



Ref : CIL/STEX30/Q2FY23

Date: November 14, 2022

To,

The Secretary, BSE Limited Corporate Relation Dept. P.J. Towers, Dalal Street, Fort, Mumbai-400 001	The Secretary, National Stock Exchange of India Limited Plot No. C/1, G Block, Bandra Kurla Complex Bandra (East) Mumbai-400 051
Scrip Code /Scrip Id: 540710/CAPACITE	Scrip Symbol: CAPACITE

Dear Sir/ Madam,

Sub: Transcript of the Analyst/ Investor Conference Call held on November 11, 2022

Dear Sir

We refer to our letter dated November 09, 2022 regarding the Intimation for Earnings Conference Call with Analysts/Investors to discuss the Operational and Financial performance of the Company during Q2&H1FY23 which was scheduled on Friday, November 11, 2022 at 12:30 p.m. (IST).

In this regard, we are attaching herewith the transcript of the conference call as required under Regulation 30 read with Part A of Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

This is for your information and records.

Thanking you,

**Yours faithfully,
For Capacit'e Infraprojects Limited**

Varsha Malkani
Company Secretary & Compliance Officer



Encl: a/a



“Capacit'e Infraprojects
Q2 FY 23 Earnings Conference Call”

November 11, 2022

Disclaimer: E&OE - This transcript is edited for factual errors. In case of discrepancy, the audio recordings uploaded on the stock exchange on 11th November 2022 will prevail.



MANAGEMENT: **MR. ROHIT KATYAL - ED AND CFO**
 MR. ALOK MEHROTRA - IR TEAM
 MR. NISHITH PUJARY - IR TEAM

Moderator: Ladies and Gentlemen, good day and welcome to the Capacit'e Infraprojects Q2 and H1 FY '23 Earnings Conference Call. 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.

Before we begin a brief disclaimer, the presentation, which Capacit'e Infraprojects has uploaded on the stock exchange and their website, including the discussions during this call, contains or may contain certain forward looking statements concerning Capacit'e Infraprojects business prospects, and profitability, which are subject to several risks and uncertainties. And the actual result could materially defer from those in such forward looking statements. Should you need assistance during the conference call, please signal an operator by pressing “*” at “0” on attach phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Rohit Katyal, ED and CFO Capacit'e Infraprojects. Thank you and over to you Mr. Katyal.

Rohit Katyal: Thank you. Good afternoon everyone. On behalf of Capacit'e, I welcome everyone to the Q2 and H1 FY '23 earnings conference call of the company. Joining me on this call is Mr. Alok Mehrotra, Mr. Nishith Pujary, and our IR team. I hope everyone has had an opportunity to look at our results. The presentation and press release have been uploaded on the stock exchanges and our company's website.

Today as we witness remarkable transformations within the real estate space, we understand the need to align our priorities with that of shifting customer expectations. Our ability to consistently morph ourselves and capitalize on emerging opportunities has empowered us to lay the foundation for sustained growth and progress. With our healthy order book and sustained order in flow and our expertise in executing and delivering projects, we are optimistic that we shall witness a healthy and sustainable growth in the future.

Our key updates,

- total awarded projects worth INR 2147 crore excluding GST in H1 FY '23, including work order amounting to INR 1249 crore for MAHDA BDD project awarded by Tata Projects Capacite JV.
- Upgrade in credit rating to BBB+ from BBB by India Ratings and Research.
- The company expects sanctions of non-fund based limits very shortly. The sanctions have got delayed by 45-60 days. However, once the sanctions are in place, the company expects the release of retention money's and advances to the tune of hundred crore, which will improve the operating cash flow as well as overall working capital by likewise amount.
- We are happy to inform that the company has signed settlement agreements for two of the old stock projects with the Radius Group. The Honorable High Court has given a favorable verdict in favor of the company in the case of IGIMS project, which was court monitored, and the hold amount of INR 3.55 crore has already been released. We expect positive cash flow impact to the tune of INR 55 crore,

including the amount already received on account of the above over the next three quarters starting from the current quarter.

