



J. KUMAR INFRAPROJECTS LIMITED

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CIN: L74210MH1999PLC122886

8th August, 2022

To,
The General Manager
Department of Corporate Services
BSE Ltd
Mumbai Samachar Marg
Mumbai - 400 001
Scrip Code: 532940
ISIN: INE576I01022

The Listing Department
National Stock Exchange of India Ltd
Exchange Plaza, Plot No. C/1, G- Block
Bandra- Kurla Complex, Bandra East
Mumbai - 400 051
Scrip Symbol: JKIL

Sub: Disclosure under Regulation 30 (6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations")

Ref: Transcript of the Conference Call held on 3rd August, 2022

Dear Sir's,

Pursuant to the above mentioned SEBI Listing Regulations, read with Part A of Schedule III of the above SEBI Listing Regulations, we wish to inform you that the Company had convened and participated in the conference/analyst call. Details of which are as under:

Day, date and Time	Subject Type of the Event	Name of the Moderator
Wednesday, 3 rd August, 2022 at 4:30 pm IST	1Q FY23 Results Conference Call	M/s. Anand Rathi Share & Stock Brokers

Please find enclosed the transcript of the conference call. Kindly disseminate the above information on your website for the information of shareholders.

Thanking you,

Yours faithfully,

for J. Kumar Infraprojects Ltd

Jagdishkumar Madanlal Gupta
Executive Chairman

Enclosures: As Above



“J. Kumar Infra Projects Q1 FY2023 Earnings Conference Call”

August 03, 2022



ANANDRATHI



**ANALYST: MR. MEET PARIKH – ANAND RATHI SHARES & STOCK
BROKERS**

**MANAGEMENT: MR. KAMAL GUPTA - MANAGING DIRECTOR - J.
KUMAR INFRA PROJECTS
MR. NALIN GUPTA - MANAGING DIRECTOR - J. KUMAR
INFRA PROJECTS
MR. MADAN BIYANI – CHIEF FINANCIAL OFFICER - J.
KUMAR INFRA PROJECTS
MR. ARVIND GUPTA - VP TAXATION - J. KUMAR INFRA
PROJECTS**



J. Kumar Infra Projects Limited
August 03, 2022

Moderator: Ladies and gentlemen, good day and welcome to the J. Kumar Infra Projects Q1 FY2023 Earnings Conference Call hosted by Anand Rathi Shares and Stock Brokers. As a reminder all participant lines will be in the listen only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing “*” then ‘0’ on your touchtone phone. Please note that this conference is being recorded. I now hand the conference over to Mr. Meet Parikh. Thank you and over to you Sir!

Meet Parikh: Thank you Seema. On behalf of Anand Rathi Shares and Stock Brokers, I welcome everyone to the Q1 FY2023 earnings conference call for J. Kumar Infra Projects Limited. From the management side, we have Mr. Kamal Gupta, Managing Director, Mr. Nalin Gupta, Managing Director, Mr. Madan Biyani, CFO and Mr. Arvind Gupta, VP Taxation. We will start with the opening remarks from the management regarding the industry and the results, post which we will open up for interactive Q&A. Over to you Sir!

Kamal Gupta: Good afternoon, everyone. This is Kamal Gupta. On behalf of J. Kumar, I welcome everyone to the Q1 FY2023 earning call of the company. Joining me on this Mr. Nalin Gupta, MD, Mr. Madan Biyani, CFO and Mr. Arvind Gupta, VP Taxation and our Investor Relations team. I hope everyone had an opportunity to look at our results. The presentation and press release have been uploaded on the stock exchanges and in our company’s website. Before I begin the overview a brief disclaimer, the presentation which we have uploaded on the stock exchanges in our website including the discussions during this call contains certain forward looking statements concerning J Kumar Infra Project business prospects and profitability which are subject to several risks and uncertainties and the actual results could materially differ from those in such forward-looking statements. We are excited to deliver another quarter of healthy performance of J. Kumar which stable operating margins in that level. The witnessing strong execution momentum across all our projects and our focus is to create a value for all our stakeholders. We are witnessing a pickup in new projects being awarded, FY2023 has started on a positive note with projects awarded to the tune of Rs.1374 Crores this fiscal year.

