



WPIL Limited

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To
BSE Limited
PJ Towers,
Dalal Street,
Mumbai- 400001

REF: REGULATION 30 OF SEBI (LODR) REGULATIONS, 2015


Dear Sir,

With reference to above, enclosed herewith is a Transcript of Q1-FY26 Earnings Conference Call of the Company held on August 05, 2025.

Thanking you.

Yours Faithfully,

FOR WPIL LIMITED


[K.K. GANERIWALA]
EXECUTIVE DIRECTOR

**KRISHNA
KUMAR
GANERIWALA**

Digitally signed by
KRISHNA KUMAR
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“WPIL Limited
Q1 FY26 Earnings Conference Call”
August 05, 2025



MANAGEMENT: **MR. PRAKASH AGARWAL – MANAGING DIRECTOR –
WPIL LIMITED**
**MR. KRISHNA KUMAR GAINERWALA – EXECUTIVE
DIRECTOR – WPIL LIMITED**

MODERATOR: **MR. RONAK OTHWAL – ARIHANT CAPITAL MARKET
LIMITED**

Moderator: Ladies and gentlemen, good day, and welcome to the WPIL Limited Q1 FY '26 Earnings Conference Call hosted by Arihant Capital Markets Limited. 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 star then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. [Ronak Ostwal 0:00:33]. Thank you, and over to you, sir.

Ronak Ostwal: Hello and good day, good evening to everyone. On behalf of Arihant Capital Market Limited, I thank you all for joining into quarter Q1 FY 26 Earnings Conference of WPIL. So on the management, so we have to Prakash Agarwal, Managing Director of the company; Mr. Krishna Kumar Ganeriwala, Executive Director of the company.

So without any further delay, I mean now hand over the Prakash Agarwal for his opening remarks. Over to you, sir.

Prakash Agarwal: Thank you and good evening, everyone. It is a pleasure to welcome you all to our earnings conference call for the first quarter of financial year 2026. Let me first take you through the financial performance of the company, followed by the operational highlights. For the quarter under review, consolidated revenues from operations stood at INR379 crores in an increase of 4% year-on-year. EBITDA was INR49 crores, which declined by 18% year-on-year with EBITDA margins for the quarter at 13%. Profit after tax amounted to INR26 crores.

On a standalone basis, revenue stood at INR181 crores, a decline by 24% year-on-year, while EBITDA stood at INR28 crores and EBITDA margins at 15.62%. Net profit stood at INR19 crores. The product division maintained its growth momentum, delivering revenues of INR65 crores compared to INR55 crores in the first quarter FY '25. We also achieved the highest ever product order booking in the first quarter of INR139 crores which has grown our order backlog to INR411 crores.

Product and market development continues to gain further momentum across all sectors. We're seeing a strong inquiry pipeline, especially in the power and irrigation sectors and have received new orders from the Navy for new vessels, further expanding our product range in naval applications.

The record order intake this quarter came across sectors with large orders in irrigation and port sector supported by international drainage orders. The domestic project business remained constrained due to sectorial challenges with revenues at INR116 crores compared to INR184 crores in Q1 FY '25. Our main focus remains on project completion, which is progressing well.

On a positive note, four projects have started O&M this year and another four are expected to be commissioned by the end of the year. The payment situation is slowly improving and we expect improvement in the water sector in the second half of the year as the Jal Jeevan issues are resolved and fresh tenders are expected for both rural and urban water sector.

The international business. Revenues increased to INR197 crores compared to INR126 crores in Q1 FY '25 driven by the strength of our new acquisitions. Margins were affected by transaction and legacy costs in the first quarter, but are expected to improve and normalize through the year.

Gruppo Aturia and MISA are both operating with strong order books and expected to regain growth momentum this year. Gruppo Aturia had a strong order intake in Q1, particularly from the irrigation and water sectors in the MENA region. It has also commissioned its large pump test facility during the quarter with supply of large flow pumps to the Italian government. WPIL South Africa has strengthened its position in the country's water sector, supplying the largest pumps for the Zuikerbosch Pumping Station.

PCI Africa starts this year with a record order book with strong traction in the Eastern Cape wastewater sector and a robust pipeline across both water and wastewater segments. Eigenbau also begins the year with a strong order book and is expected to ramp up revenues supported by good orders from Nigeria.

