



## Dhruv Consultancy Services Limited

501, Plot No. 67, Pujit Plaza, Opp. K-Star Hotel, Sector-11, C.B.D. Belapur, Navi Mumbai – 400 614  
Telefax No. +91 022 27570710, Mobile No. 9619497305, Website : [www.dhruvconsultancy.in](http://www.dhruvconsultancy.in)  
Email ID: [services@dhruvconsultancy.in](mailto:services@dhruvconsultancy.in), [info@dhruvconsultancy.in](mailto:info@dhruvconsultancy.in), CIN No. L74999MH2003PLC141887

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<b>Corporate Relationship Department</b> <b>BSE Limited</b> Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001 Fax No. 022-22723121/3027/2039/2061 <b>Security Code: 541302, Security ID : DHRUV</b>	<b>Listing Department</b> <b>National Stock Exchange of India Limited</b> Exchange Plaza, C-1 Block G, Bandra Kurla Complex, Bandra (E), Mumbai -400 051 Fax No. 022-26598120/38 <b>Scrip Symbol: DHRUV</b>
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**Re: ISIN - INE506Z01015**

**Sub: Transcript of the Earnings Conference Call for the Third Quarter and Nine Month ended December 31, 2025.**

Dear Sir/Ma'am,

This is with reference to our intimation dated February 24, 2026, for scheduling Earnings Conference Call on March 2, 2026.

In this regard, please find attached the transcript of the aforesaid Conference Call.

The above information is also being made available on the website of the Company.

This is for your information and records.

Thanking you,

Yours faithfully,  
for **DHRUV CONSULTANCY SERVICES LIMITED**

**TANVI T AUTI**  
**Managing Director**  
**DIN 07618878**



“Dhruv Consultancy Services Limited  
Q3 & 9 Month FY '26 Results Conference Call”

March 02, 2026



**MANAGEMENT: MR. PANDURANG DANDAWATE – CHAIRMAN – DHRUV  
CONSULTANCY SERVICES LIMITED  
Ms. TANVI AUTI – MANAGING DIRECTOR – DHRUV  
CONSULTANCY SERVICES LIMITED**

**MODERATOR: MR. HARSHIL GHANSHYANI – KIRIN ADVISORS**

**Moderator:**

Ladies and gentlemen, good day and welcome to Q3 and 9-month FY26 Results Conference Call of Dhruv Consultancy Services Limited hosted by Kirin Advisors Private Limited. This conference call may contain forward-looking statements about the company which are based on the beliefs, opinion and expectation of the company as on date of this call. These statements are not guarantee of future performance and involve risk and uncertainties that are difficult to predict.

As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Harshil Ghanshyani from Kirin Advisors. Thank you and over to you, sir.

**Harshil Ghanshyani:**

Yes, thank you. Good afternoon everyone. On behalf of Kirin Advisors, I welcome you all to the Q3 and 9-month FY26 results conference call of Dhruv Consultancy Services Limited. From the management team, we have Mr. Pandurang Dandawate, Chairman; Ms. Tanvi Auti, Managing Director. Now I hand over the call to Ms. Tanvi Auti for the opening remarks. Over to you, ma'am.

**Tanvi Auti:**

Good afternoon everyone. I welcome you all to earnings call of our company for the third quarter of Q3 FY26. Let me start with a brief introduction of the company. It was established in 2003, headquartered in Navi Mumbai. Dhruv Consultancy Services Limited is one of India's prominent infrastructure consultancy firms delivering comprehensive solutions across design, engineering, procurement support, construction supervision and project management. We provide a wide range of core services including preparation of detailed project reports, feasibility studies, supervision consultancy, operation maintenance, technical and structural audits.

Over the past two decades, we have successfully executed more than 250 projects for esteemed clients such as Ministry of Road Transport and Highways, National Highways Authority of India, CIDCO, JNPT, MMRDA, MSRDC, MSIDC and many more. Our team comprises over 350 professionals of whom more than 75% are qualified engineers forming a strong technical foundation that drives engineering excellence, operational efficiency and sustainable infrastructure development across highways, bridges, ports and urban infrastructure projects.

Since our listing on the NSE and BSE main boards, we have continued to strengthen our technical capabilities, expand our service portfolio and strategically diversify into new infrastructure segments both within India and internationally. During Q3 FY26, we achieved a significant milestone with our entry into the aviation sector. In October 2025, we announced our first ever project in the airport sector marking a strategic expansion beyond our traditional highways and bridges domain. This positions us in a high potential infrastructure vertical.

During the quarter, we secured several mandates across multiple states. As told, we were appointed by MADC, Maharashtra Airport Development Company Limited to provide consultancy services for the construction of link taxiways of approximately 1,950 meters at



MIHAN Nagpur. We were also appointed as independent engineer by NHAI for operation and maintenance of NH-66 and NH-73 in Karnataka including the Kundapur-Surathkal section and Mangalore airport connectivity.

In Maharashtra, we secured a supervision consultancy contract for maintenance across four JNPT packages covering 44 kilometers. In Tamil Nadu, we were appointed as supervision consultant for operation and maintenance of Dindigul-Natham section. Additionally, we also received LOA from UP State Bridge Corporation, Lucknow to act as PMC for the construction of Awadh underpass Chouraha. Further strengthening our regional footprint, we were empanelled as a consulting agency for supervision of road and bridge projects with the Odisha Bridge and Construction Corporation Limited.