Some key updates, we have been awarded projects from IRCON amounting to Rs.1068 Crores excluding GST in Q1 FY2023, this is part of the Delhi, Mumbai, corridor. It is from Vadodara to JNPT package 17, the total project length is 9.8 km where in 4.2 km is the tunnel portion, it is a four plus four, eight lane access-controlled highway which is between tube of tunnel. The second project which was awarded to us is sewage tunnel project in



J. Kumar Infra Projects Limited
August 03, 2022

Mumbai by BMC and it is from Don Bosco to Malad amounting to Rs.510 Crores excluding GST which is a JV wherein J. Kumar's share is Rs.306 Crores in Q2 of FY2023.

Coming to the financial highlights of Q1 FY2023. The revenue from operations for Q1 FY2023 grew by 47% to Rs.994 Crores as compared to Rs.675 Crores in the preceding year of Q1 FY2022. The operating margin EBITDA for Q1 FY2023 stood at Rs.140 Crores as compared to Rs.97 Crores in Q1 of the preceding year 2022. EBITDA margin stands at 14.1%, the PAT for Q1 FY2023 has gone up by 93% to Rs.62 Crores as compared to Rs.32 Crores of Q1 FY2022, PAT margin for Q1 stood at 6.2% as compared to 4.8% in the preceding year. The company continued to focus on working capacity management and good quality of work and good order book and total order book as on June 30, 2022 stands at Rs.1295 Crores, the order book entirely includes metro projects contributing almost 57% by flyover bridges and road projects contributes to around 35%.

We remain optimistic on Indian recovery amidst the continuing global geopolitical and uncertainty. Before taking the question and answer, I would like to reiterate the vision of the company. J Kumar's vision is to be a \$1 billion revenue company by year 2027 and we expect our order book to go about Rs.20000 Crores by 2027. With strong financial and technical metrics, we envisaged becoming \$1 billion revenue company by 2027 of course, our endeavor is to reduce gross debt level in medium term, objective is to continuously improve the shareholders return they issue by investing in people technology and process. Thank you so much. Now, we will wait for the question and answer please.

Moderator:

Thank you very much. We will now begin with the question and answer session. We take the first question is from the line of Mohit Kumar from DAM Capital. Please go-ahead Sir.

Mohit Kumar:

Good evening Sir and congratulation on fantastic set of numbers. Sir, my first question is given the stupendous high growth in the first quarter, is there any upside to this guidance in the sense, we have given 15% guidance has come to \$40 billion for the entire year, do you think the numbers can be revised after?

Kamal Gupta:

Of course, you are always believing giving conservative figure, but Q2 of course is sluggish because of rains as you know and this year like in July, we had very good rains, so our figure was Rs.4000 Crores for the coming fiscal year like 2023, stands to be good and if we are able to do better of course, we are ready for that, as like this quarter we could do better than, so we believe giving a conservative figure.



J. Kumar Infra Projects Limited
August 03, 2022

Mohit Kumar: Understood Sir, so it's an upside. My second question is around the EBITDA margins were steady at 14.3%, do you think what was the impact of inflation during this quarter and do you think the easing inflation scenario environment to make it easier for us to have a better margin in the next three quarters or do you think our margins are neutral to the inflation?

Kamal Gupta: If you are aware Mohit like last couple of quarters, the rate of all commodities have really gone up, shot up to the sky, because of that also there was no impact on the bottom line and if there is some drop also, there would not be any impact on the bottom line, since all our projects are covered with price escalation and variation clause, so we are quite sure that we will be able to maintain this 14%, 15% EBITDA margin what we have given in that sense.

Mohit Kumar: Understood Sir, lastly, how is the order environment outlook especially in metro and in Mumbai area, Virar area for next eight months, where is GMLR the project right now, do you think it can get awarded this fiscal?

Nalin Gupta: For metro sector, there is huge opportunities that we are seeing all across the country and currently in Mumbai also packaged 10, 11, 12 and also package 13, there are three to four packages which has been already approved in DPR and also the GC tenders, the price bids have been opened, it is very likely that if that in next three to four months, we should be seeing new Mumbai metro tender is coming up. Again, if you talk of Chennai, there are six packages, again Kanpur is coming up with new packages, Delhi is coming up with new packages and again these are the 13 cities where metro is operating as of now, but this would shoot up to 25 cities, so metro has been accepted as one of the most economic and the fastest mode of transport being as the mass transport system, the government has understood the importance of it and that is the only way how traffic can be controlled, so this has been taken up in all these cities and there is a huge opportunity for metro projects all across the country in coming next five years more to go and with regards to GMLR, we have already submitted the RFQ for both the packages and we expect that in next couple of months, we should be able to submit the RFP because of the change in government and all certain things had been kept on hold, but it should be moving fast now I think.

