

**Monarch Surveyors and Engineering Consultant Limited**  
**H1 FY'26 Earnings Conference Call**  
**November 17, 2025**

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**Moderator:** Ladies and gentlemen, welcome to the conference call of Monarch Surveyors and Engineering Consultant Limited, arranged by Concept Investor Relations, to discuss its H1 FY'26 financial results for the period ended September 30th, 2025.

We have with us today Mr. Dattatraya Karpe, Managing Director, Mr. Sanjay Vidwans, Whole Time Director, Mr. Sunil Bhalerao, Whole Time Director, Mr. Bhartesh Shah, Whole Time Director, Mr. Srinivas Macha, Chief Operating Officer, Mr. Sunil Kokare, Business Head, Ms. Supriya Chougule, Chief Financial Officer, CM Mahesh Kanyadi, Consultant, and Ms. Naman Kaur, Company Secretary. At this moment, all participants are in listening mode.

Later, we will conduct a question and answer session. At that time, if you have a question, please press "\*" and "0" on your telephone keypad. Please note that this conference is being recorded.

I would now like to hand over the floor to Mr. Dattatraya Karpe. Thank you and over to you, sir.

**Dattatraya Karpe:** Good evening, all of you. Myself, Dattatraya Karpe, Managing Director. I am pleased to share that Monarch Surveyors has been recently listed on July 24th on the BSE SME platform. This marked an important milestone for us. The transition from a privately held company to listing publicly brought us not just business, talent, and vision, but also the opportunity to learn, but it also found us a new respect. We are delighted to present our first set of results, post-listing, half yearly for the financial year 2026 performance, which reflects our strong operational discipline and consistent project execution. The listing has strengthened our visibility, credibility, and financial capability and we remain committed to driving sustainable growth. I would also like to extend my sincere gratitude to all our investors for their trust, confidence, and support in this important phase of the journey.

It gives me great pleasure to welcome everyone to Monarch Surveyors and Engineering Consultants Limited earnings call for H1 FY'26. On behalf of the entire management team, I thank all the participants for joining us today and for your continued support.

During the first half of financial year'26, Monarch delivered strong performance across its project portfolio, supported by commitment to accuracy, reliability, and timely execution. Our

focus remains on strengthening client relationship and enhancing operational efficiency through the integration of advanced technologies such as LiDAR, Dole Surveying, and Digital Modelling.

**Supriya Chougule:**

Thank you sir. I am Supriya Chougule, CFO of Monarch. I am pleased to present Monarch's unaudited financial results for the half year ended September 30, 2025.

Revenue from operations stood at Rs 7,319.78 lakhs with a growth of 44% compared to Rs 5,069.21 lakhs last year. Total income increased by 45% to Rs 7,479.28 lakhs. Profit before tax rose by 55% to Rs 2,012.11 lakhs while profit after tax improved by 48% to Rs 1,430.49 lakhs. Earnings per share stood at Rs 10.11 compared to Rs 6.81 in the previous period. Margins improved due to efficient project cost management and disciplined financial control and the company continues to maintain a strong balance sheet and healthy liquidity position.

**Sanjay Vidwans:**

Hello everyone. This is Sanjay Vidwans. I am a whole time director of Monarch. Monarch continues to strengthen its presence across various infrastructure segments including road, rail, metro, and smart city projects. We have observed strong demand for both government and private sector clients during this period. Our focus remains on project quality, on-ground execution excellence, and adopting digital engineering practices to ensure precision and timely delivery.

Looking forward, Monarch remains focused on accelerating execution across railway, road, and other road projects. Expanding international outreach with targeted partnerships and branding initiatives. Enhancing operational excellence through cross-provincial ticketing system and KPI-driven performance culture. We are confident that our internal initiatives will transfer into sustainable growth and improve shareholder value in the coming quarters. We thank our stakeholders for their continued trust and support as we build Monarch into a benchmark of infrastructure excellence. Thank you.

With this we are open for questions and answers. I will now hand over to the moderator. Please go ahead.

**Moderator:**

Yes sir. Thank you very much. We will now begin the question and answer session. The first question comes from the line of Soham Shah with SGS Capital. Please go ahead.

