



**WPIL Limited**

REGD. OFF. : "TRINITY PLAZA"  
84/1A, TOPSIA ROAD (SOUTH), KOLKATA - 700 046  
TEL. : (91 33) 4055 6800, FAX : (91 33) 4055 6835  
WEB : <http://www.wpil.co.in>  
CIN No. L36900WB1952PLC020274

Date: May 30, 2024

**Scrip Code: 505872**

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 Q4-FY 24/ FY24 Earnings Conference Call of the Company held on May 28, 2024.

Thanking you.

Yours Faithfully,

**FOR WPIL LIMITED**

  
[K.K. GANERIWALA]  
EXECUTIVE DIRECTOR

KRISHNA  
KUMAR  
GANERIWALA

Digitally signed by  
KRISHNA KUMAR  
GANERIWALA  
Date: 2024.05.31  
14:58:34 +05'30'



**WPIL Limited**  
**Q4 & FY24 Earnings Conference Call**  
**May 28, 2024**

---

**Moderator:** Ladies and gentlemen, good day and welcome to the Q4 and FY24 Conference Call of WPIL 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 “\*” then “0” on your touchtone phone.

I will now hand the conference over to Mr. Anuj Sonpal from Valorem advisors. Thank you and over to you, sir.

**Anuj Sonpal:** Thank you. Good evening everyone. My name is Anuj Sonpal from Valorem Advisors. We represent the Investor Relations for WPIL Limited. On behalf of the Company, I would like to thank you all for participating in the Company's Earnings Call for the 4th Quarter and financial year ending 2024.

Before we begin, let me mention a short cautionary statement. Some of the statements made in today's earnings call may be forward-looking in nature. Such forward-looking statements are subject to risks and uncertainties, which could cause actual results to differ from those anticipated. Such statements are based on management's beliefs as well as assumptions made by and information currently available to management. Audiences are cautioned not to place any undue reliance on these forward-looking statements and making any investment decisions. The purpose of today's earnings call is purely to educate and bring awareness about the Company's fundamental business and financial quarter under review.

Now, let me introduce you to the management participating with us in today's earnings call and hand it over to them for opening remarks. We have with us Mr. Prakash Agarwal - Managing Director and Promoter and Mr. KK Ganeriwala - Executive Director.

Without any further delay, I request, Mr. Prakash Agarwal to start with his opening remarks. Thank you and over to you, sir.

**Prakash Agarwal:** Thank you, Anuj, and good evening everyone. It is a pleasure to welcome you all to our Earnings Conference Call for the 4th Quarter and Financial Year 2024.

Let me first take you through the financial performance of the Company followed by the operational highlights.

For the quarter under review, consolidated revenue from operations amounted to Rs. 591 crores representing a growth of 14% year-on-year and 37% quarter-on-quarter. EBITDA stood at Rs. 102 crores which was flat year-on-year and up by 46% quarter-on-quarter. EBITDA margins for the quarter stood at 17.31%. The profit before tax was around Rs. 100 crores which grew by 8% year-on-year and 55% quarter-on-quarter. Profit after tax, which includes the loss of Rs. 8 crores from the disposal of Rutschi business was Rs. 66 crores with PAT margins at 11.13.

For the Financial Year ending 2024, the Company's consolidated revenues from operations stood at Rs. 1,664 crores, representing a 4% year-on-year growth. EBITDA was Rs. 298 crores, representing a 12% year-on-year increase with EBITDA margins at 17.92%. The profit before tax was Rs. 271 crores, which grew by around 12% year-on-year. The profit after tax, which included a profit of Rs. 491 crores from the disposal of Rutschi business was Rs. 684 crores. On the operational front, domestic revenues grew by 7.4% year-on-year to Rs. 1,077 crores. The domestic product business saw growth of around 19% in FY24 to Rs. 261 crores with the order book increasing by about 11% to Rs. 348 crores, giving a strong revenue visibility and a positive outlook for FY25. The outlook for the product division has also improved considerably with the successful development of new products for the oil and gas and sewage and drainage segments.

Additionally, the Navy order execution is on track, which will contribute to a strong revenue growth from FY25 onwards. In the domestic project business, revenue grew by 4% year-on-year in FY24 to Rs. 816 crores with the record order execution of Rs. 343 crores in the 4th Quarter. Project execution has gained strong momentum and we are pleased to inform that we are ahead of schedule on a few projects in the state of West Bengal. However, one of the Madhya Pradesh Jal Nigam contracts was terminated by the client due to slow progress. We have disputed this termination, citing that the land for construction was allotted only in December 2023 causing the delay. We are exploring all contractual remedies to protect the Company's interest. Despite this, all other 8 projects of Madhya Pradesh Jal Nigam are on track.

