



J. KUMAR INFRAPROJECTS LIMITED

Regd Off: J. Kumar House, CTS No. 448, 448/1, 449, Subhash Road, Vile Parle (East), Mumbai 400 057, Maharashtra, India, Phone: +91 22 67743555.

Fax: +91 22 26730814, Email: investor.grievances@jkumar.com

Website: www.jkumar.com, CIN: L74210MH1999PLC122886

31st May, 2024

To,
The General Manager
Department of Corporate Services
BSE Ltd
Phiroze Jeejeebhoy Towers,
Dalal Street
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 29th May, 2024

Dear Sir's,

Pursuant to the above mentioned SEBI Listing Regulations, read with Part A of Schedule III of the above SEBI Listing Regulations, please find enclosed the transcript of the earnings call.

Kindly disseminate the above information on your website for the information of shareholders.

Thanking you,

Yours faithfully,

for J. Kumar Infraprojects Ltd

Poornima
Company Secretary

Enclosures: As Above



“J Kumar Infraprojects Limited Q4 & FY '24 Earnings Conference Call”

May 29, 2024

Disclaimer: E&OE - This transcript is edited for factual errors. In case of discrepancy, the audio recordings uploaded on the Company's website will prevail



**MANAGEMENT: MR. KAMAL GUPTA – MANAGING DIRECTOR – J
KUMAR INFRAPROJECTS LIMITED
MR. NALIN GUPTA – MANAGING DIRECTOR – J
KUMAR INFRAPROJECTS LIMITED
MARATHON CAPITAL – INVESTOR RELATIONS
TEAM – J KUMAR INFRAPROJECTS LIMITED**

Moderator:

Ladies and gentlemen, good day, and welcome to J. Kumar Infraprojects Limited Q4 and FY '24 Earnings Conference Call. As a reminder, all participant lines will be in the listen-only mode, and there will be an opportunity for you to ask questions after the presentation concludes. 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.

Before we begin, a brief disclaimer. The presentation with J. Kumar Infraprojects has uploaded on the stock exchange and their website, including the discussion during this call, or may contain forward-looking statements concerning J. Kumar Infraprojects 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.

I now hand the conference over to Mr. Kamal Gupta, MD, J. Kumar Infraprojects Limited. Thank you, and over to you, sir.

Kamal Gupta:

Good afternoon, everyone. On behalf of J. Kumar Infraprojects, I welcome everyone to the Q4 and FY '24 Earnings Conference Call of the company. Joining me on this is Mr. Nalin Gupta, MD; and Marathon Capital, our IR team. I hope everyone had an opportunity to look at our results. The presentation and press release have already been uploaded on the stock exchanges and our company's website.

As we conclude FY '24, we are pleased to report a period marked by significant achievements, including the largest accretion of our order book, substantial revenue growth alongside margin expansion. The working capital cycle has also seen an improvement on back of substantial reduction in receivable days. On back of record order book and our execution progress, we are confident of setting up new performance benchmarks in the years to come.

Our continued focus on adding and diversifying project portfolio that involves sound technical capabilities, we are optimistic that this will help us to improve our margin. We at J. Kumar always work towards a successful execution of continuing projects, which has scope to scale up further.

The company will continue its focus on working capital management and quality of order book. We believe that India will emerge as one of the fastest-growing infrastructure drivers in the world, marked by an unprecedented investment going into virtually every part of its transforming industry story, whether it's airport, ports, railway stations, metro expressways, water treatment projects or roadways.

On the other hand, we believe that a sectorial shakeout, higher construction benchmarks and rising prequalification standards have led us to an industry-wide consolidation. This trend favors larger companies with robust balance sheets, enabling them to address even bigger opportunities and strengthen their market position.

Consistent with our track record of dividend distribution, the Board of Directors have recommended a dividend of INR4 per share for the financial year, subject to shareholders' approval.

Coming to the standalone performance highlights for Q4 FY '24. The revenue from operations for Q4 FY '24 grew by 26% to INR1,425 crores as compared to INR1,134 crores in Q4 FY '23. The EBITDA for Q4 FY '24 grew by 27% to INR203 crores, as compared to INR159 crores in Q4 of FY '23. And the EBITDA margin for Q4 '24 stood at 14.3% as compared to 14.1% in Q4 of FY '23.

The PAT for Q4 FY '24 grew by 35% to INR100 crores, as compared to INR74 crores in Q4 of FY '23. The PAT margin now stood at 7% as compared to 6.5% of Q4 of FY '23. Coming to the yearly numbers of FY '24. Revenue from operations for FY '24 grew by 16% to INR4,879 crores, as compared to INR4,203 crores in FY '23. The operating -- the EBITDA for '24 grew by 18% to INR704 crores as compared to INR597 crores in FY '23.