**Soham Shah:**

Yes sir. Good afternoon sir. First of all, congratulations for the great numbers that our company produced. My question is that we have an amazing pipeline of Rs. 520 crores approximately. What will be the average timeline or the time taken to execute these projects overall and also by the category like project for land acquisition, how much time does it take normally for survey reports and mapping and so on?

**Sunil Kokare:** Yes, good afternoon sir. This is Sunil Kokare, Business Head from Monarch. So, usually sir, projects whatever order book is there, it is ranging from say six months to three years. So, particularly land acquisition will take maybe one and a half year to three years span and other engineering projects, DPR or this geospatial project, it will be completed within say 12 months to 18 months time frame. So, overall churning will be say forecast will be three years.

**Soham Shah:** Sorry, I did not hear about land acquisition. How much time will land acquisition take?

**Sunil Kokare:** Depends but ranging from 12 to 15 months to say 36 months is the completion period for land acquisition project. So, in the current order book, we are having some ongoing projects very near about 12 months is completed and we are saying that some of the project will completed by this within 12 months and more and some newly added three work orders which is from GSRDC, it will take near about 36 months to complete from receipt on the order.

**Soham Shah:** Okay. And the survey report and mapping because I heard recently the government has mandated to complete them like really quick because we have progressed a lot in terms of technologies. We are using drones and planes to survey. So, it takes much, much less time than the conventional survey done.

**Sunil Kokare:** Yes, it is true actually. Due to intervention of this new technology, the survey time is reduced considerably. And so government is also expecting to speed up the DPR and all the survey work, whatever time frame they were given before that. So, usually time frame is depending upon the costing of the project or size of the project, ranging from six months to 18 months. But nowadays, due to this technology, this time frame is coming to 15 months or two or three months, we can shorten for that.

**Soham Shah:** Okay. Thank you. And my second question is that what is the growth the company is expecting for the next three years? And can we sustain the 30% EBITDA and around 20% back margins for the same for the upcoming project?

**Management:** Yes, considering this government initiative in infrastructure, particularly all the railroad and this railway sector where we are in strongly present in market and as well as the geospatial new domain opened by the government, whatever numbers we are seeing that we hope that we will continue with the same.

**Soham Shah:** Like any percentage regarding the growth for the next three years, like 30% year-on-year, 50% year-on-year?

**Management:** We will try, sir. We are just trying hard for maintaining the project. So, cannot disclose this, but yes, we can assure that we will achieve this.

**Soham Shah:** Okay. Thank you very much for answering my questions. I will rejoin the queue.

**Management:** Thank you sir.

**Moderator:** Thank you, sir. Thank you. The next question comes from the line of Keshav Garg with Counter Cyclical PMS. Please go ahead.

**Keshav Garg:** Sir, I wanted to understand firstly, sir, what is the other non-current asset of Rs. 130 crore in our balance sheet as on September 25th?

**Management:** Other current assets have increased because of some increases in advances even, and that is for the new technology we want to adopt for twin, digital twin and everything. We are going to, we have invested that amount as advance for some improvement of technology.

**Management:** Particularly, basically, sir, digital twin is going on now. Everything is converted to digital twin, be it DPR project for roads or bridges. Now, government initiative started with the digital twin. Though we are operating, but in small ways, so we want to just focus, shift the focus. So, one good vendor we have this contacted, and we have this given for R&D development of that product so that we can capitalize on this digital twin market also.

**Keshav Garg:** Sir, for FY'26, what kind of top line are we looking at?

**Management:** We have already just answered the question about the orders intake during the first half. More than Rs. 186 crores orders we have received. We will not be able to give the exact numbers, but definitely growth will be there.

**Keshav Garg:** Okay. Sir, if you could name a few competitors, so it will be easier for us to understand the nature of the business. Is, let us say, Synesis our competitor or Artifact projects, are these our competitors?

**Management:** Yes, so basically Monarch operates in five, six verticals. So, each vertical we are having different competitors, particularly if you see Artifact, so it is a competitor in road sector or project management consultancy work or DPR work, and then Synesis is there for Geo-spatial, it is not in road sector. So, both are our competitors. Apart from that, some MMCs are there for metro operations and railway operations, like this LPG is there, AECOM is there, Aegis is there. So, they are in the competition, but in different sectors, different competitors. Particularly if you see the railway sector, we are a competitor like Rites and IRCON, government entities, and then apart from that, RV is there, or other players are there in the market.