The order book for the domestic project business stood at Rs. 3,054 crores. In the international business, the order book stood at Rs. 458 crores as on 31st March 2024. The outlook for the core industrial pumps business of Gruppo Aturia remains strong, driven by robust demand in the MENA region and strong aftermarket revenues from Finder. The successful divestment of the nuclear business of Rutschi has allowed us to focus on our core industrial pump business, and we are pursuing inorganic opportunities in this space and hoping for positive outcomes by mid FY25. WPIL South Africa is also performing well with the continuous focus on the water sector and significant aftermarket contracts from Eskom Power. Both Sterling Pumps and United Pumps Australia have robust order books and are expected to post strong growth in FY25. WPIL Thailand posted record revenues in FY24 and we expect this momentum to continue with opportunities arising from the new Thai Government's focus on irrigation and drainage projects. With this, I open the floor for questions and answers.

**Moderator:** Thank you very much. We will now begin the question and answer session. The first question is from the line of Ravi Naredi from Naredi Investments. Please go ahead.

**Ravi Naredi:** Can you tell profitability separately in the domestic level and international level first and how much Navy order are in hand and completion timeline and we have cash balance Rs. 630 crores where we go to deploy in this year?

**Prakash Agarwal:** So one is the profitability across both international and domestic is approximately 17%-18% in the band of 15% and 20% on EBITDA level. The Navy business was a framework agreement for all new types of pumps, which we have introduced in the fleet and after this framework that means the type tests are done, the shipyards can order these for all subsequent ships. So the framework agreement was for about Rs. 17-Rs. 18 crores.

**Ravi Naredi:** And how many months it will take?

**Prakash Agarwal:** It is a framework agreement for the whole range of pumps. We are supplying minimum pumps. Once those are developed, it will continue in all the ships. This probably will be finished in this year. So it has been going for about 12 months, I think next 6 months, we will be supplying all these. And cash, we are in organically, and that is what we are looking at opportunities for.

**Ravi Naredi:** So any inorganic acquisition is on card?

**Prakash Agarwal:** Yes, we are actively pursuing them and in lots of conversations. So we expect to have some results starting from mid-FY25.

**Ravi Naredi:** And sir, lastly, sundry debtors rises by Rs. 288 crore this year. Any specific reason for same?

**Prakash Agarwal:** So, this was because of high invoicing in March. So, in the month of March there was very high invoicing and that is why this is evident. So, this is collected in normal course very quickly, first quarter itself.

**Moderator:** Our next question is from the line of Richa from Equitymaster. Please go ahead.

**Richa:** My question is related to this contract which was terminated by Madhya Pradesh Jal Nigam. Can you quantify what was this value and is still about the order book and what is the total exposure to this entity?

**Prakash Agarwal:** We have been dealing with this entity for last 7-8 years. So we have about this contract itself, the un-executed part which was terminated was about Rs. 155 – Rs. 160 crores. And we have about another 8 contracts with them in various stages. And these contracts are in the tune of about Rs. 1,100 crores.

**Richa:** Okay, so but is this Rs. 150 – Rs. 160 crores, is this still reflecting in the order book that you shared for the...?

**Prakash Agarwal:** No, that's been taken out.

**Richa:** And sir, my second question related to this is has the entity awarded this contract to someone else so far? Can you also tell us any development on that front?

**Prakash Agarwal:** Not as of now.

**Richa:** And sir, if you could give more color on where you are looking for this acquisition opportunity, has there been any further development as compared to the last call?

**Prakash Agarwal:** We are active conversations now. Since we closed the transaction for Rutschi in December and over the last quarter, last four months, we have been in active conversations and various conversations are in advanced stages. Some are in diligence and some are in early stage and we hope to have some feedback by the second quarter of this year.

**Richa:** And sir, the next question is that in the presentation your working capital days has gone up from 79 to 120, so what are the reasons for the same and going forward any kind of guidance you would like to share on that front?

**Prakash Agarwal:** So this will normalize by this month, the first quarter itself. So when you see the first quarter, you will see it normalized because of very high invoicing in the last quarter and specifically in the month of March. So it will normalize in the first quarter.

**Moderator:** Thank you. The next question is from the line of Deepak Purswani from Swan Investments. Please go ahead.

**Deepak Purswani:** Sir, firstly, I wanted to understand on the project business. If you can throw some light in terms of the litigation regarding one of the projects, how should we look into this project business going ahead considering this and looking at the order book currently, I think order inflow for this year also has been to the extent of Rs. 200 or Rs. 300 odd crores. So moving ahead, how should we see the order inflow and revenue growth in the project business?

**Prakash Agarwal:** So firstly, addressing your point on this, as I just mentioned that this was a one-off, we are doing 9 contracts with the same client and various other clients throughout the country. So I don't think the impact is significant. This should be taken as a one-off and we are exploring all options for this. And the other eight projects with the same client are running normally and we are receiving payments and proceedings, so no disturbance. And the project business is such, one is that in WPIL's target for the last one year, I have been mentioning this in all our calls, but we had a big jump in the year 2022-23 and we are now looking at, we want to maintain particular ratios specifically, between the product and project segments. So today, if you see

that the project segment is 76% and 24% is product and our target was around 66 and 34, 2:1 ratio in India. So we are working with an active trust on products, so that has paid off and we can see that the growth there and the order book growth there and in projects we are looking for stickiness because we want to stay our margin focused project Company, not volume focused. So I think that dictates other thing. Order intake is not such a challenge and it commensurate even right now we have construction contracts of Rs. 2,500 crores which are significant with our revenues was 800. We expect to increase that, but still significant going forward.