Mohit Kumar: Understood. Thank you.

Moderator: Thank you very much Sir. We take the next question from the line of Krishna Agarwal from Niveshaay Investment Advisory. Please go ahead.



J. Kumar Infra Projects Limited
August 03, 2022

Krishna Agarwal: My first question is regarding as we mentioned that we are the only company having the maximum number of TBM's so I wanted to understand what kind of cost advantage we have because of our fleet of TBM's as in percentage terms?

Kamal Gupta: Sorry Krishna, we are not able to get you, can you be more clear, please. It is not properly audible.

Krishna Agarwal: My first question is that we mentioned that we have the largest fleet of TBM's, so I wanted to understand what kind of cost advantage do we have over there in percentage terms and who are the other players who have the maximum number of TBM's after us, like we have seven TBMs who are the next players who have six or five TBM's. Secondly, I wanted to know what is the demand scenario in other, that is road and express-way projects. These are my two questions.

Kamal Gupta: As you rightly told we have seven TBMs of our own and we are getting one more, so the base fleets will be the only contractors in India who has the maximum number of TBMs.

Nalin Gupta: Also, Afcons, they also have this number of machines, but our machines are mainly new machines that we have bought. So, J. Kumar and Afcons we are two people in the country who had such number of fleets for the tunnel boring machines

Kamal Gupta: And coming to the competency, like of course when you have your own equipment and once you have utilized it in a previous project, so that comes with a very nominal cost for the other projects, so you have a niche over others in bidding and as well as maintaining your bottom line.

Nalin Gupta: Because the machine has already been amortized on the earlier projects, so the refurbishment cost is the main cost that you incur on it, so that is how you have an upper hand over winning this bid.

Kamal Gupta: Anything else Krishna?

Krishna Agarwal: That's it from my side. Thank you.

Moderator: Thank you. We take the next question from the line of Vignesh Iyer from Sequent Investments. Please go-ahead Sir.



J. Kumar Infra Projects Limited
August 03, 2022

Vignesh Iyer: Congratulations on good set of numbers. I just wanted to ask after the Mumbai metro, after the metro sector at Aarey has been cleared for construction, what is the moment when it comes to the new tenders floated for the other metros and what is our participation rate when it comes to in these new tenders, if you can elaborate.

Kamal Gupta: If you talk of Aarey metro station, Aarey depot that was a specific depot only dedicated to line 3 and all the other packages related to line three has already been floated and the work is on advanced stage of completion like J. Kumar we have two packages and 85% work has already been completed of our two packages, so by December 2023 is what we expect that all the civil works should be over and this would be only related to metro line 3 and when you talk of other packages they all have their different depots in different vicinities, so most like 2a and 7 they have a different depot at Malvani again line 2b has a depot at Mankhurd so there are different depots so Aarey has nothing to do with the other metro lines and as we already mentioned that there are around four metro lines, metro line five, there is the underground section which is coming up metro line 10, 11, 12, 13, so there are altogether five lines which will be seeing the pending process to happen in a couple of months from now.

Vignesh Iyer: Okay, it was more like after the current government coming up, is there any escalation when it comes to the metro project that was my point of view to ask as an overall.

Kamal Gupta: If you look at metro line 3 as soon as the new government came in you can see the acceleration at Aarey depot and also the other metro lines has been told to be given full pay and whatever clearances are there, they have been given a good push so the clearances are happening better, the government is pro to metro, so we are seeing that the operations are getting smoother.

Vignesh Iyer: Okay, right, also coming to the margin part of our business, so if you could see that pre-COVID level, we were consistently hitting around 16% margins for a few years even 18% at times, so I just want to know, what is the company's outlook on it, can we get back to those levels because we are seeing good amount of traction when it comes to topline, so just if you could give us an idea, because we have pre-COVID consistently maintained around 16% for two, three years?

Kamal Gupta: We have been giving a guidance of around 14% to 15% for our EBITDA margins and if you look at the EBITDA, the company has been making for last couple of years it has been in the band of 14% to 15% only, so we have never given a guidance for 18% and as the base



J. Kumar Infra Projects Limited
August 03, 2022

increases then your company keeps growing still to maintain EBITDA of 14% to 15% I think it is a good set of numbers that the company is targeting and we are able to achieve so I would say that 14% to 15% is the guidance that we should be looking at.

Vignesh Iyer:

Okay.