Overall during the quarter, we secured cumulatively new orders. The balance mix of long-duration operation and maintenance contracts, DPR assignments, PMC roles and empanelment reflects strong order momentum, improved geographical diversification and enhanced execution visibility. We also received four orders from NHAI to prepare DPR for the Jalgaon southern bypass, Dhule ring road, Manmad-Malegaon and Kerala four packages.

Moving to our financial performance, during 9-month FY26, we reported a total revenue -- a 9-month revenue of INR35.36 crores. This dip in the revenue and the profitability, it is primarily on account of a prospective accounting adjustment of approximately INR30 crores. This has arisen from revisions to project cost and margin estimates undertaken in accordance with Ind AS 8 and Ind AS 115 following a detailed review of select long-term contracts.

Please note that this is a non-cash accounting impact and it is only a book adjustment resulting from refinement of previously estimated project and the overall project margins still remain in profits and with strong execution capability of the company. It does not involve any outflow of funds. It does not impact any operational cash flows. This revision reflects a prudent and conservative alignment of the revenue recognition with current project evaluations and it should not be interpreted as a weakening of our core business fundamentals.

Importantly, as informed, the project level profitability remains positive across majority of the ongoing assignments. Operationally, we continue to remain stable and resilient. Our order book remains strong with an unexecuted order book of INR256 crores as on date. This provides a healthy revenue visibility for the coming quarters and reinforcing confidence in our execution momentum and long-term growth strategy.

In summary, despite the one-time accounting impact during the quarter, our underlying business remains robust, which is supported by diversified mandates, long-duration contracts, sectoral expansion and a healthy order pipeline. We remain confident in our ability to deliver sustainable and long-term value to our stakeholders. I would like to express my gratitude to our shareholders, clients, partners and employees for their continued support and confidence. We remain committed to delivering engineering excellence, sustainable growth and long-term value creation. Thank you.

**Moderator:**

Thank you. Shall we begin with question and answer?

**Tanvi Auti:** Yes.

**Moderator:** Thank you. Ladies and gentlemen, we will begin the question and answer session. Our first question comes from the line of Saket Kapoor from Kapoor & Co. Please go ahead.

**Saket Kapoor:** Hello. Namaskar. Hello?

**Tanvi Auti:** Yes. Namaskar.

**Saket Kapoor:** Yes. Namaskar, ma'am and thank you firstly for the opportunity and for hosting us today. Ma'am, if you could just explain to us again the reversal part of the accounting entry. And as you mentioned that there is no actual cash outflow accord to it, but when we read your credit rating rationale, we have been downgraded also there and they have also mentioned about this impact. So if you could just give us some more color on the nature of the transaction and earlier also during the course of the business, have we ever done this exercise and what prompted us to go through the exercise now in the quarter ending December?

**Tanvi Auti:** Okay, okay. Sure. So as said in the opening remarks also that this reported loss is primarily due to change in accounting estimates. So we follow an Ind AS accounting standard and as per the Ind AS 8, any change in estimate that is done has to be debited to the P&L. So for example, if at the beginning of a project, we assumed a margin of 30% and if the margin hypothetically if that margin has come down to 25%, then the hit has to be taken in the P&L.

But overall the project profitability has only changed from 30% to 25% for the entire tenure and it does not say that it is for one particular year or the one particular quarter. It is basically for the entire project tenure. So there have been certain policy changes which have been done by NHAI recently. I will just state them one by one.

So certain stages of completion have been changed. For example, land acquisition; if a project has no land acquisition done, still a consultant is there on the site, so it is an extra expenditure for the government. So what they say that once the contractor is there on site, only then you deploy. Till then we have assumed that we deploy a manpower of 20. As against that they tell us that you deploy a manpower of 5.

But that doesn't mean there is a revenue loss, but we had estimated that we will get a revenue for those 20 people but now we are deploying only five people. Those 20 people will be deployed at a later stage. So if you see the overall project, in fact, the project tenure has increased thereby increasing the revenues for the future. So hence these alignments needed to be done.

What prompted this? Now in accordance with the Ind AS 8 that the accounting standard mentions that any changes in accounting estimate and errors, so we have to revise certain assumptions that we make relating to the project cost estimates, the stage of completion and recoverability of contract assets. So this adjustment is just a refinement of the estimate. This does not represent any hit in the cash flow or any business loss as such that is there.

More pointers are that if a key professional, say we appoint a person at a site for five years, due to some reason he decides to switch his job or maybe in some cases where they have been



transferred from one project to another project, which is not allowed, in that case they are debarred actually. But in certain contracts where replacement was required, client have mandated provision. This resulted in partial reduction in the billable remuneration, remobilization costs and adjustment of projected margins.

Secondly, there are attendance thresholds also. So if, for example, a 25-day attendance is mandatory and for some reason a personnel is at site for 22 days, then a three-day reduction is there in that particular remuneration which is recoverable at a later stage. So whatever change have been done have been done only in the future estimates. There have been no impact overall in the order book as such.

Only if you see our total order book including executed and unexecuted was around INR490 crores due to this impact it has come down to INR465 crores which is less than 10% of the impact.

Another thing is we had deployed network survey vehicles at our site projects. Now NHAI has come up with a policy that these will not be a part of our contract, hence it had to be de-scoped and they had to be taken as a separate contract. So again for those NSV contracts we are bidding separately. So in fact these cost escalations and execution dynamics have been revised in account for the logistic mobilization expenses, the technical manpower deployment and maybe some other related executions.

So earlier they were these estimates were slightly projected at a higher side. Now we are acting more conservatively, hence this revision has come. There have been time overruns due to delay in the contractor's execution, but this delay actually is very positive for a consultant because we get extra revenues. For example, if a contractor we have a 24-month construction period, but in case any contractor finishes the project before the time, so there is a loss.