**Keshav Garg:** Right, sir. Sir, so basically it is 100% business is government business, and it is tender-based business?

**Management:** Not 100%. Majority of the business is government business, and based on the data, balance is from private sector, and we are just penetrating in private sector also in a big way for us. Just like a group, like a big group like Tata or Adani something like that. But they also need our

services for various infrastructure projects. Apart from that, their operations, day-to-day operations in the projects, our services are needed. So, we are pitching with them also simultaneously.

**Keshav Garg:** Sir, so when you say that our, we hope to maintain our margins at around mid-30s, so our margin used to be 13% to 16% in FY'22 and FY'23. Then it doubled in FY'24, and it stayed now above 30%. So, now the question is that firstly, why the margin doubled in FY'24? And secondly, since it is predominantly government business, which is tender-based L1 business, so how can you be sure that I will maintain this margin? Because it depends upon the price at which the competitors are putting the tender. That will determine the margins going forward.

**Management:** Yes, so just would like to answer the second question first. So, though it is L1 business, but particularly DPR tender is based on QCDS, where quality-based, first they will give you a marking for your credential, and their financial will open. It is not always L1. At 20%, 25%, it is L1 business, or remaining 75% is on marking basis. Where if you can

**Keshav Garg:** Hello?

**Management:** Yes, though we can quote higher, we can get the work, if your marking, technical marks are more than the competitors. So, no, entire business is not on L1 business.

**Keshav Garg:** Sir, so basically, but still, how does that give you ultimately the competitive intensity will determine the margins? I mean, at the most, you can get an opportunity to match the winning bidder for the remaining work. So, in that case, then how are you sure about the margins?

**Management:** No. Actually, see, what is happening, while quoting the tender or bidding the tenders, we calculate what is the project site, what is the expenses, and accordingly we decide our margins, and we quote the project. And we are confident that where we are quoting, where our technical expertise are more, we are having more experience certificates, so that we can get the more technical mark, and we can quote higher rates for the particular bid, so that we can get the work with higher margins.

**Keshav Garg:** Okay, and why did the margins double from FY'24 onwards?

**Management:** About that, we can explain that your observation is right. The margin has almost doubled. But you can see that we have heavily invested in the technology and equipments for day-to-day data collection activities, etcetera. And that is why it is the outcome of our investment in the last previous three, four years, that the margins are doubled in this last one and two years.

**Management:** One more thing is that is the number of employees. Most of the things we are doing now in-house. Previously, prior to 2023, we were outsourcing. Margins were lesser over there. And then we have increased our staff, increased the technology. That is why the operational

efficiency has increased in the last few years. We have taken our machinery, advanced technology we have already is in use now. That is why the operational efficiency is there.

**Keshav Garg:** Now, sir, lastly, sir, what is the retention money in the business?

**Moderator:** Sorry to interrupt you Mr. Keshav, I would request you to please come back in the question queue again. Yes, the next question is from the line of Rohit Parivani with Vizit Global Securities, Private Limited. Please go ahead.

**Rohit Parivani:** Yes, thank you for the opportunity. I would like to first congratulate the management on delivering a strong performance in H1 FY'25 and also on doing this conference call. Firstly, I would like to understand what is the opportunity on the water management side. You have mentioned in the investor PPT as well that one of your core focus areas would be water management. So, if you could share some numbers on the water management opportunity, how big is that and how much current revenue we are making from that segment?

**Management:** Yes, sir. On the water side, we are actually particularly working in two segments, particularly sea segment and then river segment. So, one aspect of this is the sea segment. Particularly, we are doing some marine work, then berthing, DPRs, then this anti-surgeon burns, breakwaters. So, these were involved in the seaside, particularly in water segment. And second one is the river side. The government is coming big way in for river linking. So, particularly, river linking projects also we are working for two or three projects in Maharashtra. And as of now, we are working near about four such projects for water related and total work order value is around we are about say Rs. 13 crores or Rs.14 crores and which is likely to expand because more works are coming in this sea segment as well as river linking project segment.