**Deepak Purswani:** So sir, just from the understanding perspective, if you can also throw some light, had this issue would not have been there in the client account, how much would be the incremental revenue we would have booked in this financial year? And also from the exposure point of view, how much is the exposure do we have or receivable pending from this client at the current juncture?

**Prakash Agarwal:** So as of now, as we have mentioned, we have taken all out of the order book and all the revenues have been adjusted. As I said, the contract value is about Rs. 155-Rs. 160 crores and we have mentioned about Rs. 11 crores bank guarantee has been encashed. So I think that is more than covers our exposure for this. Because generally these contracts are at the contract price itself, so I think we have sufficiently well covered.

**Deepak Purswani:** Would it be fair to assume that had this issue not been there, our project revenue would have increased by Rs. 100 odd crore in this quarter?

**Prakash Agarwal:** No, not Rs. 100 odd crores, but it has had some margin impact obviously this Rs. 11 crores and it would have improved, but the point I have mentioned that the land itself was not given, so we could not have executed too fast also. When the land was given in December, it was just about picking up the contract.

**Deepak Purswani:** And sir secondly, now moving to the product business, if you can throw some light, especially on the new, in the presentation you have mentioned about the new product launch in the oil and gas segment and also if you can throw some light in terms of opportunity for the oil and gas pump segment and sewage pump in the domestic market? And secondly, in the international market, you also mentioned there is a good outlook for the South African and Australian market. If you can guide us in terms of, how should we look into the domestic as well as revenue product business going ahead especially from this new segment. What are the opportunities we are exploring at the current juncture?

**Prakash Agarwal:** Yes. I think first is that we have been over the period of few years developing more and more products into various segments. And what I was principally outlining is that this year we are finding good demand for the oil and gas sector and Industrial sector. And on the other side, the municipal, which is water and sewage and drainage that these two sectors are really supportive and these are not, earlier our main thrust area was power and irrigation. So it is good to see

these two sectors giving us strong support in India and we see a very strong outlook going ahead because the order book remains strong and the inquiry flows are very strong, so very positive about this, the domestic product business. And simultaneously we are also very pleased with the fact that all our businesses internationally, especially the two where we made acquisitions in 2019 in the oil and gas sector which was in Finder in Italy and United Pumps in Australia, both have really strengthened these two businesses. So there is a very good aftermarket and new project business globally. In India, we are doing utility areas which are the refineries etc., which is also very strong. So all our product areas are now giving fruit. The order book is strong and the inquiry levels are very strong.

**Deepak Purswani:** So, sir, considering the overall commentary, would it be fair to assume our project revenue would be looking at the current order book would be roughly Rs. 1,100 to Rs. 1,200 crores in FY25 and our product business would grow at a 15% to 20% looking at the overall growth outlook?

**Prakash Agarwal:** We are looking at strong growth because we are looking at further enhancing our execution rates in the project business and the product is, the demand is pushing us aggressively. So we should be there in FY25.

**Deepak Purswani:** And finally, sir, if you can also throw some light in terms of the increasing the stake in some of the subsidiaries, at one point of time we were also discussing increasing the stake in subsidiaries?

**Prakash Agarwal:** We have primarily the money we have received and we want to use it for growth, inorganic growth into new product segments and new markets. So that is our fundamental focus. We will review other options if that is not fructified.

**Deepak Purswani:** So, sir would this incremental cash flow would be utilized for increasing the stake in the existing subsidiary or this would be completely new acquisition?

**Prakash Agarwal:** That is what I am saying, our entire focus is on growing the business and growing it through these inorganic opportunities which we are pursuing and we want to use the cash for that purpose. We have lost about Rs. 200 crore revenue. We want to replace that with stronger revenues.

**Moderator:** Thank you. The next question is from the line of Ravi Naredi from Naredi Investments. Please go ahead.

**Ravi Naredi:** My second follow-up question is that what is our expectation for topline and bottom line for next two years and CAPEX plan?

**Prakash Agarwal:** As we have mentioned, for organically we have very strong operations and we are looking at good growth going forward for both the domestic and the international business and our margin should remain in line or improve only. So that is a good outlook for the next 2 years. CAPEX is not significant. These are mostly Brownfield additions, so no major CAPEX.

**Ravi Naredi:** This growth can you give in percentage term, 5%, 10%, 20%?

**Prakash Agarwal:** I would not like to give any more forward-looking statement.

**Moderator:** Thank you. The next question is from the line of Tej Patel from Niveshaay Investment Advisory. Please go ahead.