But in our case, maximum of the projects have been completed ahead of schedule. Hence, there have been certain revenues which we had estimated we will realize it, but from an overall Indian infrastructure scenario, since projects are getting completed in a timely manner, that actually strengthens our technical capability.

Now what are the revenue recognition refinements that we did? We have updated our technical evaluations, site progress analysis that led to refinement in percentage of completion assessment. So it was done in line with Ind AS 115 requirements as the standard required us to do this. Time and when we will have to revise these estimates.

Now we have further strengthened our internal control systems so that such this is just a one-time revision that will come and henceforth for the future there will be no such revisions. Only the timing of the revenue recognition is the key factor here, that is why this adjustment have come. Modifications in client acceptance procedures and documentation standards impacted the billing cycles and the revenue estimates.

So further to summarize, this is a non-cash accounting impact. It arises from a refinement of forward-looking assumptions and it is not any misreporting that has been done in the past. It

does not indicate any structural weakness in the company's execution capability. The order book is strong, the operational cash flow remains stable.

Now as far as CARE rating is concerned, they have done their independent review. All these answers, all these justifications were provided to them. In fact, they have done this on a nine-month result where even a balance sheet is not prepared and it is a limited review. So we have requested them that you take this up again in the Q4 and try to understand the business more in detail. And they have done this on the basis of the information that was publicly available. There was a management representation, but of course they said that they will maybe consider in the future quarters.

**Saket Kapoor:** Yes, I'm audible ma'am?

**Tanvi Auti:** Yes, yes, you're audible.

**Saket Kapoor:** So ma'am, whatever adjustment you have spoken, can you give us then the type of revenue booking we do? Is it on an accrual basis or how are our revenue recognized in the P&L?

**Tanvi Auti:** So we recognize revenue in two types. One is a direct GST-based revenue, we raise a bill, a tax invoice, and the client reimburses us. But what the Ind AS accounting standard, since we migrated from the SME to the main board, we have been adopting an Ind AS accounting standard. Now as we have informed in the previous calls also, we don't have our direct competitors are not listed. We are the only listed company in our direct competitors working with NHAI, MoRTH or so, or providing these kind of services.

Now what has happened is earlier when we migrated, there were seven or eight-year contracts that were there. We assumed a certain higher level profitability. Now it has been slightly tweaked and an overall impact past plus future has been done in this particular year.

Now second part is unbilled revenue what we realize. Now unbilled revenue is a cost-based revenue. At the beginning of the project, the costs are usually higher and as and when the projects go in progress, they are realized. So even though we are incurring costs one time, we have to bill the client on a monthly basis. That is as per our bill of quantities or as per the contract that we have signed with the client. Now this unbilled cost plus the margin becomes our unbilled revenue. So our revenue comprises of two parts, one is the billed revenue and second is the unbilled revenue.

**Saket Kapoor:** So for the nine months post this reversal, what is the billed part and unbilled have now been categorized?

**Tanvi Auti:** So since this is a limited review, I will not be able to disclose the numbers, but in Q4 there will be a detailed breakup along with the schedule.

**Saket Kapoor:** Ma'am, as you are mentioning that there is no cash outflow, but then if our revenue has been lowered, we have already spent on the expenses side, the type of employee cost. So that will also reverse? Is there also provision there or how should one treat that?

- Tanvi Auti:** No. So what has happened is, your question is absolutely right. See, costs are being incurred, that is why the unbilled revenue is being reported, but the billing will happen eventually. Like I gave you an example that there is a land acquisition issue on site. Client will tell me we don't need 20 people right now because the contractor is not there on site. But once the contractor comes, I will deploy fully. That means whatever five manpower I'm deploying right now is an extra revenue to me. But if you see from an estimation point of view...
- Saket Kapoor:** That is an expense to you. How can an employee deployment be revenue for you? I didn't get your point?
- Tanvi Auti:** I am claiming it from the client. If I am deploying someone, yes, if I am deploying someone, if I am providing a service that means I bill that to the client, it is a billable item.
- Saket Kapoor:** Okay, ma'am. Yes, please continue. So you were telling that five people and 20 people...
- Tanvi Auti:** So I am estimating that I will get revenue only for five, okay? But previously I might have estimated I will get revenue for 20. I will get revenue for 20, but only when the contractor mobilizes on the site. So that is a future revenue. Okay? So what we have done, I can still put an estimate for 20, but I want to be very conservative. I don't know when the project will start. This has been for few cases. Among the 65-70 projects that we are working, in six to seven projects this has been the case. So we have been conservative in our approach and we had to change the way the -- so we adopt a percentage of completion method.
- The costs are being incurred continuously, revenues are also being recognized, but we had estimated a certain revenue. We couldn't achieve that particular revenue, hence we had to revise the unbilled revenue that is there. That doesn't mean that that revenue will not be realized in future. As I told you, there is a strong order book. These are Government of India signed agreements, hence this order book cannot be refused to us.
- Saket Kapoor:** Yes, ma'am. But okay, and you may not be—I'm not getting the entire wavelength correctly, but the only small point was that when we have prepared our P&L and then I'll join the queue also, when we prepared our P&L for the previous nine months, we have given our revenue top on the income side and then the employee expenses, the contract expenses and other things on the debit side and then reported a profit or loss for the ensuing period.
- Now when you are reversing your last nine-month revenue, you have already debited your account in terms of your contract expenses, the employee and the other overhead cost. So that has all flown out of our cash flow. So that understanding is correct or that is also then—that should have also been reversed had only the revenue being impacted. That was my understanding.
- Tanvi Auti:** See, the billing is of two parts. So whatever reversal has been done is not for the billed revenue or the recognized revenue. The reversal has been done which is unbilled revenue which may come in the future and this is not a revenue adjustment that has been done, this is a margin adjustment. Okay? So say like I said, I earlier assumed a margin of 30%, now due to large number of projects, order book that is there, hence this INR30 crores big figure has come. due to large



Had this figure -- had this order book be on a lower side like our competitors, they don't have such a big order book, okay? Since the number of projects in these 256 unexecuted order book are 65 in number, even if you say 50 lakh reversal in each project, then if you total it, it will come down to INR30 crores.