The EBITDA margin for FY '24 stood at 14.4%, as compared to 14.2% in FY '23. PAT for FY '24 grew by 20% to INR329 crores, as compared to INR274 crores in FY '23. And the PAT margin stood at -- now stood at 6.7% as compared to 6.5% in FY '23.

We have been awarded projects worth INR11,810 crores in FY '24, and received orders worth INR3,750 crores during Q4 of FY '24. Totaling our order book as on 31st March '24 at record high level of INR21,011 crores. The order book -- includes metro projects contributing 27%; elevated corridors, flyovers contributing 39%; road and tunnels projects contributing 24%; and other contributing 11%.

Thank you, and now we'll begin with the question-and-answers, please.

- Moderator:** The first question is from the line of Rhythm Jain from RV Investments.
- Rhythm Jain:** So my question is regarding the debt of the company. So it currently stands at INR576 crores. So what are the guidance for the debt of the company? Like is the company thinking of reducing it's debt? And if so, next year, how much will be the debt?
- Kamal Gupta:** So as you have -- yes, this is Kamal Gupta. As we have previously also told, we are looking to around INR600 crores to INR650 crores of debt by FY '25 in India.
- Nalin Gupta:** Okay. And we intend to take care of this funding requirements with the internal cash accruals of the company. So -- and the debt equity been so comfortable, we don't foresee any reason for any concern for the company.
- Moderator:** The next question is from the line of Mahesh Bendre from LIC Mutual Fund.
- Mahesh Bendre:** Sir, just wanted to know the order pipeline in terms of, how many projects we have actually offered the bids? And your own opinion over the next 12 months, how many order -- new orders are going to come up where we can bid?

Nalin Gupta:

So we have -- we are already L1 in around INR4,700 crores worth of projects, which recently has been announced by the government. It is for MSRDC wherein we are back two orders of around INR2,000 crores, INR2,200 crores. And also one Harinagar building job that we have taken from NBCC. So already in Q1, we'll be getting this -- the L1s converted into order book is what we expect.

And there are other projects worth around INR20,000 crores-odd that are mainly coming in from metros, elevated expressways, roads and road tunnels and some building jobs as well. So that is what we are focusing. And we intend to take our order book in this financial year of FY '25 close to around INR6,000 crores to INR8,000 crores, fresh order book and maintaining an order book of around INR20,000 to INR22,000 crores by end of FY '25.

Mahesh Bendre:

Okay. Sure, sure. And in terms of some margins, I mean, where do you think your operating margins could be?

Nalin Gupta:

So currently, as you can see, we are trading between 14% to 15% EBITDA margin. And we should be surely able to maintain this margin, which is at the margins at which we have backed these orders. And of course, with the operational efficiency, we will be trying to -- we are working that within coming 6 to 8 quarters, we will try to take this EBITDA margin from 15% to 16%.

Mahesh Bendre:

Sure. And last question, sir, we have significant exposure to Maharashtra and the state is going for election in the next 6 months. So would there be any slowdown in terms of execution or possible order inflow?

Nalin Gupta:

Well, Mr. Mahesh, I think you would appreciate that this is not the first election and with the series of elections, change of government intermediately, also we did not see any type of stoppage of work or any negativity, with the amount of visibility being there in the social media, with the people getting more and more literate people -- expect every new government coming in to perform more better than the previous political party.

So with our experience of more than four decades, we feel that absolutely, there will not be any slowdown in execution. There can be impact whether new work comes in or not. But with the order book that the company has already backed, I am pretty sure and hopeful that the execution will be in full pace, because people come in to the political parties to come into the power, they need to show what progress they have done for the state and for the country. So this is going to be surely not impacting any execution of the ongoing jobs.

Moderator:

The next question is from the line of Vaibhav Shah from JM Financial Limited.

Vaibhav Shah:

Sir, what would be our revenue guidance for FY '25?

Kamal Gupta:

As we told you before, like we are looking for a growth of around 15% to 16%. So we are looking for a number of INR5,600 to INR5,700 for FY '25.

Vaibhav Shah:

So given our order book of almost INR20,000-odd crores, plus L1 of around INR5,000 crores, so isn't this guidance a bit on the conservative side?