Meanwhile, MISA Italy it has been working through legacy contracts and is now actively rebuilding client relationships, which augurs well for future growth. Sterling Pumps Australia operation remained stable with improving profitability supported by higher margins and a better cost structure.

Lastly, WPIL Thailand continues to expand in the large drainage sector, which is aligned with the government -- high government's focus on this sector. Now I'd like to take your questions.

Moderator:

Thank you very much. We will now begin the question and answer session. We take the first question from the line of Deepak Purswani from Swan Investments. Please proceed.

Deepak Purswani:

Yes. Sir, firstly, I wanted to check it out. You mentioned about issue regarding the JJM has been resolved. If you can throw some more light in terms of how we've seen the payment processing at this point of time and whether the receivable cycle has now normalized, and how is the billing is shaping up in these kind of projects at the current juncture?

And second part of the question is on the opportunity pipeline, which you -- I mean, there is -- you also mentioned that there is an encouraging pipeline for these projects. If you can give broader sense on that part as that would be really helpful. That is my first question?

Prakash Agarwal:

So regarding the JJM, the JJM projects are being reviewed in the first quarter since the budget announcement. The government set up a committee to review the JJM schemes and future financing. Apparently, the review has been conducted and the final report submitted, and we expect a clear direction going forward.

But I think it will be on a positive note, and we expect the results of this review to start giving - - taking shape from second half of the year. Some payments have been released, and we expect the major chunk of payments to be released shortly also as this review has been conducted.

Hopefully, there is the ambiguity has gone and we will have a prior picture in the second half of the year. The tender pipeline has been slow and is expected to pick up post this review. So again, from the second half. There were a lot of work to be done in the Jal Jeevan mission also and in the urban sector. So we should see a good inquiry pipeline.

Deepak Purswani: So from the execution point of view, how should we see this year as a whole for Project division? Would it be better than last year this year or there would be still some sluggishness as throughout this year also?

Prakash Agarwal: It should be at the same level as last year or a bit improved this year because -- as the cash flow situation improves, going forward. We are focused on our project execution because we want to complete them contractually and also move into O&M. It's -- the challenge remains for newer contracts as the landscape becomes clearer. But for this year, there is no challenge.

Deepak Purswani: Okay. And sir, second part of the question is on the -- you also mentioned that we are looking at some opportunity from the Navy side of the business on the pumping business. If you can give a broader sense on this, what are the size of the project, which we are looking at out and what would be the typical education cycle for the project? And what would be the kind of margin that you would enjoy next 3 to 4 years?

Prakash Agarwal: The Indian Navy has taken up a large plan to modernize and to a large manufacturing plant for a number of vessels over the next 50 years. So we have been aligning ourselves with the Navy's needs and getting our products approved. And also vessels are coming into manufacturing, we should see a good amount of business increasing the trajectory going forward. But what we want to say is that we are increasing our product range and that will place us well to exploit the opportunity in the sector.

Deepak Purswani: Okay. And just last part of my question is on the -- any update on the South African acquisition? I mean if you can give a broader sense, what is the currently revenue at date we should expect from South African acquisition and what is the order book at this point of time we have and whether the acquisition process is consolidated or how should we see entirety?

Prakash Agarwal: [inaudible 0:09:54] the presentation, we have now split up into two parts. If you see that we are making the product division, which has got India domestic and international. And in that, you will see the Q1 performance was INR141 crores revenue in international and INR65 crores in domestic. So it's a two-third, one-third ratio and the order backlog for products was about 1,053 for products.

This is, again, 411 in domestic and 642 international. Similarly, in projects now, we have shown that the revenues for Q1 were INR116 crores in domestic and INR56.6 crores from international primarily from South Africa and the order backlog is INR3,200 crores, INR2,260 crores is from domestic and the balance is from international.

So you can see that there is a shift towards -- we are now in the project business, we are getting to a ratio of about -- already this year, it was 75%, 25%, 75% domestically, 25% international. And we are targeting to bring this to 60%, 40%. That means domestic 60% and 40% on International. The order book, if you see, is in the similar lines.

