

S Ramnath, CFO, [ITD Cementation](#) in an interview to CNBC-TV18 said the company has not received any order under Namami Gange Programme because they basically are not into water treatment business. However, the company would be looking for opportunities to create water infrastructure alongside the Ganga River as they did alongside Narmada River. " So on the cleaning aspect, no role for companies like us," he added.

The Union Cabinet today approved a proposal for taking up hybrid annuity-based public private partnership (PPP) model under Namami Gange Programme to reform the wastewater sector in India.

However, if cleaning and development programme are taken together then we could come in but as of now the company is waiting for further details on the type of model the government will pursue.

Talking about business outlook, he said the orderbook for the company currently stands at Rs 6000 crore as of December and are awaiting couple of L1 contracts to be awarded.

He is confident of revenue for CY15 to be over Rs 2700 crore. (The company follows calendar year (January-December) as its financial year.)

Below is the verbatim transcript of S Ramnath's interview with Latha Venkatesh and Reema Tendulkar.

Reema: Would this particular programme, the Namami Gange and the hybrid annuity model for it be a beneficiary for a company like you?

A: Certainly, as I mentioned earlier in my interactions with you that at the moment the entire Namami Gange Programme is focused on cleaning the river and we as a civil construction company are looking forward to opportunities to develop facilities alongside the river like we have done in Narmada. So, at the moment, on the cleaning aspects, I do not see any great role for companies like us.

Latha: We have been hearing about this grand Rs 20,000 crore project and there is almost movement, the Namami Gange movement almost. How was it broken up? How many projects have already been bid out and as you said, these are more cleaning projects that will be bid out initially. Has anything come your way at all?

A: No.

Latha: No projects at all under the Namami Gange so far?

A: No, none so far.

Reema: Even for cleaning?

A: Yes. We are not a treatment company.

Latha: Therefore, what lag would it take for you to get projects from the government?

A: That depends on the implementation model that the government chooses to adopt. At this point in time, we are looking at their announcement and we feel that they are looking at a public private partnership (PPP) model through an annuity mode so that the people who set up the facilities, the local bodies will get the money through the polluter pay model and that will be used to finance these kind of treatment projects. So, we have to await details, specifics as to how that will enable any of these local bodies to raise funds or bonds, or what is the kind of funding they will be able to get to take up and execute these projects, because that is the real challenge; funding these projects are going to be the real challenge.

Latha: You are not in the water treatment or the cleansing programme at all. So where do you come in? At what stage?

A: That is what I said. It depends on whether the government wants to take up in phases. You could have cleaning and development phases going together or the government wants to focus on cleaning and then take up development at a later stage - that all depends on the type of model that they want to pursue. We await details on that.

Reema: So, as of now, there has been no conversation with the government indicating whether they want to take up development of the waterfront alongside cleaning or it will be at a later stage which could be a few years away for company like you in terms of winning orders then?

A: Yes, there are no such talks at the moment.

Latha: What is your order book?

A: Our order book at the moment is around Rs 6,000 crore as of December. We are still awaiting a couple of L1 contracts to be awarded to us. So, as far as our order book is concerned, it is fairly robust.

Latha: So, what might you say the revenue run-rate for this year and the next for which you have visibility?

A: We will grow at about 15-20 percent in the calendar year 2016 and in calendar year 2015, you might have seen the nine month results. In the first nine months itself, we have a record growth of over 60 percent. So, that run-rate continues for the whole year. I think next year, on that, we would see about 15-20 percent growth and we believe that is achievable.

Latha: We understand that your revenue for January-September 2015 stands at Rs 2,000 odd crore. Should we assume that you would do about Rs 2,700 for the full calendar and maybe 15 percent higher for calendar 2016?

A: Calendar would be a little bit higher than Rs 2,700.

Latha: You get into the black when you report your quarterly result number already or will it take a quarter more?

A: If you have seen on an operational level, we have already got into the black. We had taken a write-down pursuant to the settlement with National Highways Authority of India (NHAI) in the March quarter. However, that will take some time to get absorbed through the operating profits, but at an operating level and on an overall yearly basis, we expect to come back into the black.