



“J Kumar Infraprojects Limited
Q3 & 9M FY '25 Earnings Conference Call”
February 05, 2025

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Moderator:

Ladies and gentlemen, good day, and welcome to the J. Kumar Infraprojects Limited Q3 and 9 Months FY '25 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.

Before we begin a brief disclaimer. The presentation which J. Kumar Infraprojects has uploaded on the stock exchange and their website, including the discussions during this call contains or may contain certain forward-looking statements concerning 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 would now like to hand the conference over to Mr. Kamal Gupta, MD J. Kumar Infraprojects Limited. Thank you, and over to you, Mr. Gupta.

Kamal Gupta:

Good afternoon, everyone. On behalf of J. Kumar Infraprojects, I welcome everyone to the Q3 and 9-month FY '25 Earnings Conference Call of the company. Joining me on this call is Mr. Vasant Savla, our CFO; and Marathon Capital, our IR 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 our company's website. We are pleased to report another quarter of robust overall performance. The working capital cycle remains within our targeted range. Our robust order book and exceptional execution capabilities position us for continued success, and we anticipate setting new performance records in the years ahead.

Our focus on delivering high-quality projects and expanding our portfolio is paying off. We are confident this will lead us to improve margin and return ratios. As a prominent infrastructure construction company in India, we are well positioned to capitalize on the sector's growth momentum with a potential and accelerate revenue growth and enhance multiyear revenue visibility.

Our success in a challenging industry is a testament to the enduring values that have guided our organization throughout this history. The ability to deliver results in the face of adversity requires a combination of determination, flexibility, and tenacity. We believe that technically demanding projects present opportunities for the growth, learning and differentiation in the marketplace. Our ability to technically qualify and win such projects include first of its kind projects in the country, speaks volumes about our engineering capabilities. We take pride as being a nation builder.

Now coming to the financial performance of the company. Consolidated performance highlights for Q3 FY '25. Revenue from operations for Q3 FY '25 grew by 22% to INR1,487 crores as compared to INR1,219 crores in Q3 FY '24. EBITDA FY '25 grew by 22% to INR219 crores as compared to INR179 crores in the preceding year. And the PAT for Q3 FY '25 grew by 21% to

INR100 crores as compared to INR83 crores in Q3 FY '24. The EBITDA margin stood at 14.7% and the PAT margin for Q3 FY '25 stood at 6.7%.

Coming to the consolidated performance highlights for 9 months FY '25. Revenue from operations for 9 months has gone up by 18% to INR4,061 crores as compared to INR3,454 crores in the preceding year. The EBITDA for 9 months FY '25 grew by 18% to INR591 crores as compared to INR501 crores in the preceding year. And the EBITDA margin stood at 14.6%. The PAT for 9 month FY '25 grew by 21% to INR276 crores as compared to INR229 crores in previous years, and the PAT margin stood at 6.8%.

The total order book as on December 31, 2024 stood at INR20,529 crores. The order book includes metro projects contributing around 20%, elevated corridors/flyovers contributing around 46%, road tunnels contributing around 21% and others contributing around 13%. We have so far book orders worth INR3,586 crores and are confident of achieving our targeted order book for the year FY '25. We see further acceleration in order awarding in FY '26.

We can now begin the question and answer. Thank you.

Moderator: Thank you very much sir. The first question is from the line of Alok Deora from Motilal Oswal. Please go ahead.

Alok Deora: Just a couple of questions. First is what would be our debt right now at the end of December, gross debt?

Kamal Gupta: Debt is INR863 crores.

Management: It was Gross debt.

Alok Deora: Okay. Got it. So where do we see the debt equity moving now? I mean since we will be requiring more working capital as the execution ramps up. So debt equity should remain in the current range or it could be improved -- it could increase further because it's higher than what it was at FY '24 end?

Kamal Gupta: Yes. So right now, debt equity is at 0.3. We hope to maintain this going forward also Mr. Alok ji.