Performance highlights for Q2 FY '23.

Revenue from operations for Q2 FY '23 grew by 25% to INR 431 crore as compared to INR 345 crore in Q2 FY '22. EBITDA for Q2 FY '23 grew by 26% to INR 84 crore as compared to INR 67 crore in Q2 FY '22. EBITDA margins for Q2 FY '23 stood at 19.4% as compared to 19.2% in Q2 FY '22. Previously for Q2 FY '23 grew by 17% to INR 29 crore as compared to INR 25 crore in Q2 FY '22. PBT margins to that 6.8% for Q2 FY '23 as compared to 7.2% in Q2 FY '22. PAT for the quarter, FY '23 grew by 15% to INR 22 crore as compared to INR 19 crore in Q2 FY '22. PAT margin for Q2 FY '23 stood at 5% as compared to 5.4% in Q2 FY '22. Cash profit after tax for Q2 FY '23 grew by 15% to INR 51 crore, as compared to INR 41 crore in Q2 FY '22.

Performance highlights for H1 FY '23.

Revenue from operations for H1 FY '23 grew by 45% to INR 908 crore as compared to INR 626 crore in H1 FY '22. EBITDA for H1 FY '23 grew by 70% to INR 185 crore as compared to INR 109 crore in H1 FY '22. EBITDA margin for H1 FY '23 stood at 20.3% as compared to 17.3% in H1 FY '22. PBT for H1 FY '23 grew by 118% to INR 68 crore as compared to INR 31 crore and H1 FY '22. PBT margin H1 FY '23 stood at 7.4% as compared to 4.9% in H1 FY '22. PAT for H1 FY '23 grew by 84% to INR 50 crore as compared to INR 23 crore in H1 FY '22. PAT margin for half year FY '23 stood at 5.5% as compared to 3.7% for corresponding period last year.

Cash PAT for H1 FY '23 grew by 82% to INR 127 crore as compared to INR 70 crore in H1 FY '22. Cash PAT margin stood at 14% for H1 FY '23 as compared to 11.1% H1 FY '22.

Gross debt stood at INR 365 crore, excluding promoters debt with gross debt to equity at 0.3 approximately. Net debt stood at INR 190 crore excluding promoters debt.

The company continued focus on working capital management and quality on order book. The working capital cycle excluding attention improved from 91 days in March '22 to 88 days in September '22. Order book on sustainable basis, on standalone basis stood at INR 9026 crore as on September 30, '22. Public sector order accounts for 74% while private sector for 26% of the total order book.

We remain optimistic on India's recovery amidst the continuing global geopolitical uncertainty. Before taking the Q&A, I would like to reiterate the vision of the company. To improve the working capital cycle and bring it down to 60 days excluding retention by Q1 FY '24. Our endeavor is to reduce leverage levels in medium term, objective is to continually improve shareholders return ratio by investing in people, technology and processes. I am now available to take the Q&A.

Moderator: Thank you very much. We will now begin the question and answer session. The first question is from the line of Mohit Kumar from DAM Capital. Please go ahead.

Mohit Kumar: Good afternoon, sir. Congratulations on a very, very good set of numbers, especially on EBITDA margin. If I remember correctly, I think we had given a guidance of 19 billion for FY '23 is that number right? And are we on the track to meet the guidance?

Rohit Katyal: We had given a guidance of INR 1800 crore for the financial year '23 and yes, we are on track to achieve and better that target.

Mohit Kumar: Second is we have received the order inflow from MHADA BDD project of INR 1249 crore, can we expect a larger amount as the entire FY '24 and FY '25 and has the work started and have we started booking the revenues?

Rohit Katyal: So we have booked close to about INR 14 crore revenue in H1. The work on six towers has already been started, four by Tata Projects and two by Capacit'e. We expect the work to start on 16 towers in the current fiscal. So yes, going into the next financial year, you will see

decent revenue being booked, which will grow by approximately 30% to 40% year-on-year thereafter.