- Deepak Purswani:** Okay. And on an annualized basis?
- Prakash Agarwal:** So on an annualized basis, you can assume the same picture. You will -- so this is -- I think the picture will evolve, but you will see that our revenue this year is INR197 crores from overseas and INR181 crores from domestic. I think this ratio of 50-50 will be maintained throughout the year. So the overseas will jump to meet these targets.
- Deepak Purswani:** And all the consolidation for the acquisition has been already completed in this quarter in South Africa?
- Prakash Agarwal:** Yes. That's the thing. So we had a lot of challenges this quarter because, say, PCI Africa, we consolidated already for 1 month because the transaction completed in May. Similarly, there were some transaction in legacy costs in the Eigenbau, MISA and PCI. So all are completed now, and now we see good traction going forward for the rest of the year.
- Moderator:** The next question is from the line of Ravi Naredi from Naredi Investments. Please proceed.
- Ravi Naredi:** Thank you, Prakash ji, to give the opportunity to me. This is -- our top line is same, but bottom line is down heavily in this quarter. So any specific reason as I join call late, so if you already replied I feel sorry?
- Prakash Agarwal:** So I think there is no reason. I think it is -- as we have explained, 1 of the issues is that the overseas operation is now a significant part of the revenue. For example, it is INR197 crores and INR181 crores is domestic. The overseas EBITDA for this quarter came down to 11%. Our typical is between 16% to 20%?
- So this has happened because there were some costs in the first quarter, and the revenues are -- were not aligned. So as the acquisitions are now consolidated smoothly, we should see this improving. And by the year-end, we expect to go back to our normalized level EBITDA levels. I think the [inaudible 0:14:09] because of the transaction.
- Ravi Naredi:** Okay. And sir, due to heavy rains this year in India, how we see some division in 9 months?
- Prakash Agarwal:** I think as we have mentioned, the product business is very strong. We see very good outlook, the order book being at record levels and projects we are really -- yes, the rains have affected a bit of construction for us, but we want to see more clarity on these Jal Jeevan and AMRUT schemes, which we should see in the second half of the year. So we are very optimistic about the second half of the year.
- Moderator:** Thank you. The next question is from the line of Saket Kapoor from Kapoor and Company.
- Saket Kapoor:** Sir, firstly, if you could just give what are the receivables from the Jal Jeevan as on the closing balance of March 25. And as on date, how much is the closing balance. And what quantum of work have you executed for this quarter?
- Prakash Agarwal:** So we don't have it clearly as far as Jal Jeevan itself is concerned, but our -- we received some funds in the month of July itself. So that is quite very positive. And we see this further traction

improving in August and September. So we see a positive movement in the outstanding going down. And we are focused on completion.

So our projects are significantly advanced now. We are at most of our -- all the projects are at 60%, 70%, 80% completion. So we are into completing them and putting them into O&M. But we don't see problems regarding the existing projects. And we see the cash flows are stabilizing in this quarter itself.

And we are concerned a bit about the outlook for the sector, the domestic sector. However, we -- with the policy statements we see, that also should be optimistic in the second half. But as a company, as you can see, we took a very important stand to de-risk ourselves, and we built up a good project business in international project business, which today will be 40% of our project revenues, which will de-risk our business model.

Saket Kapoor: If I remember correctly, something around INR400 crores to INR500 crores were the receivables. Can you give a ballpark number and also the July number, just to understand the raise of funds because across the board for Jal Jeevan, whether it is EPC players, whether it is product player, everybody are the same of the same view, that funds have been stuck and the receivables are mounting up. So if you could just give some color? And secondly, on this order book position, what is the executable period for the project part, sir, I think so the closing order book 2,200 I think 3,200 is there. Out of the 2,260?

Prakash Agarwal: You are right, 2,260 is our domestic business, in which we have approximately 1,750 of construction contracts and the typical time frame would be -- so you can see we have still got two years order book at a revenue of INR800 crores.

Saket Kapoor: Okay. And for international part?

Prakash Agarwal: The payments we have received, payments in April and in July. So our outstanding as a company has come down by, say, 25% to 30%. So we are quite positive that this situation will further improve and we are not as distressed as we were in feeling in March.

Saket Kapoor: And sir, for the international order book, what is the execution -- what is the executable period for INR940 crores?

Prakash Agarwal: The approximately, you can take that you're looking at there is a bit slower because the projects are a bit longer between, say, 2.5 years, it's about 2.5-year order book, 2.5 to 3 years. But a lot of new contracts are also in the pipeline there. So very, very positive. The international order book gives us great confidence.

Saket Kapoor: Any color on the bid pipeline, sir, you can give on the international...

Prakash Agarwal: International, bid pipeline. A lot of projects are in LOI stage, which we will be reporting soon. The domestic bid pipeline is quite disturbing.