Alok Deora: Sure, sir. And we have done pretty strong execution in Q3 despite some impact would have been there from the monsoon as well. So for full year, what's the number we are looking at for revenues and also order book is pretty decent at INR20,000 crores. And you mentioned briefly about the order inflows coming in Q4. So what's the quantum of orders we are looking in quarter 4 and also full year revenue guidance?

Kamal Gupta: So we are already L1 in like INR5,000 crores of projects. So we are hoping to get this in Q4. And like we've given a guidance of INR6,000 crores to INR8,000 crores of orders including this fiscal year. So we hope we'll be able to maintain this.

- Alok Deora:** Sure. And revenue guidance for this year? I mean we have done, I think, around INR4,000 crores or so?
- Kamal Gupta:** Yes, and we are looking to close this year by like INR5,600 crores to INR5,700 crores of top line by end of FY '25.
- Moderator:** The next question is from the line of Dhananjay Mishra from Sunidhi Securities.
- Dhananjay Mishra:** Congrats on a good quarter. So you said L1 position is close to INR5,000 crores and which will be converted in the final order in this Q4. So apart from this, what is our bid size which are already submitted. And in terms of bid pipeline, how do you see bid pipeline for FY '26?
- Kamal Gupta:** We have submitted a bid for around INR4,170 crores - INR4,200 crores, and we are expecting to bid for around INR40,000 crores of projects in coming 6 to 9 months.
- Dhananjay Mishra:** Okay. And are we seeing, I mean, which area incremental pipeline you are seeing? And some expressway projects are from Maharashtra side, are you seeing some big projects where we are qualified to bid?
- Kamal Gupta:** So we are already L1 in these 2 projects of Maharashtra Expressway, Virar-Alibaug, and one project of coastal road of CIDCO Navi Mumbai. INR1,000 crores. And we are bidding for elevated corridors also some tunnel projects also and some metro projects also.
- Dhananjay Mishra:** Okay. And this Virar-Versova Sea Link project, which is also expected, which is very huge. So are we going to bid with some joint partner like NCC, like you have done before.
- Kamal Gupta:** Yes, yes. We are very much interested in this project, and we are surely going to be part of this project, Mr. Dhananjay.
- Dhananjay Mishra:** Okay. And lastly, on this balance sheet number, can you give the current receivable inventory and retention numbers?
- Vasant Savla:** Yes. So the inventory of raw material is INR520 crores and work in progress is INR608 crores, the receivables are INR1,393 crores and creditors are INR597 crores.
- Dhananjay Mishra:** 500?
- Kamal Gupta:** INR597 crores.
- Dhananjay Mishra:** And what is our non-fund based limit? And what is the utilization?
- Vasant Savla:** Non-fund based limit is INR4,000 crores and fund based limit is INR1,000 crores. Utilization is 70%.
- Dhananjay Mishra:** In both?
- Vasant Savla:** Yes.