Mohit Kumar: Question is that, will we get further order inflow from MHADA BDD project as we go forward?

Rohit Katyal: Yes, yes, yes. So we are -- this time removed the order on the consolidated basis, which our share is INR 4,032 crore. This will now come to the standalone order book position of the company of which INR 1,250 crore has already been received. That leaves another INR 3000 crore of orders to come from the Tata joint venture in the following years.

Mohit Kumar: Understood sir, lastly how does the outlook looking for the in flow from 12 month perspective, from the government side and the private side?

Rohit Katyal: We would like to maintain what we said last time. Our target for the current fiscal is INR 2200 crore. Apart from what we have already, we are lowest in approximately INR 800 crore of projects, which will get translated into order book in the current quarter and next quarter. So, we will be beating by some margin the target of INR 2000 crore, INR 2200 crore, which we have set internally for the current financial year. Similarly next financial year we should be targeting an ordering flow of about close to INR 2600 crore to INR 3000 crore. And with the pipeline, our qualifications, our client base repeat order history, we expect to do that quite comfortably.

Moderator: The next question is from the line of Parikshit Kandpal from HDFC Securities. Please go ahead.

Parikshit Kandpal: So my first question is on the CIDCO project. So what is the status on the execution update that?

Rohit Katyal: So we have done an execution of close to INR 86 crore in the last quarter. The momentum carries on, we expect to cross more than a hundred crore in this quarter and INR 150 crores in next quarter.

Parikshit Kandpal: I think previously, we used to target about INR 750 crore to INR 800 crore of peak executions. So when do we expect like to start achieving that? So in FY '24 as per the schedule, how much do you think we can execute from CIDCO project?

Rohit Katyal: So the client has given in writing to start the work on the location number seven from January onwards, and they have also approved another extension over 21 months, which means that our peak execution should start coming from quarter one of the next financial year, which we have informed you, but we couldn't reach the peak because the location number seven at Navade while it was handed over on paper, physically it'll come back to us by December end.

Parikshit Kandpal: So what could be that number for next, like starting from Q1, how much execution you to do?

Rohit Katyal: We expect to start with INR 60 crore to INR 70 crore and pick it up at INR 75 crore average

Parikshit Kandpal: Per month. You are saying.

Rohit Katyal: Per month. So when I say INR 86 crore for the quarter, so this quarter, as I told you will, the target is to do just give me a second, close to about INR 94 crore plus escalation. So it should be about INR 100 crore followed by INR 150 crore in quarter four of the current fiscal plus price variation.

Parikshit Kandpal: Then in Q1 of next year you will start topping and start doing about two hundreds plus.

Rohit Katyal: Absolutely.

Parikshit Kandpal: Great. Great to hear that. And has the last tranche of mobilization advance for CIDCO come in, I think about INR 125 crore.