- Kamal Gupta:** So if you see Mr. Vaibhav like the projects what we are secured in this year. So the inflows will start like from Q2 of this year. And like it will add to the revenue significantly from this year onwards. But you'll see the real incremental value of this from next year onwards.
- Vaibhav Shah:** Okay. So from our current backlog, what would be currently under execution out of INR20,000-odd crores?
- Kamal Gupta:** So this -- everything like INR21,000 crores also includes INR11,000 crores what we have secured in this year. So all these projects also have been started. Started means, the mobilization has been started, but it starts generating revenue from Q2. It will start generating revenue from Q2. So all the projects are in -- all this thing. There's no project, even the coastal road of CIDCO, which was like in advance for like 10 months it has also been started in full swing. So all the projects have started in full swing now.
- Vaibhav Shah:** Okay. And sir, regarding GMLR project in Chennai, elevated corridor, so has the execution started, for both the projects?
- Nalin Gupta:** For GMLR, we have already started mobilization, site barricading, survey jobs, designs have been submitted, the machineries have -- the orders for the machineries have been placed. So it's in advanced stage to physically start at the job site. And though we have started some ancillary works already, office construction has started, your road work has started, batching plant establishment. So work is in swing, and it will see momentum Q2 onwards, as we have already mentioned.
- Kamal Gupta:** And also for Chennai, Chennai similarly as what Nalin told, even the mobilization is a big thing because for such bridge being a huge project, there's a lot of technical finalization to be done before the methodologies and all. So all equipments are in place, all casting yards have been developed, the offices are in place, survey is done, solidification is completed. Even the file investigation, a file work also, the machines are there. So we'll be starting the filing from this June only. So actual physical work on site will also be starting from first week of June.
- Vaibhav Shah:** Revenue booking has not been done neither of the projects, right?
- Kamal Gupta:** It's not been done now. Yes, you're right.
- Vaibhav Shah:** And for both the projects ballpark, can you guide what kind of revenue can we book in '25, in terms of percentage?
- Nalin Gupta:** As we have said that we need to wait till Q2 when -- because as you will appreciate that Q2 is now totally to the -- monthly period. So you really can't expect any sizable contribution from these projects to turn up at this stage. From Q3 onwards, if we start giving revenues to this project, and once the project starts giving the numbers, then I think it will be after Q2. I think we'll be able to really give a realistic number, how much will be the contribution for the current year.
- Vaibhav Shah:** Okay. Sir, lastly, what is our capex plan FY '25?

- Kamal Gupta:** You asked about capex, Mr. Vaibhav?
- Vaibhav Shah:** Yes. Yes.
- Kamal Gupta:** Yes. So for FY '25, like we've been saying like we'll require about INR100 crores every year for your maintenance capex. So apart from this, like two these new projects of Chennai elevated and GMLR, we will be having around INR400 crores of additional capex apart from INR100 crores in coming 2 years.
- Vaibhav Shah:** So next 2 years, overall, it should be closer to INR600 crores? INR100 crores each year for maintenance and INR400 crores for the other two projects?
- Kamal Gupta:** Correct. So INR500 crores to INR600 crores for coming 2 years, you're right.
- Moderator:** The next question is from the line of Prem Khurana from Anand Rathi.
- Prem Khurana:** Congratulations on the good set of numbers this quarter. So just on this order addition that we've done during the year, I mean, congratulations, I mean, it's been one of the best years in terms of order additions. I mean, given the fact that it's been so strong away, way better than our guidance, including change in scope and variation orders.
- I mean, how would this change the way you would approach the new orders in FY '25? I mean, given the fact INR5,000-odd crores, would that make you kind of try and optimize margins, look for orders, you'll be able to kind of get even better margins? Because I mean, with INR16,000 crores in the last 1 year or 13-odd months, I mean you seem to be already home, I mean, in terms of the revenue visibility that you were going to have?
- Nalin Gupta:** So as we have mentioned that, yes, we will be trying to optimize in terms of the margins as well. And with this, of course, this bigger project involves more experienced, and that's our experienced people to be brought into the company. And the organization buildup is also going on time to time, depending upon the size of the company where, whichever areas we feel is on the -- needs to the strength and we are working on it and the organization is fully capable to take up these size projects of an order book of close to INR20,000 crores.
- And the entire team is in place to take up these projects. Though these are one of the most challengeable and, I would say, a feather in the hat for country and for J. Kumar himself as well, because in GMLR, it's one of the largest tunnel and the longest tunnel that has been constructed by tunnel boring machine in the entire country, as well as, the elevated corridor of Chennai, which is again a 20-kilometer long along the river this project has to be done, which is, again, 20-kilometer double-decker, with double-decker clover leads, so it's a very, I would say, a highly skilled job.
- So margins are well secured and the team is in place. So our execution is absolutely not a matter of concern for the J. Kumar, and with the growing size, with the growing numbers, we are also building a big team. So that's how we look at around INR6,000 crores to INR8,000 crores of new orders to be bagged from these current geographies as well.