But if you see a project-to-project impact it is very less. If you see the order book impact that it is there, it is very less. Only from a nine-month P&L perspective it looks very big. That doesn't mean that the order book that we are saying will not be realized. This is just an adjustment that we have been done so that a better transparent picture is given to the stakeholders.

And this is only been done as a part of improving the internal governance internal control systems in the organization so that we don't report anything wrong that is there. There has been no misreporting in the past, but if in case all this is being done, the unbilled revenue is being calculated based on assumptions and that has been decided not by us, but by the accounting standard which we are forced to adopt.

Earlier when we were in the SME board or when we were not migrated to the main board, we were not adopting this standard. But this accounting standard forces us to calculate the unbilled revenue. All in the infrastructure sector do a percentage of completion method. So we have also been doing the percentage of completion method, that means the cost that we have incurred in the project plus our margin is equal to the unbilled revenue. Now this unbilled revenue when it will be realized, it will be realized in the future. That future estimation has been revised.

**Saket Kapoor:** So going ahead, we will be again increasing -- on a proportionate basis this revenue will go up when we will be...

**Tanvi Auti:** Yes. So like I said, this INR256 crores order book that is there in hand today, this is certain and this will be realized in the future quarters.

**Saket Kapoor:** Okay, ma'am. Yes, in that aspect, definitely, we are then running short of cash since on the debit side the loss that we have for the nine months, how have you funded that?

**Tanvi Auti:** This is not a -- it is not an accounting loss -- this has not hit the cash flow at all. It is only a book adjustment. Okay? See, we have scaled our operations, we have expanded our project portfolio across India, across geographies. So management undertook a comprehensive review of certain assumptions that were being made in the revenue recognition practices that I just explained you.

Now during this review, we just aligned our estimation framework to be more conservative and milestone driven. And because the Ind AS 8 requirements state that this has to hit the P&L, we had to hit the P&L. But this is not any operational cash flow that has been hit. The cash flow remains positive. We are able to service our debts, we are able to pay our employees on time, we are able to pay our taxes on time. There is absolutely no problem there.

**Saket Kapoor:** Okay, ma'am. Because the P&L representation is giving us—for me as a layman—not the best of understanding. Because when we see your revenue and the P&L, everything has passed through the P&L. You are reporting profit from operations before exceptional item loss of 28 Cr. So and in that you have gone through this administrative expenses and the employee benefit

expenses line item also. So if there was no cash flow, how the expenses would have been carried out?

**Tanvi Auti:**

Yes. Expenses are being carried out, revenues are—in fact, I can say that this year itself, our cash flow itself is around INR70 crores-INR75 crores till date, which is there. So that doesn't mean that the company is not doing well. So like I said, there has been no impact on the operational cash flow or the operational capability. This is a book-level adjustment that has been done due to the standards that have been given to us.

And now we have just made our approach very conservative which was not there earlier. A slight tweak in the margin, the margins have definitely gone down but to a very small extent if we see project to project. We did not want to be -- I mean, we did not want to report any over margins that were there.

Henceforth, the company will have a very conservative and a milestone-driven approach when it comes to recognizing unbilled revenue. And because we have no example in front of us how these revenues are to be recognized, as there are no other listed companies in our competitors. So this is the first time that we are also ever doing this and henceforth there will be no such adjustment coming up and the company remains positive in achieving revenues that have been mentioned in the order book.

**Saket Kapoor:**

So how what should investors should expect to end the year? How should this quarter shape up and also ma'am on the international front, to our Chairman and the non-executive gentleman, I'm forgetting your father's name, he has already alluded to us about some international breakthrough wherein we will be making very big into executions. Where are we in terms of that?

**Tanvi Auti:**

So projects are going on internationally as well. Okay? In Africa we are working currently in Mozambique and Ghana. We are receiving payment in dollars, we have already started receiving payments in our accounts also.

Africa, see, due to this war situation and everything, things have been a bit slow this year in 2025. So I -- we have submitted our bids everything but this entire year since Africa is also driven by U.S. and everything and these treaties that are there, things have been a bit slower, but there have been no cancellation in orders, there have been no impact on our orders due to it.

We are servicing international clients also right now in Africa and projects are—projects are going on, the project tenures are for a period of two to three years and we have just completed one year of working in Africa. So in Ghana and Mozambique we are working right now.

**Saket Kapoor:**

And what about our Q4?

**Moderator:**

Mr. Saket Kapoor, can you hear us? Hello? Mr. Saket Kapoor, yes, please go ahead.

**Saket Kapoor:**

Yes, ma'am. So just to conclude for an operational, our basic revenue recognition, how should we end then this year and I think so we were always being of the vision of 25% to 30% top line growth. So how are things currently in terms of...?