**Tej Patel:** So my first question is sir, when we talk about our project businesses that are EPC into the water sector, what kind of projects are we doing? Are we doing projects related to pipe laying or EPC of the pumping system or are we making treatment plants, can you just give clarity on this?

**Prakash Agarwal:** So presently, in the water segment, we do different segments, so there is water segment, there is irrigation, industrial and municipal segments. But in the water segments, we do turnkey EPC which is starting all the way from the river intake to the treatment plant, to the reservoirs and then distribution, household connections and then growing them for next 10-15 years for the cycle.

**Tej Patel:** So how much would be water to the overall project revenue?

**Prakash Agarwal:** No this is complete, we do a complete project, the whole project is some projects are between Rs. 200 to Rs. 500 to Rs. 600 crores.

**Tej Patel:** So you are saying you are doing industrial projects also and municipal also, right?

**Prakash Agarwal:** Yes. So in the water segment, if you what you were asking in the water segment, if we did a project, it would be turnkey, similar for industrial would be, they use cooling water systems, so different applications. But in the water, we do turkey.

**Tej Patel:** Sir, I was trying to understand the current order book which you have is full water, right, the project order book is into full water segment?

**Prakash Agarwal:** It is water and irrigation.

**Tej Patel:** And sir since you said you do a turnkey project right from starting collecting water and then treatment, so basically you do pipe laying EPC also plus you make the treatment plants, right?

**Prakash Agarwal:** Treatment plants also, plus also distribution.

**Tej Patel:** So as of now, are your all projects under JJM, Jal Jeevan Mission?

**KK Ganeriwala:** There are different projects. Some are under AMRUT, some are under JJM.

**Tej Patel:** And which are the major states from which your current order book is from?

**KK Ganeriwala:** So we are working in Assam, West Bengal and Madhya Pradesh.

**Tej Patel:** And sir, I wanted to get an idea around the competitive intensity. So can you give an idea of how many players would be bidding the tenders in which you are participating?

**Prakash Agarwal:** We would like to say there are different players. This is quite a large segment. The water EPC is a very large segment, organized, unorganized, very large players, say for example Larsen & Toubro is the largest player in this segment. Similarly, there are very small companies with Rs. 50 crores turnover also. So it is a very diverse segment. We ourselves, we having the strength of our product business and engineering knowledge, we are wanting to pick and choose projects where we can add value and we can gain sufficient margins.

**Tej Patel:** But then still, sir, on an average, how many players are participating apart from you on those tenders, can you give a number to it?

**Prakash Agarwal:** So it varies from state to state, size to size. Suppose it was Rs. 100 crores, you would have 20 people. If it is Rs. 400 crores, you will have 10 people, like this.

**Tej Patel:** So you mean to say as project capacity and intensity goes up, the number of players bidding the tenders goes down, right?

**Prakash Agarwal:** Yes.

**Tej Patel:** And sir, what margins are we making at the EBITDA level for the water business, the project business?

**Prakash Agarwal:** Yes, our aim is around 15% and 20% in the project cycle. So we are very choosy on that. We don't like to do projects with lower margins.

**Tej Patel:** I don't know how to put it so with the JJM ending, and this was the last year for the JJM right 2024 and still with 25% of the work left, so do you anticipate the government to extend the scheme and how much worth of projects do you still anticipate coming under AMRUT and JJM as a whole, I think you have bid pipeline also the temp for you all?

**KK Ganeriwala:** See, for us, we don't. That is what I said that we are exposed in be at rural through JJM, rural water supply, be it AMRUT schemes, be it drainage schemes, be it irrigation schemes, piped water, lift irrigation. So there are different opportunities. And in general, in the country this

high JJM, which is the last 3-4 years, there is water projects are roughly to the tune of Rs. 1 lakh to Rs. 1.5 lakh crores per year. So there is a very big pipeline and we don't expect any shortage of orders.

**Tej Patel:** Sir, then I wanted to get an idea of, how with on-ground execution going in. So by on-ground, I mean, how did you see the investments in water, let us say, 5-10 years ago in terms of let us say number of tenders opening, on-ground execution, the payment conditions from government and right now, how are you seeing those things right now and going further, compare it to, let us say 5-10 years back?

**Prakash Agarwal:** I think it is quite normal. I don't see much difference there. Yes, the Jal Jeevan has shortened the time frame. So they have increased. The Jal Jeevan is a particular type which is the distribution type of water supply. So there is a more amount of pipe needed, but the water supply business continues. So in rural areas, especially in a big state, then there is a lot of pipe distribution. Otherwise, there are different types of water supply. So I don't see much change, otherwise.

**Tel Patel:** So you are trying to say that 5 years ago also the execution and the kind of tenders or projects coming in, the number of projects coming in was same as you see today, right?

**KK Ganeriwala:** No, I am saying that, for example, the irrigation sector has slowed down and the rural water supply has increased, so between the rural water supply, urban water supply, irrigation drainage, you will find a balance. So I look at the whole segment rather than just Jal Jeevan or rural.