Saket Kapoor: Yes. Any numbers you can share for intervention, just to get a gauge what where are we present and what is our win ratio?

- Prakash Agarwal:** I think the win ratio is quite high and significant because our companies are very strong in their sectors and in their markets. I think we will come with more clear definition as the quarters go by. But as of today, you can see that we have INR940 crores order book there and a good amount of LOIs in the pipeline. So you should see good order booking and revenues down the line.
- Saket Kapoor:** Sir, a small point on the margins, I think so to the earlier participant, you did mention that going forward, we will be returning to our EBITDA margin will go to be, I think, 15% to 18% was there should be the number we should look. This quarter was lower at 16%, I think so. No, lower than that. It was slightly lower than that?
- Prakash Agarwal:** So domestic was 15%, 15.1% which will go because again, the first quarter is a bit erratic. And I think we will be in the higher range between 15% to 20% as we normally are. We don't see any concerns on margin.
- Saket Kapoor:** And the consol part?
- Prakash Agarwal:** International fell to 11% because of certain one-off costs, which will get normalized in the balance three quarters.
- Saket Kapoor:** So a year as a whole, sir, on a consolidated basis, what should be the EBITDA margin for both the division taken together? What should we be a ballpark?
- Prakash Agarwal:** Same or improved from previous years.
- Saket Kapoor:** Okay. And on the incremental volume, sir, what should we anticipate since only we are in the 3 months into the year in fact, 4.5 months into the year, but still on what top line we did last year, what should be the growth should be or the incremental execution scale should be for the current financial year?
- Prakash Agarwal:** We will see a good amount of traction in the international operation, you can take the first quarter as a guideline there.
- Saket Kapoor:** Both in the product and the project business.
- Prakash Agarwal:** Yes. The first quarter is a good guideline. We are very happy with the numbers we achieved in the June quarter as far as revenues are concerned, and this should be the guide for the rest of the year.
- Saket Kapoor:** You are alluding to the product division or the project part or both or the International?
- Prakash Agarwal:** Product project International all combined them.
- Saket Kapoor:** The international...
- Prakash Agarwal:** The international product and project that revenue has jumped up to 197 from 120. So I think this growth should be maintained throughout the year.

- Saket Kapoor:** Okay. And lastly, sir, on the MSP listing part, I think, to investors and the analyst community were hoping for some retraction on the NSE listing of our stock going ahead. So any thought process or are we in the process of doing the necessary to get our unlisted?
- Prakash Agarwal:** Actually, it wasn't a priority for us. We were really focused on stabilizing and consolidating our business. As the year goes by, we will again look into this. We had -- so it's not been a priority for us.
- Saket Kapoor:** Okay. Kindly sir prioritize it, I think so the type of investor base and the segment where we are, NSE provides bigger landscape than BSE, sir? So kindly look into?
- Prakash Agarwal:** My point was that we had quite a concerning period through the last 1 year. So we have been -- we had a period of change where we were dealing with this Indian project cash flow challenge and growing the international business with, I think, very good acquisitions. So that has taken up some time. And we will now go back to relooking at this.
- Saket Kapoor:** Two small points. Sir, what is our net cash on the books currently or what is the cash and debt number, if you could share?
- Prakash Agarwal:** Can I come back to this point later?
- Saket Kapoor:** Yes, sir. And one more request, sir. Our presentations are uploaded with 15 or 18 minutes before the call commence. So either of the same, either a call can be shifted by 40, 45 minutes so that we can go through the content?
- Prakash Agarwal:** I think we will try to keep it at 5:30, because we are seeing our Board meeting is taking a bit longer we will put at 5:30.
- Saket Kapoor:** Yes, sir. So many questions, repetitive questions we can overcome the same sir.
- Prakash Agarwal:** Thank you for your suggestion 5:30 will be the time.
- Saket Kapoor:** Okay, sir. I will join the queue for my follow-up and I hope that we gain traction. But sir, Q2 will be, I think, so on the execution scale, would be lower because of the monsoon impact or the catch-up would be there from the international order book execution?
- Prakash Agarwal:** I think the international traction will pick up. As I mentioned, we just have one month performance from PCI Africa which is a very significant contributor to our revenues and same with all our international businesses, they pick up in the second half of the year. So third -- our second and third quarter is their peak period. Especially the quarter is very big for them.
- Saket Kapoor:** Okay. So the contribution would be much higher than what it has been?
- Prakash Agarwal:** Yes.
- Saket Kapoor:** Okay. Sir, I just wait for the debt and cash number, and I join the queue again, sir.