- Tanvi Auti:** See, as far as project profitability, project-wise profitability and the operations that are there, they remain positive across all the projects. As far as Q4 numbers are concerned, I'm really sorry but I will not be able to provide any numbers as SEBI regulations restrict me from doing so.
- Saket Kapoor:** No ma'am, only the nature of the type of execution or the pace we generally do. Are we on track to...?
- Tanvi Auti:** Yes, yes, absolutely. So like I said there is a robust order book of INR256 crores and which the company is 100% positive and confident of realizing it.
- Moderator:** Thank you. Our next question comes from the line of Sakshi Shinde from Shah Consultancy Limited. Please go ahead.
- Sakshi Shinde:** So my question is with the continued government focus on infrastructure development, how well positioned are we to benefit from the upcoming highway and airport projects?
- Tanvi Auti:** So at present we have submitted bids close to INR350 crores for which results are awaited. In addition to that, we have a strong unexecuted order book of INR256 crores. Our strike rate at present is 20% to 25% when it comes to Indian projects. In addition to this, we are also exploring opportunities overseas.
- With the Viksit Bharat 2047 vision ahead of us, infrastructure is going to play a major role in achieving a \$5 trillion economy and a 2047 Viksit Bharat dream. And Dhruv Consultancy is well positioned to take maximum benefit of these developments that are happening in India as well as overseas.
- Sakshi Shinde:** Okay. Great. And how does our 20-plus years of execution track record differentiate us in competitive bidding?
- Tanvi Auti:** So our bidding is based on two parts, one is the technical capability and second is the financial score. Now with the recent changes that have been that have come in the preparation of detailed project report assignments, the NHAI has completely scrapped giving orders based on the financial numbers and they are giving a rating to the consultants and the higher the technical rating, they have fixed the cost, the cost will be fixed.
- It is double what we had been bidding earlier, but the projects will be awarded only on the basis of technical capability and Dhruv is being well positioned to take up such orders. In only two months we have bagged five such orders. So earlier we were getting DPRs for a rate of say 2 lakh to 2.5 lakh to 3 lakh per kilometer, now we are getting at 5 lakh or 6 lakh per kilometer on a fixed cost model because we have high technical capability.
- So all our investors, all our stakeholders can expect that due to the strengthening of technical capability in terms of our employees, our project expertise, the way the type of projects that we are handling, projects like Ganga Expressway, Delhi Mumbai Expressway, Delhi Dehradun Expressway have really given us an edge in the competition and as well as in addition to that there are softwares, there is 3D, 4D modeling also right now that is being done which is an

international standard. Right now in India it is not adopted that much, still company is well positioned to deliver high quality high precision projects.

- Sakshi Shinde:** Okay, ma'am. Thank you for answering the question.
- Tanvi Auti:** Yes.
- Moderator:** Thank you. Our next question comes from the line of [Mukesh Bhiwani from WK Securities 0:35:18]. Please go ahead.
- Mukesh Bhiwani:** Hi ma'am. Good afternoon.
- Tanvi Auti:** Yes.
- Mukesh Bhiwani:** Yes ma'am. I have two questions. First is like the order book we have around of INR250 crores, so what would be the execution timeline?
- Tanvi Auti:** We are expecting 2.5 to 3 years.
- Mukesh Bhiwani:** Okay, okay. Yes. And second question is regarding the element of other current assets in our balance sheet. It is around INR63 crores. So can you throw some light on it?
- Tanvi Auti:** So this is actually a part of the unbilled revenue that was there earlier. In addition to that there have been certain debts that company is right now having. We have INR10 crores limit from HDFC which is short-term plus long-term CC. Second, we have INR4.5 crores limit from PNB also which is a CC again. Others are our debtors and our unbilled revenue.
- Mukesh Bhiwani:** Okay, thank you. That's all from my side. Thank you.
- Moderator:** Thank you. Our next question comes from the line of Mahesh Sheth from VY Capital. Please go ahead.
- Mahesh Sheth:** Yes, so like I wanted to know with our entry into the aviation consultancy segment. So like how do you see this vertical contributing to revenue over next two to three years?
- Tanvi Auti:** So at present we have one Nagpur airport project. Nagpur airport is being expanded and that expansion consultancy contract is awarded to Dhruv Consultancy. So we have hired an airport - - two airport executives in fact who are retired from the Maharashtra Airport Development Corporation who have been a pioneer in developing Tier 2, Tier 3 airports across West and South India. And under their leadership, we have presently submitted bids of four such airports that are there.
- And highway if you compare to airports, highway has a greater reach, has a greater—has a greater capability of giving higher revenues. In terms of numbers, the airport projects will be lesser, but it is just an entry for diversification into new sectors as participating in airports makes us a more resilient or more strong and a more -- because now focus of the Union Budget have been there on airports, 250 to 300 new airports are being developed in Tier 2, Tier 3 cities. And that is why we have made plans to diversify in other sectors as well so that the dependency that

is there on one sector is not there. In terms of revenue it will contribute still to 10 to 20% because the reach that highways give, any other sector will not be able to give.

**Mahesh Sheth:** Okay, got it. And like currently we have bid for four airport projects, right?

**Tanvi Auti:** Yes.

**Mahesh Sheth:** Okay, okay. And like can you also elaborate on long-term strategic vision behind you know diversifying beyond highways and bridges?

**Tanvi Auti:** So we have made our Vision 2030 which is to diversify into other infrastructure sectors. In the past what we have seen and what periods like COVID and periods like war have taught us that don't put all your eggs in one basket. So we have made a strategic call to diversify into other sectors, to diversify our client base.