Prem Khurana: Sure. And the INR6,000 crores to INR8,000 crores there is an addition to the INR5,000-odd crores event, right? So technically, I mean, you want to somewhat repeat the sort of number that we delivered in FY '24, right?

Nalin Gupta: So currently, what we have been talking of is around INR7,000 crores to INR8,000 crores of total order book for FY '25. And if we get certain jobs, which are lucrative, which are of the nature and geographies that we are very comfortable in, we may bag orders INR10,000 crores also. So it totally depends upon the opportunities that come on the way. But INR6,000 crores to INR8,000 crores is something that we are very clear that we have to bag this order and maintain the order book close to INR20,000 cores, INR22,000 crores for FY '25 closing.

Prem Khurana: And sir, on the MSRDC orders wherein you are L1, so I was looking at the bids and these bids seem to be, I mean, at a significant premium to the agency cost estimate. I mean would that mean, I mean, there could be some renegotiations, I mean, you would be required to sit across the table and negotiate with the MSRDC and then you will be able to have LOA come to you, or I mean, they would be okay with the sort of number that we've given them?

Kamal Gupta: But if you must have seen, Prem, like this is not only with us, which is across with all the contractors. That means their estimates are not based on some old DSR. So there is a price inflation and also like, it would have been in 2 or 3 people, that means it's not right. But since everybody is quoting that way, that means the estimates are not properly done. So it's based on the old rates of what they have prepared. So, they have to correct their estimates. So I don't think there are any issues in finalizing the contract.

Nalin Gupta: There is a similar case, I would like to mention here, like if you look at Delhi Metro, the DC08 project that we had bagged was at 29.9% above, close to like 30% above the estimated cost. And so that was the average range of 25% to 30% in all the six underground metro packages that had come in Delhi. So, about the premium charged is subject to the estimate, which is -- which depends upon how they have made it -- so when everybody on this 35, 40 packages are in that range, that itself shows the genuineness of the price bid.

Prem Khurana: Sure. But sir, I mean, in these sort of situations, I mean, I'm sure, I mean, you would have seen the sort of things in the past as well. So obviously, I mean, they had some numbers in mind, which is how they would have a range of funds, right? They would have spoken to some of these banks and multilateral agencies.

Certainly, the number goes from INR67,000 crores to INR90,000 crores, right? I agree to the number could be the estimate that agency had in place was wrong. But with that means, I mean, they would have to go back to these lenders or even to some of these cabinet ministers, to kind of get the new cost approved, because you need additional INR30,000-odd crores or INR20,000 crores over and above what you were initially estimating in your budget estimates.

Nalin Gupta: So you are totally right what you're seeing, and this is a regular process that has been followed. So at cases, they find situations where the bidder has bid below the estimated, some past bidder has bid above the estimated price. So it's a plus/minus thing that happens, but they have to go for re-sanction of it, and they don't have a choice.

So in Delhi, that was a similar case, it was a World Bank aided fund, where the international financing was there. Even in that case, they put it up to the JICA and World Bank, and they got an approval and bids were awarded. So this is a regular routine process and they have to do it, and the money is not required today. So once they are satisfied with the pricing that the contractor and the justification given by the bidders are acceptable to them, they have the whole period to arrange for funds. It is not that it is required today.

Prem Khurana: Okay. Sure. And sir, just bookkeeping sort of questions, I mean last from my side. If you could help me with the working capital cycle, in terms of number of days what number did we close FY '24 at? And if you could help me with cash and bank balance number, mobilization advances, retention money and FY '24 capex, please?

Nalin Gupta: So the working capital has fallen from 126 days to 123 days, and we intend to keep it between 120 to 125 days. That's what the working capital cycle.

Kamal Gupta: And the mobilization advance as on March 31 stands at INR459 crores to INR460 crores.

Prem Khurana: Okay. And how much of that would be interest bearing, sir?

Kamal Gupta: So most of these are noninterest bearing, apart from the INR30 crores and -- so it's like I think out of INR450 crores, INR400 crores is noninterest-bearing and INR50 crores is interest bearing.

Prem Khurana: Sure. And retention and cash and bank balance, please, including SBs?

Kamal Gupta: It's INR300 crores of SB -- and that is retention and cash and bank balance is INR131 crores, yes. FDR is INR480 crores.

Prem Khurana: And just one last, I mean, FY '24 capex, how much did we incur?

Kamal Gupta: For this Q4?

Prem Khurana: For the full year or Q4, either would work.

Kamal Gupta: For the whole year it's INR210 crores.