- Rohit Katyal:** I explained this to you last time also, once the balance land is available, we shall approach the client. However, at the moment, INR 130 crore of advance has already been reduced/recovered by the client from the earlier advance of INR 337 crore.
- Parikshit Kandpal:** Just lastly on this the land, so what is the total size of the project, which is under execution? And with this new parcel coming in, how much will the size go up?
- Rohit Katyal:** So six site is INR 2,150 crore excluding infrastructure works. And that availability is fully available. We have mobilized all the aluminum foam work, except 4 which will be available at site by next month end. So there is, all the sites are fully manned with fully equipped and with all the resources. And therefore we are extremely optimistic of achieving the IR 150 crore plus target quarter four, if not better.
- Parikshit Kandpal:** And the last is how much do the overall – the one you said will get in January.
- Rohit Katyal:** So December end is Navade plot, which will be about INR 2000 crore.
- Parikshit Kandpal:** And you were also saying you were going to take up some, if I remember correctly, some other developers are landing behind and I think you were in talks with CIDCO was approaching you to execute that project. Any update on that?
- Rohit Katyal:** So that is going on. We be the last person that we do someone else work. However, at the moment in time, I think we are focused first on getting that INR 4,000 crore. The sales response to CIDCO has been very good. You have been reading in the newspapers that a slab cycle of eight - nine days is already being achieved by each contractor. And that can be better to maybe six days, seven days from that perspective and the response which CIDCO has received, we believe that there could be an increase in the scope of work for all contractors and we will be part to that.
- Moderator:** The next question is from the line of Parvez Qazi from Edelweiss Securities. Please go ahead.
- Parvez Qazi:** So my first question is regarding the MHADA project what was the execution that we did during the current quarter there?
- Rohit Katyal:** So we have built 14 crore for the MHADA project and out of the two buildings, which we are executing, and as I told that total 16 buildings will be under execution by end of the current financial year.
- Parvez Qazi:** So next year, I mean, what kind of execution can we see in this project?
- Rohit Katyal:** See one building is equal in INR 140 crore to INR 150 crore and therefore the total scope available will be INR 2,240 crore out of which our front availability will be INR 785 crore and construction period of that is two years. So we should safely assume that INR 350 crore should be the revenue provided we get the frontage of INR 785 crore in the next year and the balance in the subsequent year.
- Parvez Qazi:** Sure. And second question is on our limits. I mean, what are our fund and non fund based limits currently? And once the additional facilities get sanctioned what kind of increase can we see there?
- Rohit Katyal:** You see that the overall non fund based untied up portion is INR 300 crore, which has led to a temporary increase in the fund based limits. So we are expecting tie up with our lead bank, State Bank of India, Punjab National Bank, and a couple of other new entrants. So with two sanctions are expected in November, one sanction is expected in December. Now this results in we getting our release of nearly a INR 100 crore of retention and yes, about INR 80 crore of advances which have not been claimed at the moment in time. So overall there's an impact of INR 180 crore from cash flow perspective number one and number two out of this we have emphasised that about INR 100 crore will come in this financial year.
- Parvez Qazi:** And lastly on the bid pipeline front, I mean obviously our order intake has been much better than expected. Going ahead which segment as in be the private or public sector and within that whether institutional or hospital or which segments are we expecting our orders to come from?

- Rohit Katyal:** We are more focused on institutional at the moment in time because the revenue built up happens much better, number one. Number two, they are mostly the government projects. Now, as for the guidelines are coming on EPC model, which gives us an opportunity. And thirdly of course hospitals, we are executing three at the moment in time and endeavor will be to add maybe a couple of more over the next three, four quarters, but focus will be more on institutional commercial. However, residential has remained our core strength and on absolute levels that will also continue to grow. So the bid pipeline is humongous. However, we will have to adopt the pick and choose policy. So RLDA is a new client, which we have submitted our bid for, for the Chandigarh Railway station on E2C basis. There are projects in defense which we are aiming to bid in the current quarter. Similarly, there are projects of hospitals in both PWD CPWD and in MCGM which we are targeting. Going forward there is a lot of scope for DEPO constructions for clients like MMRDA. So just to give you the flavor of the projects will be more institutional, whether you call it commercial, whether you call it hospitals or you call it railway station development. So basically all cash contracts, more of them on EPC basis.
- Moderator:** Thank you. The next question is from the line of Ankit Babel from Subhkam Ventures. Please go ahead.
- Ankit Babel:** Sir what do understand typically H2 is better than H1 for any intra and for you also? Yes, now we have already done some INR 900 crore of turnover this year. So what kind of revenue you feel you can do it in this financial year considering the first half performance?
- Rohit Katyal:** Dil Mange more, isn't it? So now the point is that we should be growing with our original estimate at more than 35% in the current financial year at INR 1800 crore. So whatever extra, if that happens, please take it as bonus. The company remains focused on execution and also on recovery of its old receivables. That is the priority for the company at the moment. And it'll also depend because we have just started the Bhandup Hospital project, is yet to see, we are yet to see how the revenue built up happens over there. And I will be able to give you a reply to this answer more confidently when we meet for the Q3 earning conference call.
- Ankit Babel:** Okay. So after FY '23, I mean, what kind of CAGRs you're looking for the next couple of years based on the order book and the visibility on the order inflow?
- Rohit Katyal:** I have given you that our commitment to the client is somewhere between 22% to 25%. That's what the company has been doing since inception, except for this two years, which were more by COVID and other external factors, on which company had little control on. However, we are confident we are back or to pre-COVIC levels in most ways we should be back at the networking capital by Q1 of '23 – '24. And therefore we do believe that the company has ample opportunity to grow in excess of 22%, 23% if not more than that over the next three years.
- Ankit Babel:** So basically why I was asking this question was because in the COVID years, your order inflows were almost negligible. So can that two lull years of inflows impact your growth in the coming couple of years?
- Rohit Katyal:** How can that, how is that possible? I just told you that our order book is close to INR 10,000 crore – INR 9,000 crore. And apart from that, we are L1 in another INR 800 crore. So we are looking to close the year at INR 9,000 plus. So that gives you visibility for at three and half years that the CAGR we have just mentioned. And it would be, it could be wrong to assume that we won't bid for the next three years. So what I'm trying to say, the order we are giving our projections on the basis of the current order book.
- Ankit Babel:** Okay. Okay, that's helpful sir. Sir, I missed your initial remarks you were saying something about debts reversal and all those right back. I couldn't get that. Can you please repeat?
- Rohit Katyal:** Yes, I mentioned that our expected credit loss, ECL provisioning on gross basis is close to INR 100 crore. On our net basis is about INR 90 crore, and this also contains about INR 25 crore of provision done for the Radius group. Alright or more so we have signed settlement agreements for two of the old projects of Radius Group which should release INR 26 crore INR 27 crore over the next two to three quarters, number one. So this will improve the cash flow of the company. Number two, the honourable high court of Patna has given us a favourable verdict in the case of IGIMS Patna, which is a court monitored project, subsequent to the verdict the client has released bank guarantee and a whole amount of INR