**Tej Patel:** So you are trying to say decrease in irrigation has been offset by increase in rural water supply projects?

**KK Ganeriwala:** Yes, I think so.

**Tej Patel:** Do we undertake projects under the sewage side?

**Prakash Agarwal:** Yes, as I said, we will pick and choose. Right now, we are doing the rural and urban water supply. So we keep looking for opportunities.

**Tej Patel:** So according to you sir, how much work would be left, let us say to for the water supply because 75% of the rural areas have been connected mostly I am not sure about the numbers, but mostly the Tier-1, Tier-2 cities would have well connected water supply. So according to how much still left in terms of, if you can put that in terms of some number to it?

**KK Ganeriwala:** There is a large amount of water infrastructure. If you just went to water infrastructure to be still built, it will take, there will be sufficient business for a Company like us. We are operating

at Rs. 800 crores revenue. If I was operating at Rs. 30,000-Rs. 40,000 crore revenues like say maybe L&T in the water segment, then it might have been a challenge.

**Moderator:** Thank you. The next question is from the line of Surya from Yashvi Securities Private Limited. Please go ahead.

**Surya:** Sir, can you shed some more light on the product segment as the Company is currently focusing on in terms of revenue growth and profitability from the segment? And also, what is the execution timeline for the current product order book?

**Prakash Agarwal:** So firstly, the product orders are generally shorter duration tentatively between 4 to 8 months depending on the type of product. And we see good growth, we as a Company have been diversifying our product portfolio and that is now paying fruits. So we have a good diverse range of inquiries and strong order book from various segments which are relatively growing like the Navy or the sewage drainage. These are two segments which are growing now. And the margins are strong, they remain in the segment we are looking at which is roughly between 15% and 20%.

**Surya:** So regarding the recent order received, the differential building, can you clarify this represents onetime order or does it signify a potential recurring source of new orders within the framework?

**Prakash Agarwal:** This is a framework order for long term, so once your products are type tested then the shipyards can keep buying them. So it is a generally a long term for the next 20-30 years, these products have a life. When a new product is developed and type tested after that for next 20-25 years you will have business.

**Surya:** And my last question is the contract execution cost is around Rs. 600 crores in the books of accounts, so I am assuming that it is related to the project segment, so it accounts for 73% of the project revenue. What is the reason behind such high cost margins in this segment?

**Prakash Agarwal:** I think what we would like to say, the project business also we are targeting at 15% to 20% EBITDA is our range and we are roughly within that. I think last year was about 16%-17% in line with the other businesses. EBITDA would be a better way because a lot of various prospects are seeing at different levels.

**Moderator:** Thank you. The next question is from the line of Saket Kapoor from Kapoor and Company. Please go ahead.

**Saket Kapoor:** And sir, as you mentioned that the utilization of the proceeds from the sale are still you are contemplating inorganic growth, so all the dividends which are paid currently are only from the

operational point of view and it does not include any one-time or special dividend. It is all the normal profit out of the profits only?

**KK Ganeriwala:** Yes, absolutely right from the normal business.

**Saket Kapoor:** Now, when you look at, my first question is pertaining to this domestic order book split, page #16, sir, therein we can see that for what FY23 closing for the project business was Rs. 36,410 million, which has come down to Rs. 30,543 million. So is it contemplating to your earlier answer wherein you want to keep the mix balance at 66%-34%. This is the reason why we are lower order book, closing order book for FY24.

**Prakash Agarwal:** So, I think one is that we are not aggressively chasing it because it commensurate with our revenue buildup and a little bit, I think due to the elections last 4-5 months, there has been a bit of slowdown in the new contracts, so I think the order book will be matching with the revenue growth which we have. The idea there was to say that we are more focused on the product side to push up the revenue, so that we can have an ideal mix of 1:2.

**Saket Kapoor:** Sir, two calls earlier also, you did alluded to the fact that we are building our team and capacity so that we can garner higher revenue execution. So where are we in the midst of that exercise, I think so last year you did mention that we are constrained in booking more orders?

**Prakash Agarwal:** So what we said is that, yes, our thrust was on the execution. We are this year actually, we have greatly improved our execution, especially in the last quarter and we see this playing out in the next financial year also. So we are happy with our execution capability right now.

**Saket Kapoor:** And my second question, sir, just to align to, since it is an election year and definitely as you alluded to the fact that order booking was at slow pace. So taking that inference into account and with the formation of the new government, what should be the trajectory? So can we keep pace with the type of the revenue growth which we have seen over the project and the product business going ahead also or what kind of pace should we look forward for this financial year, as the base is now higher, what should we look forward?

**Prakash Agarwal:** So we are looking at good growth in both the project and the product. Project, as you correctly pointed out, I have been mentioning that our execution needed to pick up that in the first half, as I mentioned earlier also that we had a supply chain challenge with the ductile iron pipes. Hopefully, that is now behind us and that is shown by the last quarter performance. So going forward, I think our execution is streamlined and we see good growth in both project and product.