Moderator: The next question is from the line of Vineeth Lambu from HSBC Asset Management. Please proceed.

Vineeth Lambu: So out of this INR2,200 crores, what would be the OEM O&M order book, sir?

Prakash Agarwal: About INR530.

Vineeth Lambu: So in fact, we haven't won any orders this quarter, right?

Prakash Agarwal: So no, we've got some is, but no order wins for quite some time now.

Vineeth Lambu: Okay. And about the receivables, I don't know, I have heard the number, if you have any number quarter?

Prakash Agarwal: Well, receivables are improving. It has peaked in March, and we received payments in April, May, June, July. And so by July, we are in a better position by 25%, 30%, it has gone down.

Vineeth Lambu: And further it is expected to improve in August?

Prakash Agarwal: Yes, of course.

Vineeth Lambu: So the -- right now, so the only problem is from the project win perspective, this is mainly because of the competing?

Prakash Agarwal: So this should also help our interest costs to reduce going forward, which has affected our PAT. And the only problem is that though we are optimistic because this being a policy issue, when the projects are restarted, they will be done with the bank. So hopefully, we'll be able to rebuild our order book. So second half?

Vineeth Lambu: The other thing is other expenses have increased by 30% to 40% in the range of 30% to 40%. This is mainly because of the one-off costs in the international acquisition?

Prakash Agarwal: Yes, we have -- you see the international acquisitions have taken place. Their cost structure has merged with us, but the revenues will -- it's -- our businesses are quite cyclical. So a year is a better way to look at it. We can host our project revenues. So you will see it as a year, it will be -- the margins will improve and normalize.

Vineeth Lambu: So it will take another one quarter, two quarter or from second quarter this margins?

Prakash Agarwal: It will start from second quarter. The first quarter, as I mentioned, only one month, we got because of the acquisitions.

Vineeth Lambu: So this 11% of the international margins would go back to 15%?

Prakash Agarwal: Yes, that will improve.

Vineeth Lambu: Margins will not be a problem. Quarter 2 as usual because of the rains and all would be a telco, right?

- Prakash Agarwal:** So as the international segment will be strong, they are not affected by rates.
- Moderator:** The next question is from the line of Deepak Purswani from Swan Investments. I would request Mr. Deepak to unmute themselves and then speak.
- Deepak Purswani:** I wanted to see a little more clarity on the international project part of the business. If you can give some a little more clarity on all three acquisition, what was your annual revenue at least for the last fiscal year? For example, PCI, Africa, what was the last supplier number and MISA Italy and Eigenbau acquisition, what was the annual revenue?
- And how should we see the consolidation in this year probably PCI Africa would be -- getting consolidated only for the 10 months, right.
- Deepak Purswani:** And the rest of the remaining two acquisitions would be for the 12 months?
- Prakash Agarwal:** Full year, for the 12 months.
- Deepak Purswani:** Okay. Sir, can you please give the entity-wise revenues for the last fiscal year?
- Prakash Agarwal:** Approximate revenues, I had indicated in my previous investor presentation. If you check it out, you can see it. I don't have it with me now, but in March, I had indicated. Approximately, I think, INR400 crores, something like that.
- Deepak Purswani:** Okay. Okay. And on the margin profile front for this project part of the business, in the international division, we expect that will also come back to the -- I mean, India part of the business, that would be close to the 15% to 20% kind of range which we have been maintaining.
- Prakash Agarwal:** Yes. Yes. Absolutely.
- Deepak Purswani:** Okay. And sir, what was the one-off cost for this quarter? What was the amount?
- Prakash Agarwal:** Sorry?
- Deepak Purswani:** This quarter there was some one-off costs related to acquisition. What was the amount?
- Prakash Agarwal:** No. It's different types of -- one is currency loss, which is an M2M transaction. Some are some legacy contract which we had in the company, like MISA, which we had to bear. So, it's difficult to do, but you can assume that that has affected this margin, which is at a lower level right now.
- Deepak Purswani:** Okay. And then, sir, finally, on the project part of the business, last year, in the domestic side, we did somewhere close to INR860 odd crores. This year, roughly INR900 odd crores and then INR400 crores, kind of this international part of the business. Would that be the fair assessment in terms of the revenue for FY '26?
- Prakash Agarwal:** I don't want to give that figure. What I want to say is that the overseas business, as you can see this quarter, it has jumped from INR120 crores to nearly INR200 crores. This gives a good outline that the overseas will now be about 50% of our business. The domestic business, as I mentioned, the product is very strong and should keep up the growth. And the project, we are

confident of completing the contracts. However, it is subject to the scenario. We are optimistic, but it is still subject to the scenario.