**Rohit Parivani:** Is there something related to ship building as well in this?

**Management:** No. We are not into ship building. We are into consulting for port activity.

**Rohit Parivani:** Okay. Understood. And my second question is given that the company is generating heavy cash flows and operates as a service driven business. Would the management consider sharing the portion of these cash flows with shareholders in form of dividends going forward? Could you outline the company's dividend policy or approach for the future?

**Management:** See, currently, if you see our last two years performance with the technology, just previous question we answered, we have got the machinery and the number of employees increased. Now, 90% business we were having from Maharashtra. Now, we want to expand and then thereafter, we will need the funds for the growth of the company. And currently, management has not any policy regarding the distributing the dividend per se. But near future, we will be thinking of that. First, we want to utilize our IPO funds, expand first, we grow and then we will think of these options.

**Rohit Parivani:** Understood. I will join back in the queue. Thank you.

**Moderator:** Thank you. The next question is from the line of Nimish Maheshwari with Sunrise India Growth Fund. Please go ahead.

**Nimish Maheshwari:** Hello. Congratulations on good set of numbers. My first question is, what is the current bidding pipeline? What is the success ratio you are estimating on that pipeline?

**Management:** So, currently, sir, bidding pipeline is near about Rs. 150 crore to Rs. 160 crore for next one and a half months. And bidding ratio is near about 5% to 12% sir.

**Nimish Maheshwari:** 5% to 12%. Okay. And what is the timeline for the existing work we already have in our order book?

**Management:** Yes, it will range from 12 months to 36 months to execute the whatever order book in the as of date book.

**Nimish Maheshwari:** Okay. Sir, what is our plan? Like how much time it will take to deploy the IPO funds?

**Management:** First of all, working capital of Rs. 12.5 crore will be utilized till March. And Rs. 17.5 crore will be utilized next financial year that is 2026-27. And we are now getting the new orders. As and when required, our CAPEX will be utilized. And as and when required, we will be using our general corporate purpose funds. These are the only three options with us and that we are executing.

**Nimish Maheshwari:** Okay. Thank you.

**Management:** Thank you.

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

**Vedansh Agarwal:** Yes. Sir, historically, your working capital cycle has been very good. Debtors were less than a month from FY'22 to FY'24 for an engineering services business, whose clients are mostly government organizations, I was pleasantly surprised. That said, debtors have increased in FY'25. Well, at these margins, there is nothing to complain. But still, what is management's view on this? Will they maintain the same discipline like before? Or can we expect some losing in working capital cycle? What will be the priority moving forward?

**Management:** Sir, good question. Basically, we are operating in the field from 32 years and majority business is our relationship with all government officials and all that. Whatever we are delivering quality services, they believe in us. And whenever we approach for funding our monthly cycle,

maintain the monthly cycle for expenses, our vendor payment immediately, though based on our delivery, they immediately release the payment. That is only based on the relationship.

**Management:** One more thing I will add to it. I understand your question. March'25 figures and September'25 figures, if you see the debtors have been increased. But it is again the last time also the same situation was there. Year-end billing had happened at the end of 31st of March'25. The same thing repeated in the 30th September'25 result also. Immediately after the booking, the billing has been recovered in the next month. That is why as on that date, the situation is there. But as you were saying previously, the cycle was in the lesser period. Same still continues. Only billing has happened at the end of the month of September. That is why it is there. Otherwise, it is recovered.

**Vedansh Agarwal:** Okay, that is wonderful. Secondly, you know, I wanted to know what kind of international business opportunity you are looking at? You know, how big is this market? What kind of capabilities we have? And you said that you are doing technological up-gradation. So, how will that be helpful?

**Management:** Yes, sir definitely we are having good technology with us, which is as far as the international market we can serve. And in this line, we are just trying hard. Recently, we have just attended to the Riyadh South Indian Seminar, as well as the recently we have attended one technology summit. And we can see that good opportunities are there. We are just trying hard to grab the opportunities.