**Moderator:** Thank you. The next question is from the line of Richa from Equitymaster. Please go ahead.

**Richa:** Sir, you mentioned your product order book for execution timeline is around 8 months, could you share a similar number for project one considering that these are a bit older projects and we would be at a higher advanced stage of executing them. How much time will it take for the project order book?

**Prakash Agarwal:** Project order book is normally 24 to 30 months.

**Richa:** And sir, what would be the execution run rate? Is it likely to be at similar levels or what we saw in FY24 or can we expect to like pay some things here in project revenue booking?

**Prakash Agarwal:** In the project revenue, as I mentioned the last quarter, there was a pickup and we hope to sustain this going forward into FY25.

**Richa:** Sir, what kind of run rate was there in the last quarter for project segment?

**Prakash Agarwal:** Rs. 340 crores.

**Richa:** And what kind of scenario do you expect here?

**Prakash Agarwal:** Last quarter, the execution picked up and we hope to maintain this level of execution going forward.

**Richa:** And sir, my last question is that these project, I am assuming these would be like kind of fixed price contracts. So in an inflationary environment, do we have any kind of clause wherein we can pass on any kind of raw material increase or stuff like that?

**Prakash Agarwal:** Yes, these contracts, most of them have price variation clauses.

**Moderator:** Thank you. The next question is from the line of Shashwat Tandon, an individual investor. Please go ahead.

**Shashwat Tandon:** Sir, I have been following the last few concalls since the couple of years. I wish to know that what is the total business that we do with the government sector out of our both our divisions and how much do we do with the private sector?

**Prakash Agarwal:** So in the projects most of our business is with government because water and irrigation are both state subjects, government sector. That is in the project segment. In private, mostly with private segment and some like corporations like NTPC is a corporation, so not pure government.

**Shashwat Tandon:** So should I say that the product business is mainly with the corporate entities?

**Prakash Agarwal:** Yeah, you can correctly say that.

**Moderator:** Thank you. The next question is from the line of Ganesh Shah, an individual investor. Please go ahead.

**Ganesh Shah:** Just wanted to check on the pipeline, basically you mentioned about the project orders which you have been pursuing. You can just give some understanding about, as you said, there is no dearth of opportunities and last year I think it was more focus on execution. So of course this year you are expecting the execution to remain at stable level or does it mean that now is the time for you to go for building up an order book for a better growth rate or building up a pipeline for future growth rate? Thank you sir.

**Prakash Agarwal:** We are working on both sides, the execution on the booking and we want to balance it well. So as I mentioned, the last quarter was good execution and we hope to continue this into FY25.

**Ganesh Shah:** Yeah, but in terms of new orders, how do we see the pipeline looking like or what kind of an opportunities you want to pursue? You're clearly given a broader underlying framework for the kind of an opportunity which is there and also the margins probably which probably would not like to dilute, but if you can just give some numbers as to what kind of the opportunity you will be chasing in terms of numbers that could be available for you that will be helpful for?

**Prakash Agarwal:** Very frankly, the inquiry pipeline or the work which is put out is quite significant right now and to say replace Rs. 800 crores or whatever we grow at every year is not a challenge compared to for example a set of tenders which comes out in the water segment. Recently it came out in Rajasthan would be about Rs. 5000- Rs. 8000 crores, say 10 jobs or 12 jobs. So it's possible to get our requirement of 800,000 whatever we grow at levels.

**Ganesh Shah:** Any new states that you want to add to your executions now?

**Prakash Agarwal:** Yes, of course. We are working at various states. But various sectors also we are looking at. We look at urban, rural, rural water supply, urban water supply. Then we are looking at lift irrigation, pipe irrigation. So we would like to add more balance. So that's a very strategic thing. But what I want to say is please realize the opportunity is more than a lakh crores, Rs. 1,00,000 crores and we are able to qualify for most of them now. So, it's commensurate with our revenues. We will see that going forward.

**Ganesh Shah:** So you are saying that your order book will grow and commensurate with the energy norms, right?

**Prakash Agarwal:** Yes. So that it's balanced, the balance is needed there. So we will.

**Moderator:** Thank you. The next question is from the line of Ravi, an individual investor. Please go ahead.

**Ravi:** Sir, I have one question. How much funds are we planning to spend on R&D activities in FY25?

**Prakash Agarwal:** R&D is a constant process for us across all our businesses. Roughly, we would be spending about 2 million across our businesses, \$2 million or euros or something.

**Moderator:** Thank you. The next question is from the line of Piyush Jain, an individual investor. Please go ahead.

**Piyush Jain:** So I just wanted to know because I'm new to the Company, are we predominantly a Company which deals in pumps or something or we deals in like project work also which is the EPC type of work with respect to water, infra and all the related or the project work we do which is also an integral related to pumps only. Just want to understand the bifurcation between both of them?

**Prakash Agarwal:** You're absolutely right. We do only project work related to pumps.

**Piyush Jain:** So like a Company which are doing like Chennai desalination project or something, so that type of project you are not pursuing.

