central procurement team is concerned only with major materials. All other matters are driven through calculations and are specified in the tender itself. Therefore, all contractors have the freedom to decide on their technology and procurement whenever required. The company also has a smooth flow of processes from construction management to finance.

Chirag Shah: I was referring more to the way PSP has been changing its approach. What role have they played regarding vision statements, upgrading technical capabilities, looking at human resources, and the roles they are playing now compared with the first 12 months?

Management: Previously, they also had many consultants working for them. More than 70 consultants would work for the group at one time. Managing all these 70 consultants with the people they had sometimes made it difficult to foresee the problems that were actually occurring or emerging on the ground.

Now, at the schematic design stage, the GC partner is also involved. During the transition from schematic design to detailed design, the partner is already involved. Therefore, if there are any lapses on the part of a consultant, the GC partner is given the privilege and authority to direct the consultant and speak directly with the senior management of the concerned department, whether at the CEO or GM level.

This allows things to move faster. In a single call, a problem that has been pending for 1 month can be processed.

Previously, they were involved only with the PMC and then with their own project management teams. Whenever something went wrong on the contractor's side, by the time it reached the client level, there were objections within the organization about whether the issue should be highlighted and whether it would reflect negatively on the internal project management team.

All such issues have now been reduced. Large companies have processes, and they also work with people who have different mindsets. Here, there is no longer any such ego issue. Responsibility has been given to the contractor. The contractor has to speak to the consultant, and if the problem is not resolved, the contractor can approach the top management directly at the CEO level.

That makes the process much easier. It also makes Adani's process easier because they have given the contractor full responsibility for design management and execution.

Chirag Shah: Okay. Thank you very much.

Operator: There is a question in the chat box from Shubh. He is asking whether we have any scope for redevelopment work at Motilal Nagar in Mumbai, which was won by the Adani Group.

Management: I am not able to hear you.

Operator: Am I audible now?

Management: Yes.

Operator: Shubh is asking whether we have any scope for redevelopment work at Motilal Nagar in Mumbai, which was won by the Adani Group.

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Management: Motilal Nagar is currently at the survey and design stage. Nothing has started on the ground as of now. Dharavi was, I think, signed in {? 2024 ?}, and the projects are now coming on the ground. In the same way, Motilal Nagar will also take some time before it actually starts on the ground.

Operator: Another question is: How has the quarter been affected by the monsoon? There was a rain deficit. Was there any slowdown in execution?

Management: Ahmedabad experienced very heavy rain 2 or 3 times, but each period lasted only 1 or 2 days. There was no continuous 1-month period of drizzle, which would have affected us more.

As I said, last year most of the projects were at the ground level. This time, we are somewhat fortunate because most of the projects are above ground. Therefore, there was not much impact. Only on the days when the monsoon was active was the exterior work stopped. Otherwise, things are much better for us than during the last monsoon.

Operator: The last question is from Hitesh. He is asking: Despite 70% of revenue coming from Adani Group, why have debtor days increased to 103 days from 78 days?

Management: Is Hetal ma'am there? I think Hetal ma'am has not joined, but I would like to answer this question in general.

Debtor days have not actually increased to such a drastic level. We have been able to improve them from the March quarter to the first quarter, and we will probably be in a better position from the second and third quarters.

As and when the projects are streamlined, the initial situation is that expenses are not converted into revenue when the project is at the foundation stage. Now things are much better under control. Therefore, debtor days will probably decline as the projects progress.

All these projects started almost at the same time. Some projects started at the LOI stage, but the SOs had not been completed. This caused some projects to enter the debtor period. Over time, we will be in a better position to reduce those numbers from {? 130 to 60 days ?}.

Operator: Hello?

Hitesh: Am I audible, sir?

Management: Hello? Yes.

Operator: Hitesh, you are not audible now. Sunil Shah also wants to ask a question. Sir, can you please— I asked, “Hitesh, are you there?” I removed that first, and in the meantime, I answered quickly. He is looking for it, so perhaps he is also in the chat. Sunil?

Sunil Shah: Mr. Patel, I have one thought and one question in that direction. If I try to understand Gautam Adani joining hands with PSP, is it fair to say that Adani Group, which has done a great deal of infrastructure development through Mundra Port, Adani Power, Adani Energy, and other businesses, is now operating at a scale where it wants to partner with a competent company such as PSP that understands its pace of work, operates at its speed, executes projects, and grows in the

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same direction?

Is it fair to think that way about PSP, and that the company is also gearing up to operate at that pace?

Management: Of course, you can have that understanding, and that is also Gautam sir's vision. Partnering with PSP was a thought process aimed at utilizing my wisdom and experience in project management.

The first and foremost thing that any large corporate wants to ensure is that all its projects proceed smoothly, that the processes are streamlined, and that construction progresses well. Through my inputs, our company's experience, and the way we have grown over the last 20 years as PSP, he was able to assess my capabilities and technical efficiency.

Putting all these factors together, PSP was already growing from 2017 onward. PSP has now been a listed company for almost 10 years, up to 2026. He was also aware of the management and the promoter group, and he understood that the 3 people working for the company were working very hard for it.

Therefore, he is very practical and positive about taking this company to a different scale within the next 3 years. At the same time, to fulfill his vision, we are also scaling ourselves up, putting all our energy into their projects, and simplifying their project management.

The most important aspect was to simplify project management. They are able to save a minimum of 4-6 months from the tendering stage to the stage at which a project reaches execution. Once the intent is approved at the group level, it can come for discussion at the PSP level on the next day, which can make things much faster on the ground.

He has therefore made a smart move by considering how to improve project management, how to evaluate project speed, and how to smoothen project challenges.

I think this is a very good way of thinking. PSP has a partnership with Adani. The other contractors that are now joining as GC partners also have arrangements, although these are not equity partnerships. The key question is how to satisfy a contractor in terms of project management and address the challenges a contractor faces in maintaining capex, working capital cycles, and operating cycles.

All these issues that we have discussed over the last 1 year are now being implemented for smooth operations at different sites.

Management: These include contractors that are also EPC partners, such as L&T, NCC, and Shapoorji.

Operator: I believe there are no further questions. Due to time constraints, we will have to close the call. Would you like to give any closing remarks?

Management: No, thank you very much. I think I have been able to give the best answers I could, and I have satisfied most of the analysts and investors. They have received the right message from

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my side. Thank you again to {? Arihant ?} for arranging this call.

Operator: Thank you, sir. On behalf of Arihant Capital, I would like to thank management and the participants for sparing their time and sharing insights about the company. If participants have any further questions, they can get in touch with the Arihant Capital team. Thank you very much, sir.

Management: Thank you. Thank you. Thank you all.

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

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