**Vedansh Agarwal:** Okay. So, this last question from my side. Sir, what was the employee base as of 31st March?

**Management:** 31<sup>st</sup> March'25, you are asking?

**Vedansh Agarwal:** Yes.

**Management:** 500 plus was the number.

**Vedansh Agarwal:** And what it is now currently at this moment?

**Management:** Around 630.

**Vedansh Agarwal:** No, at this moment. 630 was I think it was on 31st, 30th September, correct?

**Management:** 30th September 25, 630 plus.

**Vedansh Agarwal:** No, sir, I am asking as of today.

**Management:** As of today might be some additional 25, 30 number.

**Vedansh Agarwal:** Okay. Thank you. Thank you so much. I will come back to the queue.

**Moderator:** Thank you. The next question comes from the line of Sujit Dalvi, a retail investor. Please go ahead.

**Sujit Dalvi:** Yes, sir. Good afternoon. Wanted to understand any major bifurcation of the order book you can give? Let us say 15%, 20% pertains to land acquisition, another 10%, 15% pertains to surveys. So, any broader bifurcation of current order book as on September?

**Management:** Yes, approximately 20% to 25% for land acquisition, 25% to 30% for DPR projects, roads, 10% to 15% for railway segment and other geospatial, then water sector, transmission lines and then some private operators.

**Sujit Dalvi:** Okay, sir. Can you just repeat the first 20% to 25% pertains to which?

**Management:** For land acquisition.

**Sujit Dalvi:** Land acquisition. Okay sir. And one more thing, what would be the broader timeline for deployment of IPO funds? I mean, next year would it be complete, the purchase of equipment?

**Management:** I already answered this question previously, the first slot of capital of Rs. 12.5 crore will be utilized up till March'26th, and by the March'27th, another Rs. 17.5 crores will be utilized. And other than our order work order, new work orders require our new machinery, immediately we will go for it. General corporate funds will be implemented.

**Sujit Dalvi:** Okay. And one last thing, any particular business you see driving our growth for the next two, three years means? Any particular business or segment you see there is a good growth potential?

**Management:** Yes, actually, considering the government initiative, our road and railway perception is going good. Those businesses are also growing and simultaneously geospatial is coming in a big way. So, we are just delivering and seeing the opportunity for geospatial also. Geospatial will be the driving force for next three years.

**Sujit Dalvi:** Okay, sir. Thank you so much.

**Moderator:** Thank you. The next question comes from the line of Akshay from Thamba Investments. Please go ahead.

**Akshay:** Hello. Am I audible sir?

**Management:** Yes.

**Moderator:** Akshay, you are audible, but you are sounding very low.

**Akshay:** Now, is it okay?

**Moderator:** Yes, loud and clear. Thank you.

**Akshay:** Sir, you have not disclosed about Pune Municipal Corporation Elevation Certificate Surveys. How much revenue you generate from PMC? My first question. And are you pouring into ELU, PLU and property taxation for local bodies? This is my second question.

**Management:** Yes, sir. Particularly, this business, certification business, order value is very less. And generally, these orders are coming not in regular way. It is a local customer. So, it is a small business in that way. And particularly from ELU and PLU. Yes, we are bidding. And once we get the order for the tender conditions and all that, we are delivering that. We are having good experience in particularly these businesses.

**Akshay:** Sir, how much revenue you generate from Pune Municipal Corporation? Any tentative idea?

**Management:** No, it is not exclusively Pune Municipal Corporation. This requirement is from PMRD also, then PCMC also, and then now MSRDC also, and Pune Municipal Corporation. It is a different segment. It is a very small amount. Figure is not handy with us right now. But it is a very small amount considering the turnover.

**Akshay:** Property taxation, are you looking for that?

**Management:** Yes, we are looking for it. It is a geospatial segment. So, we are definitely looking for property taxation operations.

**Akshay:** Any work orders you have issued for that?

**Management:** Yes, one order we just issued from I think Ambezo guys. It is a small value. So, it is not posted.

**Akshay:** Thank you, sir.

**Management:** Thank you.

**Moderator:** The next question comes from the line of Virag Bhusat with RTIS. Please go ahead.

**Virag Bhusat:** First of all, I would like to congratulate management on September results.

**Management:** Thank you. Thank you, sir.

**Virag Bhusat:** First question is, are we planning to expand in any new geography? 90% of our business is in Maharashtra, I think.