Deepak Purswani: Okay. Okay. And sir, on the product side of the business, how should we see the growth trajectory in each domestic and international business? If you can give broader color or sense for that kind of business as well, please?

Prakash Agarwal: I think the product side is very strong and the international project side is very strong. The product -- domestic has been a very surprising up move which we are seeing now. It started off last year and it is continuing. So, very, very pleased with that. And the international business, as we have mentioned, also is now, the Middle East, North Africa region is supporting us. South Africa is supporting us. So, very positive outlook. And will -- as I -- we are shown by the project order backlog internationally that is also looking very positive.

Deepak Purswani: Okay. And sir, final part of my question is on the...

Prakash Agarwal: Yes.

Deepak Purswani: Pipeline of acquisition. Is there any further acquisition we are exploring or at this point of time, we are done and then would be looking at first place for consolidation of these acquisitions and then would probably explore more if you can give the broader sense on that type?

Prakash Agarwal: Yes. We want to -- we are looking at further opportunities for acquisition, because we feel we have consolidated this well and we as a company are very satisfied with our acquisition process and consolidation process, and they have been relatively smooth and we still have considerable funds available after the Rutschi transaction. So, I think it's just opportunities. We are very selective because we are looking at opportunities which have long-term profitability, good valuation and which are where we can add value by using synergies.

Deepak Purswani: And sir, any thoughts on increasing the stake in some of the existing international subsidiaries where we have somewhere close to 50%, in some of the acquisitions 54% to 63% stake? Are we looking to make it wholly-owned subsidiary at some point of time or how should we see as investors?

Prakash Agarwal: It's a capital usage which we have to consider we basically, we have a 60%-40% ratio in Singapore with the promoter company. Now whether that is an efficient use of capital, we have to review. But today, our priorities are on growing the business, because we sold one business, and we generated significant cash and we want to deploy it to grow the business.

Moderator: The next question is from the line of Devyash Jain, an Individual Investor.

Devyash Jain: Yes, sir. The first question is the Q1 presentation highlighted several global mega trends, for example, the LNG plant buildout, MENA infrastructure boom. So how is WPIL tailoring its R&D road map and product development priorities to capture these thematic opportunities and what new offerings can we expect by Q3 FY '26?

Prakash Agarwal: Sorry, I didn't understand your question, please. Can you repeat?

- Devyash Jain:** Sir, the Q1 presentation highlighted several global mega trends like the LNG plant buildout, MENA infrastructure boom. Sir, how is WPIL tailoring its R&D roadmap and product development priorities to capture these opportunities?
- Prakash Agarwal:** WPIL has a very strong R&D and product development agenda, which is supported by our European operations. We work on our own targets which are primarily, like, right now, we are focused on sewage pump development. Sorry, your background noise...
- Devyash Jain:** Sorry, one sec.
- Prakash Agarwal:** Can you mute. Can you hear me?
- Devyash Jain:** Yes, sir.
- Prakash Agarwal:** Yes. Now so we are focused on the Naval product development, which is a focus area for us. We are focused on the drainage product development which is another area which we see sewage and drainage and Navy. These are the three segments we are presently focused on. And our focus keeps going as per client requirements. We are product leaders in our segments.
- Devyash Jain:** Okay, sir. Sir, secondly, WPIL's consolidated working capital days have trended up for over the past two years. So what specific initiatives such as supplier financing, digital invoicing or contract structuring changes, are you going to optimize receivables and payable cycles?
- Prakash Agarwal:** So we have got a significant debtor pile up with the Jal Jeevan Mission, which is now reducing over the last three months and we expect it to completely normalize in the next 3 months. So we don't see any major challenge.
- Moderator:** Thank you. The next question is from the line of Saket Kapoor from Kapoor and Company. Please proceed.
- Saket Kapoor:** Firstly, if you have the numbers with you in terms of the cash and the net -- the cash and then the debt number. And sir, secondly, you mentioned about our international acquisition of the Africa acquisition, because of which the legacy cost has been booked and the turnover is not commensurate to the same. This is what the understanding is to be taken?
- Prakash Agarwal:** Yes. We have said that there are certain -- you see the turnover is INR197 crores is for 1 quarter, and the EBITDA is INR21.7 crores. So there are some legacy costs and some exchange losses, which you can see there. These have affected the first quarter and within the balance three quarters, if you normalize to the normal range, which is high end of 15 to 20.
- Saket Kapoor:** And these numbers are booked in the P&L in the other expenses and the employee benefit expenses or where should we look at for these numbers? The other expenses is not commensurate to the regimen?
- Prakash Agarwal:** The administration, we have got -- suppose one is we have some administration costs and certain cost in sales like some contracts which have had losses in the old contracts, which we took over then there are certain -- the personnel and administrative costs are not commensurate because