Prem Khurana: And sir, just one last, I mean, sorry, just to continue on the GMLR thing. So the tunnel boring machine would come in our books, or I mean come as part of the JV entity books? Because I mean, you would have these options available where you could leave the JV entity and then get that TBM based or you would want to have it in your own balance sheet?

Nalin Gupta: There are 2 TBMs required for the GMLR project, and we have ordered both the machines and each machine -- 1 each has been booked in their individual books. So J. Kumar has purchased one TBM on its books and NCC has purchased one TBM on their books. And the LC is also open for it.

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

Parikshit Kandpal: Congratulations on a great quarter. So my first question is on the MMC project or multimodal corridor. So just wanted to understand that, are these projects right now financially closed? I mean, is the cost provided already in this year's budget of Maharashtra government? Or do you think that only after formation of the new government, maybe next year, the budget will be provided and the work will start only from next year FY '26?

Kamal Gupta: We have, of course, tied up like before coming out to the tenders. And some finalization as this is revised and all of us they have to go for the revised sanction. And the projects, of course, like because the state elections will be there, our understanding is that they will want it to start it, before the state election commences -- kicks off. So since it is June, I think from Q2, the project should take off in at site also.

Parikshit Kandpal: So you are saying, after monsoon, so maybe September -- around September, you should see that...

Kamal Gupta: Yes, yes. You're right.

Parikshit Kandpal: Okay. And what is the scope of work here? I mean, is it -- I know that it's an EPC project. So it's just a highway or like what all you have to do, I mean, anything different from a typical road project?

Kamal Gupta: So these are actually like the two projects what we have secured in that around 80%, 85% is structured. So there are multiple flyovers, elevated roads with interchanges, cloverleaves and all. So it's mainly a structure project for us, like flyovers and of course, there are some road portions also in that, but major will be structured.

Parikshit Kandpal: Okay. And so I mean you already said that you have INR480 crores of FDR in our lines. So now this big project, I mean you'll get some mobilization advance and bank guarantees will be required. So do you think you will have to now incrementally provide more FDR and raise more cash for margins against the bank guarantee. So if you can quantify how much you think your fund and nonfund-based limits? So nonfund-based limits will go up, because of this? Are those limits already tied up, because these are all two large projects?

Kamal Gupta: Yes. So like if you see for all the projects that we have secured already has been tied up. What I was talking about is INR11,000 crores of inflow this year, so major projects. Of course, what we are LI, we need to tie up for this new project.

So the nonfund base will certainly go up, no doubt, because the PBGs and the bank guarantee requirement will go up and because of this, the margin has should be done and like -- so that will intend that some part of the margins, or part of the FDRs will be we may use it from our existing pool. And like we have to add up new ones also. So of course, it will take up the FDR also from 480 to something that we have not worked out, and we can tell you the numbers later on, Parikshit.

Parikshit Kandpal: Okay. And these projects typically will have what kind of mobilization advances, and whether these will be interest bearing. So if you can give some color on what could be the interest cost?

And what kind of advances we can avail on this? Because underground metros interest fees or how different these projects will be in terms of advances and interest?

Kamal Gupta: Yes. So these projects of MSRDC, of course, there's a provision for mobilization advance of 10%. And these are interest-bearing. So I think the net cost for it will come around 9%, so 9% to 10%.

Parikshit Kandpal: And these will have any bonus provisions?

Kamal Gupta: Sorry?

Parikshit Kandpal: Any Early commission bonus -- anything there in these project?

Kamal Gupta: So these projects don't have a bonus clause, I think. So there's nothing...

Nalin Gupta: For GMLR, we have a bonus clause. So there, we are trying that we get some bonus out of that project. Most of these contracts usually don't have it, but certain projects like GMLR they have made a provision.

Parikshit Kandpal: The last question, sir, on just the two large projects, underground metro and the GMLR. So what are the timelines for completion of these two projects?

Nalin Gupta: So for GMLR, the timeline for completion is around 60 months, 5 years. And for Chennai, it is...

Kamal Gupta: You talk about -- spoke about Chennai, or you spoke about the underground metro, Parikshit?

Parikshit Kandpal: Sir, both you can tell me, sir.

Kamal Gupta: Okay. So, of course, on the Chennai project is for like 3 years, so 6 months have passed, so another 2.5 years. And for underground metro...

Nalin Gupta: GMLR, it is 60 months, and 60 months is the time period for completion.

Parikshit Kandpal: But underground metro...

Kamal Gupta: Underground metro is almost completed. Like we have completed around 93%, 94% of it. And it is in its final leg of some minor testing, commissioning and like getting approved from security authorities like fire NOCs, your what to say, the RDSO and chief safety railway commissioner's approved. So that will take 2 months. I think by August, it should be in operational.