**Management:** Yes, we are working in Maharashtra, but our presence is in 22 states, particularly railway DPR. So, we are getting about 10% to 15% of business. We have already offices in Delhi, then Guwahati, and now just newly we are opening in Ahmedabad and Nashik. So, these are the Indian geographical location expansion. And we are considering abroad also for two, three countries. But it is in the pipeline and yet nothing to disclose as of date. But once it happens, we definitely disclose to the exchange.

**Virag Bhusat:** What percentage of our top line is from recurring clients?

**Management:** Can you repeat? Hello? Sorry.

**Virag Bhusat:** What percentage of revenue is from recurring clients?

**Management:** Yes, you can say top line near about 60% to 65% approximately.

**Virag Bhusat:** And sir, out of the total top line, what percentage of projects you have done from NHAI in this financial year?

**Management:** NHAI is near about, say, less than 1%. Only two or three projects we are doing with NHAI.

**Virag Bhusat:** In this financial year?

**Management:** Yes.

**Virag Bhusat:** All right. So, thank you.

**Moderator:** The next question comes from the line of Ramesh Kumar Jain with Jain Equity Research. Please go ahead.

**Ramesh Kumar Jain:** Sir, this thing, first of all, I congratulate you. Then if you look into the results, last year your second half turnover was more than the first half. First half turnover was Rs. 50 crores. Second half turnover was Rs. 103 crores. So, almost double the turnover you had in the second half. Whether this year also can we expect the same trend for the second half?

**Management:** Generally, sir, infrastructure business, this turnover is always more in the second half than first half. And we hope that we continue with the same.

**Ramesh Kumar Jain:** Okay. Then my next second question is, sir, your operating charges, which is very high side, whether that is fixed in nature or that is variable, depends upon project to project?

**Management:** No, it is dependent on project to project.

**Ramesh Kumar Jain:** Yes, because operating charges, if we take percentage of the revenue, it is decreasing every six months. So, whether the same trend will continue?

**Management:** No. Sir it depends upon project to project. Some projects are of different nature. Turnovers are different. It depends upon so many factors. So, it is not a constant, sir. It will depend upon the project to project.

**Ramesh Kumar Jain:** Yes. Then whether this long-term project, say of two years, three years of Rs. 40 crores, Rs. 30 crores, when the billing happens, whether on the work completion basis or only after completion of the work?

**Management:** Sir, all our projects and all our contracts, payment schedule is there and it is always based on our submissions. Maybe for first two months after submission of our first report, 10%. Then after delivery of second report, 30% and it depend upon that. And it is different for different project. It is not entirely we will get the money after completion of the project. So, we will get the money in a stage-wise pattern, milestone basis.

**Ramesh Kumar Jain:** Okay, thanks. I hope you will revive the shareholders in time to come.

**Management:** Definitely, sir.

**Ramesh Kumar Jain:** Okay. Thank you, sir.

**Management:** Thank you, sir.

**Moderator:** Thank you. The next question comes from the line of Keshav Garg with Counter Cyclical PMS. Please go ahead.

**Keshav Garg:** Sir, I am trying to understand that once we get an order, let us say we win a bid for land acquisition. So, can you explain that how exactly is the milestone-based payment or is it a bullet payment in the end or what are the terms, typically what are the terms and what is the kind of retention money and what is the risk of stretch receivable because government is infamous for like extending the payment cycle. So, I hope you got the gist of my question.