J. Kumar Infraprojects Limited
February 05, 2025

- Moderator:** We'll take the next question from the line of Jainam Jain from ICICI Securities.
- Jainam Jain:** First question is, sir, what is the order inflow guidance and revenue and EBITDA margin guidance for FY '26?
- Kamal Gupta:** FY '26? Yes, so we are looking for a 15% growth year-on-year. So FY '26 will be also like around INR6,300 crores to INR6,500 crores.
- Jainam Jain:** Okay. And the EBITDA margin's guidance? EBITDA margin?
- Kamal Gupta:** EBITDA margin we're doing 14.6%. So of course, we'll maintain this. We are looking for an upward growth in that. So like we are targeting 15% plus EBITDA margin for this coming year.
- Jainam Jain:** Okay sir. And sir we are seeing a sudden spike in the short-term debt level from INR382 crores in FY '24 to INR646 crores in December '24. So what will be the reason for that?
- Vasant Savla:** So the reason for the increase is that during the last year, we have been awarded contracts of almost INR11,800 crores. So all these projects are now coming into execution and earlier stage of execution. So for that, we have to take the funding that is required for initial setup of project and project startups.
- Kamal Gupta:** We have not taken the mobilization like for Chennai, which was a INR4,000 crores project. We have not taken mobilization advance from government. And so that's why the debt level looks on the high side.
- Jainam Jain:** Sir, when do we expect the tender to be floated for Virar-Versova linking project?
- Kamal Gupta:** So the DPR is under process. So they are planning whether to do 5 to 6 packages or 8 to 10 packages. So I think in another 2 quarters, it should be out.
- Moderator:** The next question is from the line of an Uttam Kumar Srimal from Axis Securities Limited.
- Uttam Kumar Srimal:** Congrats on the good set of numbers. Sir, with regard to the INR40,000 crores bid pipeline that you mentioned, sir can you bifurcate for this INR47 crores, how much is the tunnel, how much is metro and how much is elevated corridor?
- Kamal Gupta:** You're talking about the projects to be bid?
- Uttam Kumar Srimal:** Yes, the INR40,000 crores bid pipeline that you have just mentioned.
- Kamal Gupta:** There will be some building projects around INR8,000 crores to INR9,000 crores, what we're planning to bid. Some metros and railway projects around INR7,000 crores to INR8,000 crores and some elevated corridors and tunnels, which will be around INR30,000 crores.
- Uttam Kumar Srimal:** Okay sir. Now sir, with regard to the revenue growth that you have mentioned, 15%. Now since most of the contracts that awarded last year that will be coming into execution this year. So don't

you think, sir, our revenue growth will be more than 15%, around 20%, 25% because we have got huge order backlog and our total order book is around INR20,000 crores.

Kamal Gupta: Correct. Yes, Mr. Uttam. So we always believe in giving conservative figures and surpassing our targeted figures, Mr. Uttam. So that's why we talk very conservatively while giving the guidance.

Uttam Kumar Simal: And sir, interest cost has increased quite sharply this quarter. So in the next quarter and coming FY '26 also, so can we expect some kind of run rate?

Kamal Gupta: Some types of -- you're talking about debt?

Uttam Kumar Simal: Interest cost because it has increased by INR10 crores on a quarter-on-quarter basis if you would say.

Kamal Gupta: So interest cost increase is, as I said, basically because of the increased debt level that is there compared to FY '24 and for this new project that we have got last year, we have to give BG commissions and margins and things like that. So it will be around this level or a little bit less. We'll try to reduce it to a certain extent.

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

Vaibhav Shah: Sir you mentioned that we have not taken the mobilization advance for Chennai project. So are you planning to take it? And what's the reason why we have not taken it?

Kamal Gupta: Yes. So Chennai, we had 4 projects costing INR3,570 crores. So we have not taken initially mobilization advance because we were getting a good interest rate from SBI, okay? So that was the purpose of not taking in. Probably, going forward, we may take it for a couple of projects, part of the mobilization advance.

Vaibhav Shah: So it is 10% of the 10% mobilization advance?

Kamal Gupta: Yes, it's usually 10% plus 5%, 15% we are eligible to take, but we have not taken any for equipment and for mobilizing both. We have not taken anything as of now.

Vaibhav Shah: And what is the interest rate on that?

Kamal Gupta: On the mobilization advance?

Vaibhav Shah: Yes.

Kamal Gupta: So it's around 9.5%.

Vaibhav Shah: And what is our average cost of debt?

Kamal Gupta: What we have got in from SBI is 9% also. But when you take from them, you have to give BG and that is also like another 1% additional, my dear.