Kamal Gupta:

We just hope for improvement and we always strive for achieving the same, but to have a fair idea and to give a fair guidance we would say 14% to 15% is a fair number.

Vignesh Iyer:

Okay. Coming to this projects like non-metro projects that gets offered, just wanted to know in general, is there price variation cover as part of the contract because the prices of the raw material has been fluctuating a lot in past one year, so just wanted to know what is the idea then?

Nalin Gupta:

Whether it is metro or non-metro, the situation is same, so all of our projects, 100% of our projects are covered with price escalation variation clause okay and these are linked with the RBI index, if the commodity price goes up, the RBI index goes up. If the commodity prices go down, the RBI index goes down, so whether it is Cement, Steel, Fuel, Labor, CNM or other commodities, it is all linked with our price escalation clause, so any increase or decrease does not hit our bottom line, so whether it is metro or non-metro projects.

Vignesh Iyer:

Okay, got it. All the best sir and that is all from my side. Thank you.

Moderator:

Thank you Sir. We take the next question from the line of Mr Bhavik from MK Ventures, please go-ahead Sir.

Bhavik:

Thanks for the opportunity. I just wanted to understand the margin profiles of the two orders that we have received, the expressway project and the sewage project and like how is it different from one another which one has better margins?

Kamal Gupta:

Of course, like we do not work without bottom line, so our focus is always a profitable growth and not on the topline, as you must be seeing our previous history also, so both these projects have been secured 14% to 15% operating margins and we are sure like till the time it comes, it may go a percent up or down but it has been secured 14%, 15% margins both the projects.

Bhavik:

Okay. Thank you. That's it from my side.



J. Kumar Infra Projects Limited
August 03, 2022

Nalin Gupta: Both are USP jobs of specialized operations, let it be this the dual blast tunnel of road works or we talk of the PST tunnel which is a smaller diameter TBM with segment lining, so both are specialized jobs.

Bhavik: Thank you.

Moderator: Thank you Sir. We take the next question from the line of Alok Deora from Motilal Oswal. Please go-ahead Sir.

Alok Deora: Good afternoon Sir. Just couple of questions. First, what is the order inflow target we have showed this year, actually I missed that number in case?

Kamal Gupta: Last year we had order inflow of Rs.3670 Crores and this fiscal itself we had inflow of Rs.1375 Crores and we are targeting around Rs.5000 Crores inflow for this current fiscal 2023, thereby maintaining our Rs.12000 Crores to Rs.13000 Crores of order book always.

Alok Deora: Right and also this expressway project of which you have won in Q1, this has been won by IRCON, I think on the HAM basis right?

Kamal Gupta: You are right, this project has been taken by IRCON from NHAI on HAM basis.

Nalin Gupta: We are the main contractor for it. They are the developer and we are the main contractor.

Alok Deora: Got it, so does that mean this will start after like 8, 10 months, because I think it is awarded to them in May or sometime that time, so it will take its own financial closure and appointed date and all those 8, 10 months will go in there?

Kamal Gupta: You are right, like initial six months are usually taken for that, so we are expecting the appointed date from first of October in this, but we already started the work there, we have started our survey, mobilization and all are already started so we save that much time and probably we are looking for bonus in that project, so we want to do some work before the appointed date.

Alok Deora: Sure, and what is the timeline for this?

Kamal Gupta: This is for 36 months. Project timeline is 36 months.



J. Kumar Infra Projects Limited
August 03, 2022

Alok Deora: Okay and also, I just also wanted to understand, these projects if we look at some other players they are making, if it is a pure play EPC project the margins are typically in the range of 10% to 12% at best, so just wanted to understand what kind of margins we are looking at from this particular project?

Kamal Gupta: We have secured margins, when we bid it for 14% to 15% operating margin obviously.

Alok Deora: Okay, in this also we will be able to make that kind of more.

Kamal Gupta: Nothing less.

Alok Deora: Okay, I think that is from my side and just one last question if I may, so any more of these kind of projects we are looking to back in the near to medium term, the order inflow which we are giving that is primarily targeted in any apart from metro, are we targeting any other key segment like roads?

Kamal Gupta: If you see both the orders are from two different verticals what we have been usually doing apart from metro, bridges flyovers and buildings, so these are big tunnel projects by NATM, this is new vertical what we have entered even the second project is a sewage water tunnel, so like these are the new segments and are we go forward also we will of course focus on these segments as well whereby adding up our order book and revenue.