**Management:** Yes, sir. I would like to answer this. See particularly in land acquisition segment, there are near about eight to ten milestones. First milestone is submission of this land acquisition proposal to the government mercenary. Second is demarcation of ROW. Third one is joint measurement with the government mercenary. Fourth is **(Inaudible) 30.04**. Fifth is **(inaudible: 36:06)**. In between valuation also we get something. So, it is phase-based payment. So, entire project cost or cycle is divided into 36 months or some project it is 12 months or project it is 18 months and based on that and with this milestone, we are getting the payment. Second question

regarding the government mercenary payments cycle and all that. So, we are working in the initial reach of the AD infrastructure project and it is always pressure on government mercenary to complete the DPR so that all these leaders running the countries or particular department want to declare that we are doing this project and very soon we launch the project. So, that threat for payment is not there with us, luckily, though we are working with the government. Second thing, security deposit. Yes, there are different, different clauses in different tenders. Particularly it is in the form of ESD. So, whenever we submit our tender, 1% EFD generally we submit and it will be converted to security deposit and balance security deposit of 4% will be recovered by our running account bills and in some cases we have to submit our government bank guarantee for 5% of amount and then they will release once our project is completed successfully after end of the work or maybe beyond six months after completion of our services.

**Keshav Garg:**

Sir, what is the total CAPEX that the company needs to incur to sustain our growth? Is the business dependent upon CAPEX or only working capital is required?

**Management:**

I will answer this. Both the things are required. Currently, you have seen our growth in last two financial years. That was before IPO with our own funds we were able to make our capital expenditure as well as the working capital. We are having very small amount of facility from the bank. Maximum is non-fund based and very small component is fund based out of it and now with the IPO funds we are having our CAPEX requirements and as well as the working capital requirement is also there. So, there will not be any issue about working capital or non-capital expenditure. We will be able to grow our business multi-states and larger way.

**Keshav Garg:**

Can you quantify the CAPEX that we are looking to incur?

**Management:**

It depends on the orders we receive actually. This is how much big project we receive. Whatever the existing machinery if it is already deployed in our existing work orders. If required we will buy another machine if we have the option. But if at all other projects are getting completed in near future so that overlap can be done and effectively we will use our funds for the CAPEX as well as the working capital.

**Keshav Garg:**

I thought that since we are basically into consultancy business so it should be asset line business. But I am not able to understand that what kind of like for example in land acquisition what kind of CAPEX is required?

**Management:**

See particularly land acquisition we have to deploy our manpower. So, salary cost is there then vehicle cost is there. We have to fix the pillars. For pillar fixing we require good parts. Simultaneously we require some survey equipment. So, if we got more orders immediately we have to hire some equipment needed for the survey. Simultaneously office range then this day to day working capital cost for people's movement, telephone cost, stationery cost, then software is needed for this CAD drawing some of that. Those cost is involved in working capital.

**Keshav Garg:** Sir now typically for a let us say

**Moderator:** Keshav sir I would request you to join the queue.

**Keshav Garg:** Yes. Thank you.

**Moderator:** The next question comes from the line of Sujit Dalvi, a retail investor. Please go ahead.

**Sujit Dalvi:** Yes sir. Now I wanted to ask about maintenance CAPEX. So, what is our maintenance CAPEX every year? Let us say we do not purchase any machinery in the next two years. So, what would be the CAPEX that need to be incurred on their maintenance so that to ensure they run smoothly?

**Management:** Yes basically these are the all electronic equipment that we get is periodically calibration and maintenance and it is very negligible in that way because we do calibration regularly. It is one of the prime conditions for the tender. Our submissions also must be calibrated and we have to submit the calibration certificate also but cost is very negligible.

**Sujit Dalvi:** Okay so as good as minimal to very low maintenance CAPEX you incur right?

**Management:** Yes sir yes.

**Sujit Dalvi:** Yes and one last question regarding government and private mix of projects. Any particular percentage you are planning in future means 60% government 50% private or leaning more towards private in the future?

**Management:** No sir actually definitely government will lead the show and we are trying to do private business also because they also, but ultimately it will not match the government. Government spending is particularly more in the infrastructure segment so government will be the priority.

**Sujit Dalvi:** Yes. Okay sir. Thank you.

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

**Vedansh Agarwal:** Yes sir as an investor you know we all have kind of burned our hands in government businesses but as I understand you are operating in very initial phase of project where you do not really have any receivable risk correct? So, please correct my understanding if that is right as per your thinking.

**Management:** Right sir. Whatever you are saying is right because we are not into construction. We are not into this provider or execution or a wood supplier. We are into consultancy and see what the government generally declare the project. They want to keep declaring that this is completed

and we have completed this project. So, during DPR stage only this hype is there. So, the government is not actually cooperating with us and making payments also smooth cash flow will be there. Remotely or some 1% chances are there in some cases it may happen but mostly we are getting good response from government side.