J. Kumar Infraprojects Limited
February 05, 2025

- Vaibhav Shah:** Okay. And sir, at a company level, our cost is 9%, interest cost?
- Kamal Gupta:** Yes, company level is 9% to 10%. But when you take a mobilization advance, Mr. Vaibhav, you have to give the BG of 110% of the mobilization advance cost. So that's an additional cost of the BG. So that adds up 1% to 1.5% on that. So the overall cost goes to around 10%, 10.5%.
- Vaibhav Shah:** Okay. And sir, secondly, you mentioned that we are L1 in INR5,000 crores worth of projects. So it would include to Virar-Alibaug factories 8 and 10, right?
- Vasant Savla:** Correct.
- Kamal Gupta:** 50% is Virar-Alibaug, and one Coastal Road project of CIDCO, which is INR1,020 crores.
- Vaibhav Shah:** Okay. Sir, so what about this project called development of Mula River in Wakad Bypass and development of Harinagar Colony. So what about those 2 projects?
- Kamal Gupta:** So that's already taken in the order, like we already received the orders for LOI projects for that and work order is already in place.
- Vaibhav Shah:** So we have INR3,570 crores of inflows already with us and we are L1 in INR5,000 crores. So total around INR8,500 crores?
- Kamal Gupta:** Exactly. You're right, Mr. Vaibhav.
- Vaibhav Shah:** And sir, lastly, any update on MMC packages? When do we expect to get LOI or any status of land?
- Kamal Gupta:** Yes. So actually, you told the right thing because they are in the process of acquisition because they have to pay some money for the land acquisition. So they're just signed up with some agencies for doing that. So the acquisition is at an advanced stage, the prepared orders and all. So now they just have to pay and take the land. And so then after taking the land only, they can give it the LOI because unless until 80% land is available with them, they cannot give the LOI.
- Vaibhav Shah:** So LOI can come in Q4 or it may spill over to Q1 next year?
- Kamal Gupta:** We are expecting it to come in Q4 only, but maybe 10% chance is that it can go in Q1.
- Vaibhav Shah:** Okay. And sir, on the debt part, we saw a sharp increase in Q3. So by the year-end, we foresee it to be at similar levels of INR860 crores or it may even go higher further?
- Kamal Gupta:** No, we are looking for INR900 crores by the year-end, Mr. Vaibhav, the gross debt level to be.
- Moderator:** We'll take the next question from the line of Hemaant Soni, an Individual Investor.
- Hemaant Soni:** Congratulations on steady set of numbers. Sir, the thing which I wanted to ask is like the INR40,000 crores of order pipeline will be bid by the company. And what is the, I mean, quantum of orders which we have already bid?



Kamal Gupta: INR4,100 crores.

Hemaant Soni: I just wanted the L1 part or 35%.

Kamal Gupta: I am talking excluding the L1 part, Mr. Hemaant.

Hemaant Soni: Can you repeat the number, sir?

Kamal Gupta: We are L1 in INR5,000-plus crores of projects, and we have bidden for around INR4,170 crores of projects.

Hemaant Soni: 4,000?

Kamal Gupta: INR4,100 crores we have bidden plus we are L1 in INR5,000 crores of project.

Hemaant Soni: And INR40,000 crores of order pipeline is?

Kamal Gupta: We will be bidding in this coming year.

Hemaant Soni: In this coming year. Sir, one more thing, which I wanted a clarification from your side is, sir we have the order book of INR20,500 crores, right? And around L1 we are in INR5,000 crores, which is expected in Q4, which takes our order book to INR25,500 crores and we'll be executing around INR1,600 crores, INR1,700 crores out of it. Okay.

So it will be close to INR24,000 crores of order book by FY '25 -- by the end of FY '25. We had given a guidance earlier of INR25,000 crores of order book by FY '27. So are we sort of upping the guidance because we'll already be closing FY '25 with INR24,000 crores of order.

Kamal Gupta: Yes. So if this order likely MMT also comes in this Q4, what we are expecting. So of course, our order book will be around INR23,000 crores to INR24,000 crores by the year-end. And we have given a target of like INR25,000 crores for FY '27. That is also right, Mr. Hemant. So as I told you, like we always give conservative figures and we expect to surpass our guidance only.