the revenues have not been fully reflected, which will be reflected in the going forward. So I think you have to be patient and wait for the next three quarters.

Saket Kapoor: Sir, we've got your point very clear, but what all people are looking is, if you can give us a number so that we can just model it out as a one-off number for the first quarter?

Prakash Agarwal: Yes. I don't have the number. I would say that it is affected. The EBITDA levels are affected because all heads are affected marginally and they are -- so it is looking at it was lower and it will normalize because our normal levels are higher. Our business levels are higher. And actually, our international acquisitions are higher margin than our domestic.

So you will see the benefit in -- you will see the effect. You can imagine this is the first quarter where all key businesses have been consolidated. So it is quite remarkable that we could buy these businesses starting from last year, I think, October, November. And in 6, 8 months, we have bought the businesses, consolidated them, and stabilize them.

Saket Kapoor: Your point is very well taken, but you people who are only looking for just the one-off number you don't have them, but that would have sufficed a lot of the margin compression for us. That was the only reason why every one of us is just looking for that part. So any ballpark number would have helped us in getting a sense of what led to that lowering of the profitability? And secondly, the thought process on the cash and the debt number, if you can foresee?

Prakash Agarwal: Sure, roughly about INR200 crores net cash is there in the books. And I think this was as of June and further as we have received outstanding, as I said, on Jal Jeevan significant amount. So it is further improving and you will see it quite significantly improved by September.

Saket Kapoor: Okay. And sir, how much have we spent on these international acquisitions of the three of them in total?

Prakash Agarwal: Roughly about INR100 crores.

Saket Kapoor: Roughly how much sir?

Prakash Agarwal: INR100 crores.

Saket Kapoor: INR100 crores we have spent on the total acquisition side, that is our cost?

Prakash Agarwal: Yes, approximately.

Saket Kapoor: I think sir I am getting the numbers wrong meaning in African acquisition and all everything put together is only about INR100 crores?

Prakash Agarwal: Yes.

Saket Kapoor: Okay. And the asset side of this business, which we have acquired by these payments in terms of the infrastructure and the asset under the companies? How much -- what should be the balance sheet for you?

- Prakash Agarwal:** We don't have it with us. You will see it in the next quarter when we give the balance sheet.
- Saket Kapoor:** Okay. So to take home the point is that he should normalize for the international business going ahead in the second quarter itself and margins will also take an uptick. For the domestic operations, we need to wait for how the government ramps up again the Jal Jeevan scheme with the type of deliberations that are going on. This should be a good understanding for -- to take home?
- Prakash Agarwal:** The product segment of the domestic operations is very strong. The project business is stable for -- in line with last year, but further improvement and further visibility down the line, we should see in the second half. The international business has -- the acquisitions have shown up to some extent here, the margins will also show up in line with our general trend because that is our targets on those businesses higher, much higher.
- So they will show up in the coming quarters as the businesses play out. And we are generally buying businesses at very good valuations. So that is our main focus. We did not overpay.
- Saket Kapoor:** Right sir. All the best to the entire team and hope to hear much from you people again. Thank you, sir.
- Moderator:** Thank you. As there are no further questions from the participants, I would now like to hand the conference over to the management for closing comments.
- Prakash Agarwal:** So thank you all for participating in this earnings conference call. I hope we were able to answer your questions satisfactorily and at the same time offer insights into our business. If you have any further questions or would like to know more about the company, please reach out to our Investor Relations managers at Valorem Advisors. Thank you and good evening.
- Moderator:** Thank you. On behalf of Arihant Capital Markets Limited, that concludes this conference. Thank you for joining us and you may now disconnect your lines.