And since last one and two years we have been successful in achieving that and we can expect by 2030 that company is positioned well in every -- in two to three other such sectors like we are positioned in one of the top five as one of the top five consultants in highway. We will be similarly positioned in other sectors like railways, metros, airports and maybe other urban infrastructure also.

**Mahesh Sheth:** Okay, okay. And like you know like as we now talked about segmental diversification like in highways and roads and then airports, so like what steps are we taking to further diversify geographically and like reduce concentration risk as well?

**Tanvi Auti:** Yes. So presently we have explored a few opportunities along with Africa, we are looking at Southeast Asia and Middle East also. If people follow me on LinkedIn, you can see that I've been traveling to Saudi Arabia, Middle East a lot recently. There have been massive developments happening with respect to infrastructure development in these countries also, in all the GCC countries.

And India in fact is a more geographically tougher nation to deliver and if we can deliver in India, it is very easy to deliver outside India since different geography is not a problem. Due to population also being less, the things are quite easy there and this year we can expect an entry into the Middle East segment also.

**Mahesh Sheth:** Okay, okay. And like I also wanted to know that like how does the current INR256 crores unexecuted order book position us, like for revenue growth in FY27 and beyond years?

**Tanvi Auti:** So we -- like I said, this INR256 crores revenue that is there and it is continuously adding. This INR256 crores might become 300 in the next quarter as we are continuously bidding large-size assignments, not just in highways, but in other sectors also. But usually the construction timeline is 2.5 to 3 years and with a DLP period of another 2 to 3 years. So we can expect maximum revenue of this INR256 crores being realized in another 2.5 to 3 years plus a small spillover in another 3 years.

- Moderator:** Our next question comes from the line of Krishna Kumar, an Individual Investor. Please go ahead.
- Krishna Kumar:** Yes, actually in the previous quarter we saw that the order book expected by 2030 was INR1,000 crores. So are we on track on that actually looking at the...
- Tanvi Auti:** So there have been -- there -- this past 1-year there have been certain slowdown especially due to the situations that have been there globally. There is not much impact on Indian infrastructure as such but this year everywhere has not been very positive. But for we are confident of our Vision 2030 where we will at least be positioned in such a way where we are most preferable consultant in every sectors like we are already in highway, we are there in now airports, metros, railways also.
- As far as a INR1,000 crores order book achievement is there, company on a monthly basis is bidding orders close to INR100 crores. We are confident -- if we are confident that we might improve our strike rate, then yes by 2030 this is achievable. But of course with the situations currently that have been going on, it might have an impact or may not. It might have a positive impact also.
- Infrastructure will become a need if situations arise so. So infrastructure development is going to remain a key in case of developing or under-developed nations. That is why not just in India but overseas also lot of opportunities are coming up and if all this converts into like what we have planned, definitely a INR1,000 crores order book is achievable.
- Krishna Kumar:** I had one more -- one more question. That this order book definitely we are having of INR256 crores. How much is from the Middle East? Because right now we are seeing lot of issues happening in Middle East, right? Like...
- Tanvi Auti:** Middle East I have -- Yes, Middle East I have just visited a month ago. Okay? So we are right now in the process of establishing there. There the government system is very different. It is a monarchy-based system, not like India where it is democratic. Things happen through the king and on a monarchy level. There are governments, there are departments, but definitely things are pretty different. So I'm expecting entry this year.
- Management is continuously traveling and exploring opportunities. We have formed a few associations with local partners also there. And hence things have been moving pretty fast and yes there is instability there right now, but I feel in a few months or so it'll be better.
- But as far as infrastructure development is concerned or our sector is concerned, infrastructure development is a need actually for any country be it Saudi, be it UAE or Bahrain or Qatar infrastructure development has to happen. If in fact in a war like situation it has to happen, it has to be more stronger. So there we see very good opportunities for us.
- Krishna Kumar:** So the major concentration will be on India or it will be foreign like 50-50 or how...
- Tanvi Auti:** India is going to -- see, like it is there for Middle East, the scale that India will give no other country will give. Because the -- because of the geographical diversification that is there,

because of the client diversification, the population. If I only consider Saudi Arabia it has a population of 32 million. Here only Mumbai has a population of even more than that. So the development that will happen in India will be massive as compared to foreign.

So I will get foreign orders definitely, but the massiveness or the strong bunch that I will get will definitely be orders from India only. And with visions like 2047 Viksit Bharat and 5 trillion, 10 trillion economy also being made, infrastructure, MSMEs are going to play a key role in all this. So India is going to remain the crux of our business going ahead also.

- Krishna Kumar:** Yes, because we are seeing lot of discrepancies happening in the Middle East and all this...
- Tanvi Auti:** Yes, Yes, Yes, yes.
- Krishna Kumar:** Thank you. Thank you.
- Tanvi Auti:** Yes.
- Moderator:** Thank you. Our next question comes from the line of Vivek Joshi, an Individual Investor. Please go ahead.
- Vivek Joshi:** Yes, thank you for the opportunity. Yes, couple of quick questions I have. See this accounting change, I just wanted to know that if we didn't make that accounting change, what would be the revenue this quarter?
- Tanvi Auti:** If there was no accounting change, we have reported a total unbilled revenue reversal of INR30 crores. So if you reverse that, then that much would have been because this is a book-level adjustment for past and future estimation margins. So -- but if we see, we were confident of getting a similar Q1, Q3, Q1-Q2 numbers in Q3 also. So it would have been in a similar range if that would not have been there.
- Vivek Joshi:** Okay. And the second question I wanted to know on your balance sheet. There is some INR85 crores of other assets. So can you just let me know as of September so what?
- Tanvi Auti:** INR85 crores. Is it okay? Because I don't have access right now, if you can just drop a mail to us, my team will reply you. Is that okay?
- Vivek Joshi:** That's fine. That's not a problem. But I'm not a shareholder, so I mean I don't know whether that still -- so will you still reply or you just reply to...
- Tanvi Auti:** We will reply. So my team is there on the call. You can note our email ID [cs@dhruvconsultancy.in](mailto:cs@dhruvconsultancy.in) and if any breakup is on March 25 or September 2025 we can provide that to you.
- Vivek Joshi:** And just as a suggestion that since you've made this accounting change, it would have been nice if you had given the, you know, balance sheet and cash flows this time as well. So...
- Tanvi Auti:** Yes, so Q4 it will be there because we get a very short time to review this. There are -- the dates are pretty close and we have to give it in time. So -- but Q4 we will be giving a detailed schedule