Nalin Gupta: And also we have backed the order of Pune river front that is again a new vertical which the company has started, so there are a lot of river front development works that is happening in Gujarat and in Maharashtra and there are further similar river front work which are going to come up in Pune city itself, so these are the new verticals, so we do not intend to basically to divert majorly from our prime sector of transportation which is itself initially of expertise of elevated underground metros and bigger size of flyovers and road projects of NHAI.

Moderator: We take the next question from the line of Mr. Vipul Kumar Shah from Sumangal Investments. Please go-ahead Sir.

Vipul Kumar Shah: Congratulations for good set of numbers. My question is on the strength of our balance sheet or what can be the maximum size of our order book, can we reach Rs. 20000 Crores of order book on this balance sheet size or balance sheet is preventing us from bidding higher quantity projects?



J. Kumar Infra Projects Limited
August 03, 2022

- Kamal Gupta:** Mr. Vipul, right now the balance sheet and the financial status of J. Kumar entitles us to go up to Rs.20000 Crores also without any limitations; however, it totally depends upon the nature of work if what type of Capex or what type or new types of jobs or in which geography we are taking up the work, but with the given scenario the shooting of the order book up to Rs.20000 Crores also without with the same balance sheet we should be very much comfortable.
- Vipul Kumar Shah:** Okay and Sir, are the margin different for road and flyover segments and metro segments or margins are almost same across all the segments?
- Kamal Gupta:** We do not take much of road works alone, so roads are part of the major structure works like we are doing this Dwarka Expressway project which is almost Rs.3000 Crores of project and where in the road component is only 10% or 12% so of course road is there, but we do not do only road right.
- Nalin Gupta:** JNPT is also similar if you look at our JNPT which is a project of more than Rs.1500 Crores there also it is a combination of concrete and sleet on paver again it is not a normal CQC but with a sleet on paver and along with a big interchange, cloverleaf flyover, so those sorts of works are not everyone's baby to execute, all the agencies who are doing road work cannot do such type of flyovers, so whenever structure is involved, we try to pick up those type of works.
- Kamal Gupta:** Coming to the margins, whether it is a metro or flyover or tunnel, the margin like what we quote is basically what you quote and get the work, like what is your working, so we do not put anything any projects without 14%, 15% of EBITDA margin, so all our projects of this mix is always secured 14% to 15% margin.
- Vipul Kumar Shah:** Okay Sir. Thank you and all the best.
- Moderator:** Thank you very much. We take the next question from the line of Panjul Agarwal from Green Portfolio Private Limited. Please go ahead.
- Panjul Agarwal:** There is a reduction of around 65% in administrative and other expenses in this quarter as compared to previous quarters, so could you please throw some light on the reasons?
- Kamal Gupta:** Mr. Madan, our CFO will reply.



J. Kumar Infra Projects Limited
August 03, 2022

Madan Biyani: This is because in this quarter that we have regrouped our expenses into construction expenses and other expenses, so now other expenses become just administrative nature and construction expenses, mainly services which are required for our construction project, so this is for better presentation of our P&L.

Panjul Agarwal: I do understand I am talking about the numbers presented like we have also restated the numbers for the previous quarter, right?

Madan Biyani: We have regrouped all the quarters to make them comparable.

Panjul Agarwal: 1000lakhs to 995 lakhs in this quarter?

Kamal Gupta: Which number are you talking about 995?

Madan Biyani: That is 9 Crore 95 Lakhs administrative and other expenses, so earlier that was Rs.104 Crores of construction expenses plus Rs.9 Crores expenses, so earlier it was Rs.115 Crores now it has been split into two items. Construction expenses and other expenses and similarly for all the previous quarters and years.

Panjul Agarwal: What I am saying is if we compare the administrative and other expenses for quarter ending March 31, it is around 2200 lakh and for quarter ending June 30, it is 995 lakhs, so there is a drop of 65% that is quite substantial?

Kamal Gupta: There is one important thing that I would like to highlight here, that it also there is a total cost of 100 so out of 100 if you see the material component, material component has gone up little bit higher as compared to the administrative and other expenses, so in certain quarters you can see the material going up and the administrative cost and other expenses going down depending upon whether more material is consumed or it is more of material oriented or less of material oriented, so that percentage changes and 100% still remains the same. So here the material component has grown up and the other component has still remained on the lower side.

Madan Biyani: So, if you see in general like quarter ending June 30, 2021 the administrative expenses were only Rs.12 Cores, on a quarter-on-quarter there have been slight changes and overall, it is around 64 for the year end.