Hemaant Soni: So I mean, right now, are we some sort of upping the guidance for FY '27?

Kamal Gupta: No, FY '27. Yes, we've been around like INR30,000 crores as of now, what it looks like. So we'll go up and do an order book of INR30,000 crores for sure.

Moderator: We'll take the next question from the line of Deepesh Agarwal from UTI AMC.

Deepesh Agarwal: Sir, my first question is there is some property tax-related request from the BMC of, I think, INR550 crores. What is our potential liability from this? Or is it a pass-through from MMRDA.

Kamal Gupta: So the government, whether it's MMRDA or DMRC or MMRCL, so they're supposed to give us the land for precasting yards. So our contract already says that it is to be given by them. If any liability of property tax has to be dealt by the awarding agencies. So this property tax liability to us does not stand.

So either like government to government, they will talk and they'll settle it, there is no liability should not be done. If at all, it has to be paid by the awarding agency. These are all temporary lands to us. These are not permanent lands, which is like part which we have already handed over and part like after completing of the projects, we'll hand it over back to them.

Deepesh Agarwal: Sure. sir, secondly, the execution for the 2 projects, Goregaon-Mulund and Goregaon Coastal Road has not started because I believe that was supposed to happen through JV route. So if we see consol minus stand-alone, there is not much difference.

Kamal Gupta: No, both the projects, our execution has started, Deepesh. In fact, our TBM will be coming in first quarter of FY '25 -- FY '26, I'm sorry. So the shaft preparation has started, and like mobilization, of course, has been done. So all the works are going on well in both projects.

Deepesh Agarwal: Revenue booking for these projects is happening in stand-alone or at the JV level?

Kamal Gupta: No. So this is at the JV level.

Deepesh Agarwal: Sorry, this is happening at SPV level.

Kamal Gupta: Yes, SPV level, exactly. But the revenue we take in our individual consolidated partners.

Deepesh Agarwal: Okay. So basically, for us in the stand-alone, the revenue is reflected, right?

Kamal Gupta: Whatever revenue is reflected in our books are part of a JV portion of ours, like, you know what, and whatever is the NCC portion, they take in their books.

Deepesh Agarwal: Okay. And sir, lastly, what is the cash balance as on December? And also you can touch upon what has been the capex in 9 months, expected capex in Q4 and for next year?

Kamal Gupta: Yes. Q4 capex guidance, I think we have given around INR500 crores in the coming 2 years in terms of maintenance capex and this year in Q3, it was INR28 crores and the 9 months, it is INR106 crores.

Deepesh Agarwal: Sorry, can you repeat 9 months?

Kamal Gupta: In 9 months, it is INR106 crores. And in Q3, we had around INR30 crores of capex.

Deepesh Agarwal: Okay. So possibly next year, we'll have almost like INR350 crores of capex and maybe INR40 crores, INR50 crores in 4Q.

Kamal Gupta: Yes, yes, it will be more because TBM will be coming in the next year. So there will be TBMs plus there will be some capex for the Chennai project, what we have given a guidance of around INR250 crores, INR300 crores for capex for Chennai also. So even that will add up in next year. This year also, there will be something and next year, there will be something.

Deepesh Agarwal: Okay. And what is the cash balance as on December?