and there will be a detailed auditor's note also along with this. There have been no items of qualification also that have been mentioned by the auditors. It is a clean report and that itself justifies that there is no problem that has been going on in the company.

**Vivek Joshi:** No, that's not the issue. But another issue I had was that you've been operating like -- so you've been listed since 2018 and it's been like almost 8 years now.

**Tanvi Auti:** Yes.

**Vivek Joshi:** But why is it that operational cash flows are not positive? Like consistently the operating cash flows are negative. So is it like the nature of the industry?

**Tanvi Auti:** It is -- I would yes, it is partly a nature of the industry, the nature of our assignments. The competition has been pretty tough when it comes to margins now, especially in case of the PMC assignments that are there. That is why the company took a strategic call to diversify into other sectors where our margins are taken care, our operational cash flows are taken care because only depending on one client for the past 7 -- see that client was is giving me a good order book, so that is also a very big thing.

But when it comes to margins, we need -- we felt the need of diversifying into other sectors, into other geographies, into other clients within India also, which is improving year-on-year, but only depending on one client and maybe one type of service in the past has increased the competition also and that is why these operational cash flows have been negative, but definitely in this year itself we can see a significant improvement.

**Vivek Joshi:** Just one last question. So from your last balance sheet and all your net worth is around INR100 crores, like give or take. So can you just let me know where is this INR100 crores residing? Is it in cash? Is it in receivables? Where is it like?

**Tanvi Auti:** It is a two-part. It is -- it comprises of two part. One is the share premium that is the preferential issue and the IPO that we did. That is one part. And second is the reserves and surplus, that is the cumulative profits that have been there in the reserves and surplus account.

**Vivek Joshi:** No, but I understand that. But is it in cash or is it in some asset? Where is it like? So of the INR100 crores, like how much cash are we sitting on?

**Tanvi Auti:** No, I mean that will be as an asset? It will not come in the net worth.

**Vivek Joshi:** But that's why I want to understand.

**Tanvi Auti:** If it's a cash -- no, no, cash is accounted in the asset part, not in the net worth part.

**Vivek Joshi:** I understand. So I'm just trying to understand this net worth, where is it residing? Because cash is not much. So I just want to know in your balance sheet you have other assets. In other assets also there is another assets which is like INR100 crores. So I'm just -- rest around INR30 crores, INR40 crores are receivables and you're saying around INR100 crores are other assets. So what assets are they? Where is the money? That's what I just wanted to get an understanding?

**Tanvi Auti:** So there are debtors, there is unbilled revenue and there are loans that are going on. In addition to that large chunk of it is bank guarantees, okay? For these assignment we have to provide bank guarantees to the government and as and when the project gets completed these bank guarantees are returned to us.

**Vivek Joshi:** So my request to you ma'am in this other asset, this need to be elaborated because we just -- it just seems very weird to understand the balance?

**Tanvi Auti:** Yes, right, right. We'll take note of this. My team will also take note of this and we'll try to...

**Vivek Joshi:** Put it in the presentation or somewhere because it's just a large amount.

**Tanvi Auti:** Yes, right.

**Vivek Joshi:** Because your share price has almost indicating that, you know, the market doesn't believe the INR100 crores are there?

**Tanvi Auti:** Yes, Yes. We will do the required change and in the Q4 we will provide a detailed breakup as well. Thanks for the suggestion.

**Vivek Joshi:** Because otherwise the math doesn't make sense, right? Because your market cap is currently below even your like net worth. So...

**Tanvi Auti:** Right, right.

**Vivek Joshi:** And there is nothing in your...

**Tanvi Auti:** No, no, no. We'll provide a detailed breakup of it and if required you can drop us an email, we will reply to it as well.

**Vivek Joshi:** Okay. Thank you so much ma'am.

**Tanvi Auti:** Yes, yes.

**Moderator:** Thank you. Our next question comes from the line of Ashwin, an Individual Investor. Please go ahead.

**Ashwin:** Yes, hi. I basically want to understand this -- the revenue that was recognized on the percentage of completion, was that on a...?

**Tanvi Auti:** I'm not able to hear -- I'm not able to hear properly.

**Ashwin:** Yes. So I want to know this revenue recognition which was done under the percentage completion method, was this on a gross basis or on a net basis? And...

**Tanvi Auti:** It is on a gross basis. Yes, it is done on a gross basis and this is just a margin reversal. It is not a total revenue reversal as such. Certain -- this was a management-led review aligned with strengthening our internal control systems in fact. So the revision was prompted by -- we did this only as a part of a good governance and certain margin assumptions that were made earlier



have now been revised because the business is also growing at a larger scale, we are getting good number of orders and hence we wanted to ensure that there is a conservative and a transparent financial reporting going ahead.