Panjul Agarwal: Okay, can you give me advanced retention money and unbilled revenue for this quarter?



J. Kumar Infra Projects Limited
August 03, 2022

- Kamal Gupta:** Mobilization advance is Rs.557 Crores.
- Madan Biyani:** Rs.557 Crores is a mobilization advance and Rs.545 Crores is the unbilled revenue madam. Is that good?
- Panjul Agarwal:** The retention money amount?
- Kamal Gupta:** Rs.220 Crores.
- Panjul Agarwal:** One last question, could you please share me the details of some slow-moving projects like which are there for like over four years now?
- Kamal Gupta:** Can you come back madam?
- Panjul Agarwal:** Any slow-moving projects which are ongoing for over four years now?
- Kamal Gupta:** None of the projects which are going from four years, like of course this metro line three which is 85% completed, the contract period was only four-and-a-half years, so it is of course more than four years and we are planning to complete it by next year, so there is no project which is slow moving apart from one project of CIDCO coastal road of course which was waiting for the environmental clearance, but that is Rs.486 Crores only, so that is the project which is yet to start that is all projects are going in full swing madam.
- Nalini Gupta:** So, the tenure may be more than four years for execution because we are working in urban areas, but that is not slow moving.
- Panjul Agarwal:** Okay, when can we expect this CIDCO coastal project to start like it is not yet started?
- Kamal Gupta:** We are expecting this to start by November like mid of October in this year.
- Panjul Agarwal:** Thank you Sir. that is all from my side.
- Moderator:** Thank you so much. We take the next question from the line of Shravan Shah from Dolat Capital. Please go ahead.
- Shravan Shah:** Thank you Sir. First of all, congratulations on robust performance. Before asking the questions, I just wanted a clarification, does our order book till third quarter of FY2022 was



J. Kumar Infra Projects Limited
August 03, 2022

inclusive of GST, so whatever the numbers we have said in the presentation also the second last page that is the 42 number page, so till FY2018, 2019, 2020, 2021 all these order book numbers were inclusive of GST?

Kamal Gupta:

No Shravan, all these projects were excluding GST.

Nalini Gupta:

Earlier the number that we were sharing was with the GST, but currently the numbers that we have given for March is excluding GST and even the FY2023 number of Rs.1375 Crores of order books that we are talking of it is also again without GST. Order book of Rs.1295 Crores and this Rs.1375 Crores even order that we are speaking of FY2023 order.

Moderator:

We take the next question from the line of Parvez Akhtar from Edelweiss Securities. Please go-ahead Sir.

Parvez Akhtar:

Thanks for taking my question. Sir, couple of questions from my side. First it could be great if you can give us some update about some of our major projects like you already mentioned about line three it is 85% completed and if you could tell us about some of the other metro lines that we are doing in Mumbai like line 2, line 9, line 6 and also the Pune and the Surat metro projects?

Kamal Gupta:

Parvez, if you talk of line 2a that is around 99% is completed from our side, so it is only the other ancillary works from various electrical and the traction people who are doing the job and it should be put into operation by say around November and if you talk of 2b we have already completed 12%, 85% is line 3, line 4 is around 42% completed, line 6 is around 60%, line 7 is around 97% and line 9 has been completed by around 24%, this Pune metro we have already completed around 80% and Surat metro, it is around 4%.

Parvez Akhtar:

When do we expect work to start?

Moderator:

I am promoting the next question Sir this is from the line of Mohit Kumar from DAM Capital. Please go-ahead Mr. Kumar.

Mohit Kumar:

One classification. You have this contract IRCON under the EPC agreement, this is like a proper price variation escalation clause or it is a fixed price or there is only partial variation, because given the HAM contract, I am asking this particular question.



J. Kumar Infra Projects Limited
August 03, 2022

Kamal Gupta: This is like absolutely EPC contract what we do with NHAI, it is on the same terms and conditions with all price escalation clauses, bonus everything, so there is no change in the document what we do with the NHAI absolutely the same document, same content. If we contract with all the conditions similar to what is there in NHAI.

Mohit Kumar: If I am not wrong, I think IRCON had couple of more contracts open, are we still interested in those particular contracts also or do...

Kamal Gupta: If it is of our choice like of our niche area of course we will go for it.

Mohit Kumar: Understood, so there is nothing open at this point of time, nothing under consideration, is the right understanding?

Kamal Gupta: Right now, nothing we are quoting with them like any contract comes off our size and our liking of course we go for it.