Parikshit Kandpal: Because I saw your BKC stations are still not like -- it has come up above the ground, but I don't -- it's ready or not. So...

Kamal Gupta: No, no, all the stations like -- because on that, there will be integration with Line 2B at BKC, so that won't stop it for commissioning. You understand, Parikshit? So like the stations are ready, the trial runs are already on. Initially they ran it from shifts to BKC, now they can it to even Dadar. So the trains are going for trials even it Dadar now. So that all is on.

- Parikshit Kandpal:** Expecting in 2 months' time, we'll be open for public, so maybe September, by September till will be...
- Kamal Gupta:** I expected by August end or so. So maybe August or September depending on the CRS because when the CRS, I mean, the safety guys comes, they give some checklists to comply that may take some time. So August should be a good time, I think.
- Parikshit Kandpal:** Got it. And just the last thing on the MSRDC you heard there are some more orders, which are in the pipeline. So if you can help understand what is the pipeline for -- I mean before elections what potentially could be the pipeline from the Maharashtra government in terms of ordering?
- Kamal Gupta:** So of course, there's something in pipelines from MSRDC also some from MMRDA also, come from CIDCO also...
- Nalin Gupta:** BMC, metro department, so there are a lot of opportunities -- so Parikshit, it's a long list, as we have said that we intend to bid around INR20,000 crores worth of projects. But it's mainly coming in from elevated corridors, your plywoods, your elevated and underground metro, building jobs, some water-related projects. So these are the projects which we have already bagged and we are executing. So it's a similar nature of work.
- Moderator:** The next question is from the line of Jiten Rushi from Axis Capital.
- Jiten Rushi:** Congratulations for good set of numbers, and also congratulations on winning such prestigious project from MSRDC for the multimodal...
- Kamal Gupta:** Can you be a little louder, please?
- Jiten Rushi:** Yes. Sir, on the MSRDC project, can you -- do you need any capex to be done because you need structural work to be executed and you expect the project to start from September. So any immediate capex will be required?
- Kamal Gupta:** So for MSRDC projects, we won't require some special capex like for JMLR and Chennai elevated, because this will be a regular structure, wherein we can open our existing machineries and equipment, so we won't require any special big capex for this project.
- Jiten Rushi:** So then any margin...
- Kamal Gupta:** Capex of INR100 crores per year.
- Nalin Gupta:** And available machineries that we have from a various flyovers works that we are already constructing....
- Kamal Gupta:** Is on the verge of completion of Delhi. So a lot of equipment from there will be transferred here, whether it's a gantries, launching girders and other equipment. So that will cover 80%, 70% of that capex requirement for that project.
- Jiten Rushi:** Sir, and what could be the EBITDA margin you guided for 14% to 15% probably a year after you were expecting 15% to 16% margin EBITDA, so this is because of the new order wins in

Q4 and [MSRDC] which carries a higher margin of 15%, 16%, which gives you the confidence of doing 15%, 16% EBITDA margin in FY '26? Am I right, sir?

Kamal Gupta: It's mainly Jiten, because of like as you are getting bigger projects and like in the same cluster. So operational efficiency will, of course, go up. So it's mainly because of your operational efficiency, we are looking that the margins will go up to 15% to 16% coming 6 to 8 quarters.

Jiten Rushi: Okay. And sir, you gave the order in guidance of INR6,000 crores to INR8,000 crores which is including the L1 projects which you've won in Q1 or it's excluding this...

Kamal Gupta: We are looking for an overall inflow in FY '25 for INR6,000 crores to INR8,000 crores, and this includes the INR4,000-odd crores of L1 what we have. That's true.

Jiten Rushi: This is INR5,000 crores -- but sir, then this could be on a lower side because you already said you have bidden for INR20,000 crores, and you have already received INR4,700 crores inflows, so hardly INR2,000 crores inflows -- INR2,000 crores to INR3,000 crores for the rest of the 10 months. So don't you think it's on a lower side?

Nalin Gupta: So being on the INR8,000 crores, it becomes around 4,000 crores, Jiten.

Kamal Gupta: So we believe to be a conservative figure, Jiten, and surface our targeted guidance.

Jiten Rushi: MSRDC is already INR4,180 crores and when you said some building will be registered with MDCC, which adds up to INR4,700 crores. So as a company like of your stature who has qualified and to move for large, elevated projects, underground projects you can easily around another INR5,000 crores, INR6,000 crores, so probably you can achieve a target of INR10,000 crores in FY '25 itself, so was just highlighting that probably...

Kamal Gupta: You are right, Mr. Jiten, but like we also are very concerned about a profitable growth, and we target on bottom line more. So if, of course, we get an opportunity with better margins, what you're saying it can be INR10,000 crores, also INR12,000 crores also, no worries.