3.55 crore. Currently the final bill is under recording. Subsequent to that, our escalation bills will be recorded and subsequent to that, that is in January our retentions will become due and payable. So we expect a total of INR 55 crore release from the old project, which will go directly into the cash flow of the company over the next three quarters.

Ankit Babel: Okay. So assuming that whatever you just said, you know, happens the way you have said in the next three quarters, and plus you'll have internal approvals and all execution and everything. So any timeline when you feel that you people can become debt free at net level at least?

Rohit Katyal: So our net debt is about INR 190 crore. So I have been telling that to go net debt free, we require INR 150 crore of our retentions and advances to come in, number one, which is only a matter of bank guarantee issuance and it is round the corner. Number two, we this I have told maybe a year back in the conference call also, that we expect the banks to reduce our margins from the existing level. A 5% reduction of margin releases INR 85 crore. So this collectively is much more than our total net debt. Our intention is not to go net debt free. Our intention was to go gross debt free, but yes the two years impact may have delayed the program by a year or so, but the intent remains the same. We will be overly cautious while choosing our clients. However, given our current client order book, our client clientele when we worked with them during COVID, and subsequent to that also we have not seen any slow moving deters from them. So this augers well for the company.

Ankit Babel: So basically in the next four, five quarters, you believe that this is possible?

Rohit Katyal: Yes it is -- I just told you with the details, so you have to ask me with whether the retention was released. If I say no, then I am not net debt free. If I say yes, we are net debt free.

Ankit Babel: Okay. And so my last question is just a follow up on that Radius Group. You mentioned that INR 25 crore to INR 27 crore of amount would get released. So, and you have already provided for this. So whenever this money will come, there will be provisions right backs also in your P&L right.

Rohit Katyal: So at the moment I am committing the receipt of inflows, yes, they will be right backs, but then the ECL is here to stay. So you have to make provisioning on retention, you have to make provisioning on better moment, uncertified bills, certified bills. So what will be the reversal? We will be able to tell you exactly in quarter four, but yes, there will be something and as I told you, the gross provisioning is at close to INR 100 crore plus. So out of this nearly INR 60 -- how is the total provision for Radius? Out of this, the total provisioning for Radius is INR 34 crore and yes there will be reversal of the provision, but the exact amount on a net basis we will communicate during our next quarter conference calls.