Mohit Kumar: Thank you.

Moderator: Thank you Sir. We take the follow-up question from the line of Parvez Akhtar from Edelweiss Securities. Please go-ahead Sir.

Parvez Akhtar: Thanks for the follow-up. Just two data points that I needed. One is, what is the cash and bank balance that we have including FDR and second is, what is the Capex that we have done in Q1 and what is our target for the full year? Thank you.

Kamal Gupta: For the capex Parvez, we were targeting around Rs.100 Crores to Rs.125 Crores that we had mentioned, but you would like to revise it to Rs.125 Crores to Rs.150 Crores for this year which will be basically due to the addition of the 8 TBMs that we wanted for Delhi metro looking at the geological strata that we are facing there and Rs.31 Crores is what we have done for Q1 and we expect around Rs.125 Crores to Rs.150 Crores for Capex at the annual level and with regards to the numbers you can say that.

Madan Biyani: The cash and bank balances stand at total Rs.139 Crores as of the quarter end including the escrow accounts and other bank balance and FDR and fixed deposits stand at Rs.384 Crores as in the quarter end.

Parvez Akhtar: Thanks and all the best.



J. Kumar Infra Projects Limited
August 03, 2022

- Moderator:** Thank you Sir. We take the next question from the line of Krishna Agarwal from Niveshaay. Please go ahead.
- Krishna Agarwal:** Number one, what is the execution period of our current order book and second is a clarification as why our sales degrowth Q-o-Q like it has been grown 10% and 11% is that a nature of our business?
- Kamal Gupta:** Sorry Krishna, second question is not understood.
- Krishna Agarwal:** What was the revenue to fall Q-o-Q like it has fallen 11%, is that the nature of the industry like in Q1 it usually goes down or what?
- Kamal Gupta:** Coming to your second question first is I think you are asking why the Q1 is going down right?
- Krishna Agarwal:** Q4 and Q1 comparison.
- Kamal Gupta:** Q4 is always the best in the industry, like that is a fourth quarter and Q1 is also good no doubt and like Q2 will be sluggish and Q3 will be better than Q2, well so Q1 and Q3 can be considered almost the same.
- Nalin Gupta:** You want the figures for Q4 and Q1?
- Krishna Agarwal:** I am sorry.
- Kamal Gupta:** If you are asking about the numbers, like Q2 is the first quarter of the year for any infra company.
- Nalin Gupta:** And Q1 also, the range starts, we are working in the urban area and there is slight like, as the labors go for the farming and all just before in Q1, Q1 is slightly lesser than the Q4 always.
- Krishna Agarwal:** And what is the order book execution here Sir?
- Kamal Gupta:** Our current order book of Rs.12000 Crores....
- Nalin Gupta:** Three to four years is average you can say.



J. Kumar Infra Projects Limited
August 03, 2022

- Krishna Agarwal:** Thanks.
- Moderator:** Thank you madam. We take the next question from the line of Meet Parikh from Anand Rathi. Please go-ahead Sir.
- Meet Parikh:** Thank you for the opportunity, Sir. I had a few questions. Firstly, on the water projects in terms of now that we have secured this sewage project at Mumbai, do you look at other opportunities, which are other opportunities are we looking at and any near-term opportunities that we are going to bid for, so on that if you can highlight some points?
- Kamal Gupta:** There is like for the water treatment, there are WTPs and STPs both that we are targeting, like Surat has come up with an STP project of around Rs.800 Crores and there are water pipeline projects that have come up under the Pradhan Mantri Jan Yojana, so in that UP, MP all these states they have huge packages, that is coming up for end-to-end pipeline projects for which we are targeting and also WTP and STP currently that we are focusing is already existing and PST which is sewerage projects that also we have already backed two packages. One was for Mithi and the other was for the Dharavi project, the Malad project, so there are similar type of projects also expected again from Mumbai Municipal Corporation and Pune, so we are trying to focus on that as well.
- Nalin Gupta:** Also, CIDCO is coming out with this water tunnels, so we are focusing on that as well, so maybe like in another three to six months, we will quote for the tender.
- Meet Parikh:** What will be the size of this project?
- Kamal Gupta:** This will be around Rs.500 Crores to Rs.1000 Crores.
- Nalin Gupta:** Around Rs.1000 Crores to Rs.1100 Crores, we are coming up with two packages.
- Meet Parikh:** Thank you so much.
- Moderator:** Thank you Sir. We take the next question from the line of Vipul Kumar Shah from Sumangal Investments. Please go-ahead Sir.
- Vipul Kumar Shah:** We have seven TBMs, so just trying to understand why we have ordered one more, we could have shifted TBM to the Delhi site, so just trying to understand that?