**Ashwin:** Understood, understood. So I just want to know can there be further revisions, you know, when it comes to like the change of scope for all the current projects or can there be like a cost re-estimation something like that? Can we -- is there further risk of that happening?

**Tanvi Auti:** Yes, so there'll be no such further adjustments that will be there in the future, okay? This is just a one-time adjustment that have been done. Now henceforth why it will not happen? I would like to give the answer of that as well. As I said that management will henceforth have a very conservative approach.

NHAI has been making certain policy changes with respect to the consultancy assignments also, hence we had to align ourselves with those policies, with how the projects are going to be completed. And definitely we had to do this so that we have a good future and a good transparent picture to the financial to the numbers also. But in future I can guarantee no such accounting adjustments will be there.

**Ashwin:** Okay. So lately we've been seeing all your orders win sudden again still only on the road consultancy service. Could you share, you know, what is the percentage of these new projects because we've not seen those orders coming in as we've been -- the orders have been -- I mean you've been expecting them for the last 1 to 2 years, but they've not been coming around. I'm only seeing road orders. So...

**Tanvi Auti:** See any time in the future also if you see, you'll see large number of highway projects only because if you see the number of airports itself, even if developed, in the next two to three years it'll be 200 in number. But when it comes to roads, it is lakhs of kilometers, okay? So the number of projects that will come in terms of highways will anytime, any day in the future or in the past it has to be more in India or in any country.

In airports, in railways, in metros the connectivity is not so large when it is compared with highways. Even today roads is more widely used transport network than any other. So it -- there will be never be a position where highways will have lesser number and these will have lower number. Otherwise then our revenues will come down. We have to be a part of the highway development.

**Ashwin:** So on an aggregated basis now, I understand roads is majority, but like you had newer projects which you were pitching for, but those have not yet come in, right?

**Tanvi Auti:** So in the past 4 months itself we have bidded INR350 crores of orders and we are expecting a strike rate of 20%-25%. So those is there, it will be added in the revenue of '26-'27 also.

**Ashwin:** Okay. Okay. And can you elaborate on maybe the Saudi opportunity that you may have and are the margins different with the Saudi projects maybe can you elaborate on that the expected?

**Tanvi Auti:** I will not be able to comment on the margin right now. We already did one project in Saudi which we announced a few months ago. It was a small revenue project, but there as far as margins and the efforts are concerned when it comes to India, it is quite less, but the revenue side if you see or the chunk of order book that I get in India is much more than what I will get in Saudi.

But definitely as a part of diversifying, as a part of say not just putting everything in one country or just to mitigate the risks as such we are diversifying in different-different sectors. There can be tomorrow change in certain political scenarios also in India or like war is happening in Middle East right now. So we need to have our base everywhere so that any situation will not hamper the company's financials.

**Ashwin:** Understood, understood. But another way to project?

**Tanvi Auti:** Saudi as such, Yes, Saudi we are exploring, if we see online, they also have a Vision 2030 made where massive industrial cities are being developed. So every road is going to be a very big part of these industrial cities. Only from 2019 to 2025 they have grown from 19 cities to 42 cities.

So there are huge opportunities there and it is a much more larger market than UAE. They have plans to make it even more bigger than Dubai actually. So we want to enter -- we want to strategically enter into this country in a very right manner, in a very right way. So this year the company's focused on expanding in Middle East also.

**Ashwin:** Understood. Just one last question. You know during the last few years -- over the last few years, you know we've had some quite a few issues, we've had the debarment issue -- now we're talking about contract valuation being adjusted. So, as investors, corporate governance is something that's coming out as a little bit of a concern. So what is management doing to address this because it's quite a few?

**Tanvi Auti:** Yes. So in fact we would say that if certain management is looking at it in a way in a way of improving the governance. So certain issues that we faced this year this be it the accounting level adjustment or the debarment issues, we had to take certain hard calls for further strengthening the governance so that no such things happen in the future. And that is why whatever has been done has been done. The future looks to be bright.

We want to provide our investors with much more transparent and good numbers and we respect -- we know that we are a listed company, investors have trusted us and that is why whatever has happened in the past 1 year we want -- we have corrected ourselves. We have strengthened our internal control systems.

We have hired very strong accounting finance through -- be it SAP accounting, be it hiring from the bigger companies and further management is getting involved in creating second line, third line leaders also, so that there is stronger governance internally because even if we have to cater to the overseas market, there also there is a requirement of stronger governance.

So in this multi -- we expect the company to be a multinational company very soon, but that comes with stronger governance and hence this company had to go through this change because we are now future ready to whatever projects we are going to take up.



- Ashwin:** Okay. Okay. Thank you very much for wishing you all the best. Thank you.
- Tanvi Auti:** Yes.
- Moderator:** Thank you. Ladies and gentlemen due to the time constraint that was the last question for today. I would like to hand the conference over to Mr. Harshil Ghanshyani from Kirin Advisors for closing comments. Thank you and over to you, sir.
- Harshil Ghanshyani:** Yes, thank you. Thank you everyone for joining the conference call of Dhruv Consultancy Services Limited. If you have any queries you can write us at [research@kirinadvisors.com](mailto:research@kirinadvisors.com). Once again thank you everyone for joining the conference call.
- Moderator:** Thank you so much, sir. On behalf of Kirin Advisors Private Limited that concludes this conference. Thank you for joining us and you may now disconnect your lines. Thank you.