Nalin Gupta: INR6,000 crores to INR8,000 crores is the minimum order book that we are intending for, is what we wanted to say.

Jiten Rushi: Right, sir. And sir, which projects of MSRDC you said you start from September, right, sir?

Kamal Gupta: Yes, should start with September because the code of conduct, I think will commence from September start. So like before that, they need to finalize the order. So they should do it. And so like once the orders are finalized, we can start to work it down.

Jiten Rushi: So the land is already available, that is what...

Kamal Gupta: Some litigations are pending. The land acquisition process is also on. So like wherever it is available, we will start the work, which is to be acquired, we're in the process of the last leg of that. So that may take some time.

- Jiten Rushi:** And sir, one last question on the balance sheet strategy. Obviously, we are doing a lot of growth on the structure and side. But are we looking to diversified in probably a solar EPC project or something like some other irrigation or Jal Jeevan mission scheme something which you can do. Any thoughts on that or some -- or you want to stick your structure engineering projects only?
- Nalin Gupta:** So there are some irrigation projects which we are again targeting to bid for. And already, if you see in the last 1 year span, the company has diversified its operation into additional areas like road tunnels by TBM, road tunnels by drilling blast. We have started riverfront development jobs.
- We have taken up water sewer tunnels of BMC three projects of INR500 crores each. So already, we are spreading our wings more into different verticals as well. But that doesn't mean to shift from the main core competency area, which we are known for as the urban -- urban player doing lots of work into the structural area. So that would be our primary focus.
- Moderator:** The next question is from the line of Shravan Shah from Dolat Capital.
- Shravan Shah:** Congratulations on good set of numbers. Most of the questions have been answered. A couple of data points for this unbilled revenue fund-based limit, how much is utilized on nonfund-based limit and how much is utilized?
- Kamal Gupta:** One sec -- reply on this.
- Nalin Gupta:** Unbilled revenue as on 31st March is INR553 crores.
- Shravan Shah:** 553?
- Nalin Gupta:** Yes.
- Shravan Shah:** Okay. What is the fund-based limit and how much is utilized?
- Kamal Gupta:** The fund base limit right now is like sanction limit is INR5,080 crores and we utilized INR3,700 crores, around 70%, 72% has been utilized.
- Shravan Shah:** Sir, what would be...
- Kamal Gupta:** Both, I'm saying. So fund base is like utilization is around 40% of INR970 crores, we've utilized INR380 crores and term loan INR200 crores fully utilized. The fund-based -- nonfund base is INR3,900 crores and utilized INR3,000 crores, around 70%, 80% has been utilized for non-fund base. Overall, it is 72% utilized.
- Shravan Shah:** Okay. And we will be increasing these limits or at least for FY '25, we don't need to increase our limits?
- Nalin Gupta:** Because we'll have to enhance limit. Looking at the new order books that we have taken -- and with the current status of 0.22x of the gross level, we are 0.22x of debt equity. And at net level, we are just 0.03. So we are almost a debt-free company. So we'll be surely needing these additional fund limits, and we have already applied for it.

- Shravan Shah:** Okay. And just so to understand in terms of -- previously, we have set up FY '27 \$1 billion revenue target. So now obviously, at that time, the dollar was INR73, INR74. So now it is at INR83-plus. So in terms of absolute rupee terms, what's the target that we are looking at for FY '27?
- Nalin Gupta:** So we shall be surely surpassing about 15%, 16% growth, that we have been doing on a year-on-year basis. So I think \$1 billion revenue is what we have told was at INR73, INR75 something. So we should be able to reach that for sure, is what I feel.
- Shravan Shah:** Okay. Okay. And just to reconfirm the total order inflow for FY '25, including the L1 of INR4,700-odd crores is INR6,000 to INR8,000 crores that we are looking at.
- Kamal Gupta:** Yes, in FY '25.
- Shravan Shah:** And have we bid for any projects where bid is yet to open?
- Kamal Gupta:** Yes, there are two projects we've bid, it's around INR1,700 crores. So the bids are yet to open for that.
- Shravan Shah:** These are -- which projects, which state?
- Kamal Gupta:** In MP.
- Shravan Shah:** Related to which segment base?
- Kamal Gupta:** Metro.
- Nalin Gupta:** So it should open in a month's time or so is what we expect in the month of June.
- Shravan Shah:** Okay. Okay. But in terms of the -- there is no issue that we can even take INR12,000 crores, INR13,000 crores order inflow also, if it comes at our margin, we can surely take it.
- Kamal Gupta:** Absolutely, absolutely, yes. Sure.
- Shravan Shah:** Okay. Okay. And then sir, just trying to understand now the metro and underground metro, both together in terms of the order book is now just INR5,500, INR5,700-odd crores is in terms of the outstanding order book -- so in terms of the -- broadly, if you can help us whatever the revenue that we are looking at INR5,000-odd crores, how much would be from the metro segment, and which the segment would be the major in terms of the revenue contributing for FY '25?
- Nalin Gupta:** We can give you these figures subsequently as rightly -- immediately, we don't have it in front of us. And -- but as you have been seeing, it totally depends upon the order book, what areas we get to execute at what level.
- But these metro projects are already in full swing. And have been under execution for 1 or 2 years or 3 years differently depending upon each project. So we can give you those numbers separately later.