J. Kumar Infra Projects Limited
August 03, 2022

Kamal Gupta: The geology of Delhi, it requires four tunnel boring machines out of which we have utilized three machines, we are taking from we say Mumbai and Delhi projects and one machine which is like we have three open type TBM, so right now the usage we have only seven machines already been assigned out of which two is working for Surat, two is working for Mumbai, so Mumbai what we are using is EPB machine and Surat is again EPVs and we have one machine which is left out as the rock machine and we require one more EPB machine in Delhi again, so two machines we could utilize from the existing and one we had to, we had no other option because the stretch between Vasant Kunj to Kishangarh is having a varied type of strata ranging from EPB machine requirement which is for soil to open type of TBM which is for rock, so we had no other choice but to get one machine new brand and this strata over, which we encounter there is the hard strata is very, very hard so we had to go for the new TBM for that location.

Nalin Gupta: If you know, we are already utilizing all our 7 TBMs plus we require this one additional so it is not that we are not utilizing our additional, all the TBMs, existing TBM are put to use and then this is additional requirement.

Vipul Kumar Shah: Okay Sir. Thank you.

Moderator: Thank you Sir. We take the next follow-up question from the line of Shravan Shah from Dolat Capital. Please go-ahead Sir.

Shravan Shah: Sorry Sir, previously my line got disconnected, so just continuing the same question. Till third quarter of FY2022 we used to report order book inclusive of GST and from the fourth quarter we started reporting exclusive of GST is the understanding, right?

Kamal Gupta: You are right Shravan.

Shravan Shah: Is it possible to restate the FY2021, 2020, 2019 order book number, exclusive of GST just to make sure the one has the better the comparison?

Kamal Gupta: We really feel it will make any difference because right now the current order book that we need to talk about the current order book which is already reinstated without GST, so now you have the net of figures without GST at June 30, 2022 level, so earlier figures I do not think we do not have the numbers though but we can do if you want but I do not think it would make any difference to the current order book status that we have given excluding GST.



J. Kumar Infra Projects Limited
August 03, 2022

- Nalin Gupta:** And we will ask Mr. Madan Biyani, he will give you the details, not a problem.
- Shravan Shah:** And then second, in this quarter, how much change in scope or increase in scope that we have taken in the order book?
- Kamal Gupta:** Nothing, current Rs.1875 Crores order book that we are mentioning that we have backed in FY2023 is not including any of the variations, it is purely for the two new contracts.
- Shravan Shah:** I am talking about the existing total order book Rs.12000 Crores odd that we have, so in this quarter have we taken any price increase?
- Kamal Gupta:** You are talking about some variation what we get additionally?
- Shravan Shah:** Yes, so increase in scope of what because of the price variation?
- Kamal Gupta:** We do, like the total in the last quarter probably year end for the whole year, Yes.
- Shravan Shah:** Okay. I need couple of balance sheet number Sir, for what is the inventory data and trade payable ass on June?
- Madan Biyani:** Inventory is Rs.359 Crores and trade payable is Rs.524 Crores.
- Shravan Shah:** And debtors, trade receivable?
- Madan Biyani:** Rs.907 Crores.
- Shravan Shah:** Lastly in terms of just on the broader, big pipeline so two things. One, have we bided any projects where outcome price would have been submitted where the outcome is yet to come?
- Kamal Gupta:** It is in the process, we are in the process of bidding around Rs.30000 Crores of projects all over India, but like there are no projects which the outcomes are there, it is on the process of submission, so probably after the next quarter we may...
- Kamal Gupta:** We have submitted the RFQ for Rs.6000 Crores GMLR.
- Shravan Shah:** Okay. Thank you and all the best.



J. Kumar Infra Projects Limited
August 03, 2022

Moderator: Thank you Sir. Ladies and gentlemen that was the last question for the day. I hand the conference over to the management for closing comments. Thank you and over to you Sir.

Kamal Gupta: I would like to thank once again to all of you for joining us on this call today. We hope we have been able to answer your queries. Please feel free to reach out to our CFO or IR team for any clarifications or feedback. Thank you so much all.

Moderator: Thank you. On behalf of Anand Rathi Shares and Stock Brokers that concludes this conference call. Thank you for joining us and you may now disconnect your lines.