**Vedansh Agarwal:** Good good that is very good to hear sir. Secondly on margins is there any chance of further improvement as we bring in more technology?

**Management:** Sir we are always trying to give good margins but yes we are just acquiring more technology also in pipeline and we hope that we will improve on that also sir.

**Vedansh Agarwal:** Yes sir, initially in call you said you received Rs. 186 crores of orders in last six months is that correct?

**Management:** Yes sir.

**Vedansh Agarwal:** Okay that is very good. Thank you sir. Thank you so much.

**Moderator:** The next question comes from the line of Akshay with Thamba Investment. Please go ahead. Hello.

**Akshay:** Hello sir. Sir my question is Maharashtra government has one GR for 2% for PMC charges, DPR related charges. Are we applicable for that government regulation GR, 2% capping for DPR consultancy?

**Management:** Yes in some organizations this government GR is applicable to corporations and other government bodies but at the same time government may invite open tenders wherein the open bidding whatever bidders have spoken that has to be accepted by the government largely and in some corporations that restriction is there we have to accept as per the government norms.

**Akshay:** Sir my next question is do you face any problems on for land acquisition projects from local residents? Does it delay your project timeline?

**Management:** Yes it is always there sir. Land acquisition problems are always there but our team is experienced and we have to convince them though there are some hurdles and then smoothly and politely we can explain benefit of the project and usually some turn down for the land acquisition and profit with us.

**Akshay:** Okay thank you sir.

**Moderator:** Thank you. The next question comes from the line of Ramesh Kumar Jain with Jain equity research. Please go ahead.

**Ramesh Kumar Jain:** Sir my question that you have raised IP of fund around Rs. 93 crores whereas as per this initial presentation you utilized only Rs. 5 crore till September'25. So, there is still remaining Rs. 88 crore which normally company keep in the separate bank account but if I look into the balance sheet hardly this thing in bank balance hardly Rs. 7 crore is there. So, where the fund is deployed, that Rs. 88 crore?

**Management:** Yes I will explain that.

**Ramesh Kumar Jain:** Yes sir.

**Management:** Fixed deposits if you check it is there in the fixed deposits.

**Ramesh Kumar Jain:** Cash and bank balance is Rs. 7 crore only.

**Management:** Yes.

**Ramesh Kumar Jain:** So, fixed deposit under which head it is appearing right now?

**Management:** Just give me a second I will answer this. It is in other current assets. It is increased from 213 to 747.

**Ramesh Kumar Jain:** Okay so it is the interest bearing?

**Management:** Sorry?

**Ramesh Kumar Jain:** It is in fixed assets only or it is given as advance to supply?

**Management:** No. In fixed deposits it is kept. We have uploaded this particular equation. You can check on the exchange also.

**Ramesh Kumar Jain:** Yes but what I feel that it should be classified under cash and bank balance instead of non-current assets.

**Management:** It is kept in the FDs and it is kept separately and it is as per guidelines it will be utilized and it will be reported to the stock exchange.

**Ramesh Kumar Jain:** Okay then not the question just suggestion that you have come in the public issue. I feel that the company should declare the dividend right from the first year irrespective of the future requirement of the fund. It may be say 10% of the whatever earning or irrespective of this in future you should distribute to some part of the amount to shareholder also because shareholders keep changing.

**Management:** We will be thinking on your option sir and management will definitely take call on this finally. Once the plans are in place this suggestion will also be considered.

**Ramesh Kumar Jain:** Okay thank you sir.

**Moderator:** Thank you. Ladies and gentlemen that was the last question for today. I would like to hand the conference over to the management for closing comments.

**Management:** Thank you all for participating in the conference call. We appreciate your continued trust and support. Monarch remains committed to delivering high quality engineering and consulting solutions while driving value for all stakeholders. Thank you once again everyone. Thank you very much.

**Moderator:** Thank you on behalf of the Concept Investor Relations that concludes this conference. Thank you for joining us and you may now disconnect your lines. Thank you.