**Prakash Agarwal:** Which one?

**Piyush Jain:** There is one Company VA Tech Wabag which is doing projects in Chennai Desalination project or something which is around Rs. 4000 crores project. So that type of project you are not pursuing, is that understanding correct or?

**Prakash Agarwal:** We are focused on flow solutions. So the projects related to pumping.

**Piyush Jain:** Sir, just want a brief idea about how the overall order book and the work related to this project and pumps is coming out and how much the salient industry have and what is the growth guidance you can give basis which we can grow for the next 3 to 5 years. What you are seeing is maybe order pick up, maybe work related to Jal Jeevan Mission or some other related to work. What is your broader view of the industry for next 3 to 5 years?

**Prakash Agarwal:** Firstly we diversified across geographies and across segments. One of our areas is Project Division in India, so it's quite diversified and we see good growth in international markets, product markets and in the project business going forward. But they're not specific to any one segment, because as I mentioned in different countries, we are doing different businesses, say for example, in Thailand, we are more in drainage there right now. In Italy, we have industrial pumps and oil and gas in Middle East. So it is dependent on that area, so different businesses we have and we want to stay diversified and we see growth across all our businesses right now.

**Piyush Jain:** But are we doing a project business in the export market also or export market is only a product business?

**Prakash Agarwal:** In our international businesses, we do some projects in South Africa and we are looking at exploring water projects in Africa also. We are actively pursuing them.

**Piyush Jain:** As our order book is not increased, so what is the guidance basis which we think as a Company we can grow for next 2-3 years. Can we do a 15%-20% type of growth or what you are seeing on ground?

**Prakash Agarwal:** So we are looking at 22-23 was the growth year for us. We grew from about Rs. 1100 crores to Rs. 1800 crores revenue. This year we have consolidated and strengthened our execution and we hope to start growing to grow again henceforth. And all our order books are strong enough to support this growth.

**Moderator:** Thank you. The next question is from the line of Dhaval Jain from Sequent Investment. Please go ahead.

**Dhaval Jain:** Sir, I just wanted to understand that we also into building of canals for river connection or something like that?

**Prakash Agarwal:** No, we don't do channels and canals.

**Dhaval Jain:** Because there's a huge opportunity that I thought like if our Company into it, because there's a river linking project that is going to start in Maharashtra. So I just thought like if a Company would be participating in something of that sort?

**Prakash Agarwal:** So we don't do canal work, we do the river linking projects now are not going to be through canal. I think they are going to be through pipes. Of the river linking projects we have, we will be participating as suppliers and river linking irrigation project is a segment for us.

**Moderator:** Thank you. The next question is from the line of Tej Patel from Niveshaay Investment Advisory. Please go ahead.

**Tej Patel:** So, Sir, what would be our debtor days in the project business?

**Prakash Agarwal:** In the project business, we are primarily in as I mentioned, rural, urban and irrigation. So across the country depending on opportunities.

**Tej Patel:** No, I'm asking about debtor days.

**Prakash Agarwal:** Debtor days, it will normalize to what it was. This quarter, it went up. It will come down again next quarter.

**Tej Patel:** How much was it? 120, is it right?

**Prakash Agarwal:** Whatever it was in December. It will come down.

**Tej Patel:** So no, the number 90 days, right?

**Prakash Agarwal:** I don't have it with me, sorry.

**Tej Patel:** And sir, the previous participant line asked about the order bid pipeline, the expected order bid pipeline, but my line got dropped. Did you put any number to it? How much will you?

**Prakash Agarwal:** No, I didn't put any number to it. I said it will be commensurate with our revenue growth.

**Tej Patel:** So what would be the revenue growth?

**Prakash Agarwal:** We are expecting to increase our revenue this year onwards. We had a good quarter in the 4th Quarter and we expect to keep up the revenue growth going forward.

**Tej Patel:** The number 10%, 15%?

**Prakash Agarwal:** Don't want to give a number guidance.

**Moderator:** Thank you. The next follow up question is from the line of Ravi Naredi from Naredi Investments. Please go ahead.

**Ravi Naredi:** Prakashji, order book is how much, Rs. 3,859 crores?

**Prakash Agarwal:** Yes, approximately. And secondly, do you sit in the Kolkata, if we want to meet personally?

**Prakash Agarwal:** Yes, I sit in Kolkata, travel, but I'm based out of Kolkata.

**Moderator:** Thank you. The next follow up question is from the line of Saket Kapoor from Kapoor & Company. Please go ahead.

**Saket Kapoor:** First a small clarification. As you mentioned that last year, sir, we have consolidated on our project execution skills. Therefore the turnover remained flat at Rs. 816 crore; however, our margins moved up significantly. I think so the PPT number shows 20%-22%. So going ahead for this segment for the project segment, what should be outlined in terms of the revenue rate, just lending the questions that you mentioned that 343 the run rate is we can commit going ahead just if we skip the monsoon quarter, is that understanding that correct to create a base?