Moderator: Thank you. The next question is from the line of Shreyans Mehta from Equirus Securities. Please go ahead.

Shreyans Mehta: Yes congratulations on a good set of numbers. So my question is pertaining to CapEx. So can you give guidance for CapEx for this year and next year and how much have you done till late?

Rohit Katyal: So the total CapEx for the current financial year would be restricted to INR 60 - 63 crore thereabouts. INR 50 crore has already been done. We do not foresee any CapEx during quarter current quarter, we foresee a CapEx of close to INR 10 crore to INR 12 crore in quarter four. In the next financial year, we see a CapEx of INR 40 crore to INR 45 crore.

Shreyans Mehta: Sure, sure, sure. And so second question is pertaining to our interest costs. What would be our cost of debt currently and since our credit ratings have improved how much benefit will you get in the coming quarters?

Rohit Katyal: The coming quarter is difficult to say, but yes, you will see a dip down in the next financial year because after the rating is upgraded, the banks move it, it goes to their various committees, sanction comes, documentation is done. So you will see some benefit in quarter four, but if you have to see on a sustainable basis you should see that in the next financial year. Also we will be approaching the rating agencies again in the early next financial year to

have a look on how our performance has been. And we believe that we should be back to where we were prior to downgrade.

- Shreyans Mehta:** Got it. Got it. Any sense on the current cost of debt?
- Rohit Katyal:** I do not have it in front of me ready, but I will tell my team to call you up and discuss it with you separately.
- Moderator:** The next question is from the line of Akram Shah individual investor. Please go ahead.
- Akram Shah:** Most of my questions are answered just to follow up. So I believe a hundred around is what the retention money is there and broadly around 35 to 40 is what the radiant and the other settlement money which is coming. So is it the fair way to look at it as a broadly number of INR 120 crore to INR 140 crore which you'll be expecting in next three, four quarters?
- Rohit Katyal:** See, I just explained to you that the retention is not INR 100 crore. The retention is INR 169 crore out of which we are expecting a release of INR 100 crore over the current quarter and the next quarter. Now that figure could be INR 70 crore, that is our target. Apart from that, we have to collect advances of close to INR 80 crore. So total inflow, which we are expecting, we are given a guidance of INR 70 crore for the current financial year, but that can improve provided the entire bank guarantee limits are in place. So you can note it down. We are targeting INR 100 crore of release of retention. We are targeting close to INR 80 crore of advances. And our target is that our release from the old outstandings should be close to INR 55 crore. Now this is not going to happen all of that in quarter four. It will, -- I have given a guidance for three quarters. So that means quarter four, quarter one, and quarter two of the next fiscal. But this collectively means that the companies hold up funds nearly amounting to INR 235 crore will come in the system. And when it comes in the system, it will not change the creditor profile or the greater level. It will have a multiplier effect. Your networking capital will come down drastically. And that is why our target for Q1 of next fiscal of 60 days just do your maths. You will arrive at the same figure and obviously will also reduce the debt by 50% or maybe 40%. Therefore, the answer which I just gave to the previous caller of how you will go net debt free. Thank you.
- Moderator:** Thank you. The next question is from the line of Siddhesh Gandhi from Discovery Capital. Please go ahead.
- Siddhesh Gandhi:** I just wanna understand how is the comparative intensity in terms of bidding both on the private side and the government side?
- Rohit Katyal:** So private sector I think is coming back to the bigger contractors. Now, -- all the contractors are quite busy. Order books are full. So I do not know what will be the appetite to take private sector jobs of various contractors. We are more focused on the quality of the clients which we have, and we will be focusing on repeat orders from those clients until and unless, so in the last 12 months, we have only added Adani to our new clientele list. On the public sector side, we have added GIFT city we have added -- we should be adding IOCL over the next 15, 20 days time. So I think we have on our bid pipeline we have added RLDA railways and we'll be adding Ministry of Defense on the bid pipeline side. So the competitive intensity in projects which are below INR 250 to INR 300 crore continues to be high, but the competitive intensity comes down drastically when the order size is more than INR 400 crore to INR 500 crore or INR 600 crore in the public sector. When you look at that size of orders, there are only eight or nine parties who qualify across India.
- Siddhesh Gandhi:** Correct. So I mean, in terms of -- is the difference typically between L1 and L2 in a PSU deals effectively? Is it reasonably small or is reasonably broad or how should we look at it? I asked because initially I think a few years ago we were focused on private because we thought public was more L1 oriented. So how should we be looking at it?
- Rohit Katyal:** So very good question. Now the point is that in private sector there is no L1 L2 it is more of your the presentation on the technical side, your logistics plan, your time competition schedule, and you may be L2 and you will get the project. And it also very directly depends on the client experience. And if you have had the opportunity to visit our sites, the quality and our methodology, what we follow is self explanatory. That's on the private sector side. On government sector side, we are not bidding for small projects where there is you know, the better competitive intensity is very high. Like GIFT city there were only three bids, IOCL