- Kamal Gupta:** Metro should contribute around 35% to 40%, I think, in this coming year.
- Shravan Shah:** 35% to 40% of the revenue -- so broadly INR2,200 crores-plus kind of a revenue that we are looking at from the metro?
- Kamal Gupta:** Yes, we can give you exact numbers as Mr. Nalin told, our finance team can later give you.
- Moderator:** The next question is from the line of Uttam Kumar Srimal from Axis Securities Limited.
- Uttam Kumar Srimal:** Congratulations for the good set of numbers. Sir, you guided for 16% growth in FY '25, and I see with this order book of INR21,000 crores and the more orders will be coming and most of the projects will be operational from half FY '25 and fully operation in FY '26, can we expect a 20% or more revenue growth in FY '26?
- Kamal Gupta:** Sorry, what is the last part, Mr. Uttam?
- Uttam Kumar Srimal:** Sir, can I expect 20% revenue growth in FY '26, because of the robust order book and most of the projects will be there operational. So just wanted to understand when can you reach your 20% revenue growth in FY '26, because currently more guided for 16% FY '25?
- Kamal Gupta:** Yes. So as we told you, we are looking for 15% to 16% growth in FY '25. So from 5,600 to 7,000, we are also looking for an uptake. And like we'll be only able to tell you up at least two quarters, how it stands. And like we are also looking to ramp up and increase the execution pace, wherein the growth may be much higher than what we anticipate, but cannot be more today, Mr. Uttam.
- Uttam Kumar Srimal:** Okay. Okay. And sir, this quarter other expenses were quite high at -- so any particular reason for that?
- Kamal Gupta:** Sorry, which is quite high -- other expenses?
- Uttam Kumar Srimal:** No, it's okay. Next question is on finance charges. This quarter, it was around INR36 crores, so can we expect this run rate in -- for FY '25 in the upcoming quarters?
- Nalin Gupta:** Yes, it should be similarly going up, because depending upon the order book and the working capital requirements, it could be in the single range, it should be there.
- Moderator:** The next question is from the line of Vaibhav Shah from JM Financials Limited.
- Vaibhav Shah:** I had one question. Sir, for the MSRDC project, what kind of margins are you bid for? It would be closer to our blended margin of 14% to 15%, or they will be slightly below that?
- Kamal Gupta:** Yes. So as rightly told by you, we don't go below these numbers. So all our projects have it is blended margins 14% to 15%.
- Moderator:** The next question is from the line of Vasudev from Nuvama Wealth Management.

- Vasudev:** I just had one question. So if we see our order book in the last year was around INR11,855 crores. And this year, we ended at INR21,000 crores, and our execution was INR4,900 crores. So when we do the back calculation, like closing order book plus execution, less opening, our order inflow number works out to be around INR14,000 crores for the full year, whereas in the presentation, we have given it is around 1,800. So is this any scope enhancement or anything, the difference INR2,200 crores, roughly?
- Kamal Gupta:** Right, Mr. Vasudev, exactly because we, at company level do adjust and correct these figures on a yearly basis by the year-end. So this includes announcement of some escalation portion and some additional scope of work, which have been awarded to us. So this is part of that, you're right.
- Vasudev:** Okay. So any particular project, which has a major contribution to this INR2,200 crores?
- Kamal Gupta:** So escalation is like for all the projects, all of our contracts are covered with price escalation crores. So this is for one component, which is for all the projects. And of course, some of the projects, which is for some additional scope as an increase in some metro lines in Mumbai and some -- our Delhi Dwarka project elevated. So that has contributed towards this.
- Nalin Gupta:** And also Delhi DC08.
- Moderator:** As there are no further questions from the participants I would now like to hand the conference over to Mr. Kamal Gupta for closing comments. 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 all your queries. Please feel free to reach out to our IR team for any clarification or feedback. Thank you all.
- Moderator:** On behalf of J. Kumar Infraprojects Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines. Thank you.