**Prakash Agarwal:** So I want to say that in the first half of the year, our execution was affected by supply chain challenges. We were focused on improving our execution, which showed up in the last quarter where we executed Rs. 343 crores. Based on this strength and the achievement in the last quarter, we expect to see good revenue growth in FY25.

**Saket Kapoor:** And for the margin part, sir, this is my first question only, margin has improved significantly.

**Prakash Agarwal:** Yeah, it should remain consistent in that range. It fluctuates depending on which project which area is executed.

**Saket Kapoor:** This Madhya Pradesh project, what was the total size of this project sir and currently how much have we executed?

**Prakash Agarwal:** The concrete was roughly about Rs. 240 crores and about Rs. 155 crore was put out to tender. So that balance portion was Rs. 155 crores when it was terminated.

**Saket Kapoor:** Only Rs. 240 crores.

**Prakash Agarwal:** Yes, that's what it is one of the projects, we have 9 projects there.

**Saket Kapoor:** I was just wondering, this is the one which has been affected, the one where we have seen.

**Prakash Agarwal:** And the affected value is 155, I think Rs. 155 – Rs. 160 crores.

**Saket Kapoor:** But the total pie of the project are in higher Rs. 2000 crores. That is the total 9 schemes together?

**Prakash Agarwal:** No. In Madhya Pradesh, it is about Rs. 1100 crores. The total construction projects are about Rs. 2500 crores.

**Saket Kapoor:** Right, sir. And second question on the project business part, sir. In the presentation page #16, international order book breakup is mentioned at Rs. 458 crores. So this is also having the same timeline of 6 to 8 months?

**Prakash Agarwal:** Yes.

**Moderator:** Thank you. The next question is from the line of Piyush Jain, an individual investor. Please go ahead.

**Piyush Jain:** Sir, can we just give some detail about which projects we are doing in the PPT, maybe a top 10 project or what is the size of the project or something? Specifically get to know which state, which project we are doing the work. Is it possible to share?

**Prakash Agarwal:** We will be sharing, it's a good suggestion. We will share in the future at the least the ones we commission and complete.

**Piyush Jain:** Like this is the project value and this is the unexecuted order or something so that which project where what is happening so we'll get some detail about the geographic of which project we

are doing and something. And one more thing is to ask you said we have a presence in some limited 3-4 states. So are we trying to get into some other state geographical expansion for diversification as well as the growth?

**Prakash Agarwal:** The Jal Jeevan Mission had a shortfall in these two states, major shortfall and as the states are so, they were the ones with the jobs. For example, some states are very well developed like Telangana and Gujarat. So there are no jobs there. So the jobs come out depending on the requirement of Jal Jeevan Mission. Now in AMRUT, there will be different jobs in Jal Jeevan, balance there will be more jobs, like for example, Rajasthan is tendering right now. So depending on that, we do jobs.

**Piyush Jain:** Just one last question I want to squeeze in, sir why we sold that entity that Rutschi from which we received from Rs. 500 odd crore because our Company was a nuclear. So what was the thought process to sell that business and what I understand the last call also you said that you are looking for some inorganic expansion which is the same business which right now you are operating. So just want to understand why we sold that business which was in the nuclear?

**Prakash Agarwal:** The nuclear business is very niche. It's very niche and very cyclical. For example, a nuclear plant can take anywhere between 10 to 15 years to sometimes 25 years to be executed, one project. Our last project in France was started in the year 2007, we received the contract which is yet to be commissioned 17 years later. It is very niche and very cyclical. So last year we found a good opportunity and we got good value. So we thought it's best to exit and look at other opportunities.

**Piyush Jain:** So anything on table because the point you wanted to...?

**Prakash Agarwal:** Yeah. As we mentioned, we are on the lookout and active discussion.

**Moderator:** Thank you. The next question is from the line of Sonam from Tata AMC. Please go ahead.

**Sonam:** Two questions. One, if I heard you correctly, you basically said that whatever is the run rate or the execution rate in the 4th Quarter or the second half, you are likely to sort of replicate that over the year, if that understanding is correct? And secondly, the the cash and books after that sale that you have, I could not get what are your ways of deploying it, if you could elaborate more on that. Thank you very much.

**Prakash Agarwal:** As I mentioned that in the last quarter, we achieved a good execution target and we hit Rs. 343 crores, which gives us good confidence for the year going ahead but construction is a seasonal activity also that must be kept in mind. Secondly, our target was that we wanted to exit this business and look to deploy that for acquiring other businesses. We are in active discussions to acquire other companies.

**Moderator:** Thank you. Ladies and gentlemen, we'll take this as a last question and I'll hand the conference over to Mr. Prakash Agarwal from WPIL Limited for closing comments.

**Prakash Agarwal:** So thank you all for participating in the earnings call. If you have any further questions, anything more about the Company, please reach out to our Investor Relations Managers at Valorem. Thank you.

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