there were five bids. In RLDA there are five or six bids. So we are looking at the projects where we do not have to compromise on our cumulative EBITDA. So the focus will continue in that fashion we are not -- we do not have any hurry to go and book orders. There are enough orders with the company to take care of this growth plan for the next three years.

- Siddhesh Gandhi:** And receivables on the government side also hasn't been a problem.
- Rohit Katyal:** Nat at all, on the government side, there was only a problem with IGIMS, which I just informed has been resolved. And over the next two to three quarters, you will see the money coming in.
- Moderator:** The next question is from the line of Khushboo Jayesh Gandhi from Yes Securities. Please go ahead.
- Khushboo Jayesh Gandhi:** Yes, thanks for giving me the opportunity. So I joined the call little late, so sorry, if you have answered this question earlier. On the MHADA site what is the status of the land and do we expect anything coming from coming from seven site in quarter three or quarter four?
- Rohit Katyal:** You're talking about MHADA or CIDCO?
- Khushboo Jayesh Gandhi:** CIDCO.
- Rohit Katyal:** So CIDCO six locations are already available. Valuing INR 2100 crore or thereabouts. And the remainder land has been committed by the client to be handed over by December end. And therefore the work on the seventh location also will start from quarter four of the current fiscal. And therefore we do believe that the revenue built up per month will be close to INR 50 crore from quarter four and will peak out in quarter one of the next financial year.
- Khushboo Jayesh Gandhi:** Yes. Yes. So one thing, the 50 crore which we are expecting from quarter four will be only from the seven side or totally from CIDCO purchase?
- Rohit Katyal:** Madam, the seven site is being handed over in December end. So obviously it'll not, it starts gradually and then peaks out. So therefore the target is INR 50 crore about INR 40 crore to INR 45 crore coming from the six existing locations and smaller portion from the new location. From April quarter onwards of '24, we will start peaking close to INR 70 crore of all the locations put together.
- Khushboo Jayesh Gandhi:** And can so can you give the guidance of how much would we be expecting from the budget in FY '24?
- Rohit Katyal:** I just told you that overall projection will be 22% 23% growth. So if our guidance for the current year is INR 1800 crore we should grow to grow by 25%, at least in the next financial year. And maybe INR 600 crore to INR 700 crore at the moment is the guidance. But as I told you, there is a scope of improvement because the development that is handing over the 7th location by end December has come in.
- Moderator:** Thank you. As there are no further questions, I would now like to hand the conference over to Mr. Rohit Katyal for closing comments.
- Rohit Katyal:** I would like to thank you once again for joining this call today. We hope that we have been able to answer your queries. Please feel free to reach out to our IR team for any clarifications or feedback. Thank you and see you next quarter. Bye.
- Moderator:** Thank you. On behalf of Capacit'e Infraprojects Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.