- Vasant Savla:** So cash and bank balance put together is INR890 crores.
- Deepesh Agarwal:** Okay. So at a net level, you don't have much debt right now?
- Kamal Gupta:** Net level, we are cash positive.
- Moderator:** We'll take the next question from the line of Ankit Babel from Subhkam Ventures.
- Ankit Babel:** A couple of questions. Sir, first question is on the macro side. Now especially from the Maharashtra side, what we have been witnessing is the distribution of so many freebies by the state government. So in that case, do you foresee any challenges on the funding side, both on the existing projects, which are under construction or even the new one? Can it impact the future inflows from the Maharashtra government side?
- Kamal Gupta:** So I have seen the paper that like there are some agencies on Maharashtra who are facing problems in funding, whether it's PWD and other departments. But we are working with BMC, MMRDA, CIDCO, we have not seen much or any issues with our payments with these departments.
- So like -- and going forward also, I think like they are already tying up with different agencies for this funding. So projects are already tied up before like even for this -- we have got this project of Anand Nagar Saket, okay? So which is a INR2,000 crores project. So already the finance has been tied up for that project. So like project has been financed and then been done. So I don't think it should be a problem going forward.
- Ankit Babel:** Okay. Sir is there any order in your order book, which is directly funded by state government?
- Kamal Gupta:** Order book, state government, like even state government for even this project, as I told you, Anand Nagar Saket INR2,000 crores, it is MMRDA project, but they have taken finance on that project already. That and the Thane Coastal Road all put together, they have already taken project financing for the whole corridor.
- Ankit Babel:** Okay. You're getting all your payments on time?
- Kamal Gupta:** Yes, yes. We are receiving our payments on time.
- Ankit Babel:** Okay. And my, sir, second question is, if I see your company's performance for the last many years, your growth has been consistent. Your margins have been good. Your balance sheet has been good. But somehow, your ROEs are very low at around 13%, 14%. So any effort which the management is taking to improve it maybe at some 18%, 20%? Or you feel that the potential is only up to this 13%, 14%.
- Kamal Gupta:** Yes. So ROE, if you see there's a slight or steady increase for coming 3, 4 years. And we are, of course, hoping and likely targeting to take it further up, ROE and ROCE both. So it's not that it will be steady at this number. So as the top line keeps going up, the ROE and ROCE will further improve.

- Ankit Babel:** No, sir, just by growing top line, it won't. Either your margins have to improve or your asset turnovers have to improve. So what efforts you are taking and what are your ROE targets, say, in the next 2 years, if you can let us know?
- Kamal Gupta:** So we are targeting ROE of around 15% in coming 2 years. And like as I told like we were doing around 14%, 14.5% of EBITDA margin. We are targeting our EBITDA margin also in the range of 15% to 16% in coming 2 years. So this will, of course, improve the ROE as well.
- Ankit Babel:** So this 14% to 16%, so the new projects which you are bidding, are they coming at those margins? Because what we are -- we have been hearing is that there's a lot of competition also which has increased, right? So are you able to bid at those margins for the new projects? And at the same time, the order book which you have currently, is that order book at those margins?
- Kamal Gupta:** Yes. So we bid only at our numbers, whether we get the project or not because we believe in a profitable growth and not on a top line growth. So all our projects, which are bidden are secured margins what we are making. And of course, there will be also operational efficiency as we are growing in the size. So the overhead cost goes down also and the operational efficiency will add up to the bottom line.
- Ankit Babel:** Okay. We'll wait for that 15% ROE.
- Kamal Gupta:** You will surely see that, my dear.
- Moderator:** The next is from the line of Parikshit Kandpal from HDFC Securities.
- Parikshit Kandpal:** Congratulations on a good quarter. Kamal ji, my question is on the new Konkan Express, where I think the Maharashtra government has applied for the environment clearance. So any update on that? When do you expect that to come in? And have you included that in your bid pipeline of INR45,000 crores, INR50,000 crores for the next 6 months?
- Kamal Gupta:** See, I think even that thing is right now in the DPR stage. So this may -- that may again take 2 to 3 quarters to -- for the tenders to float, Parikshit. So of course, when it comes, we'll be part of that. Like we'll try to bid for that as well which are like more structure-oriented project packages, that one. So let's -- I'm not very sure when it will be -- the tenders will be floated as of now.
- Parikshit Kandpal:** Okay. Beyond that, sir last year, MSRDC was one which helped us get good order inflows despite last year being a weak in terms of overall ordering. I'm talking about FY '25. So do you think in FY '26 enough opportunities coming in, which could help us grow 15%, 20% on the order inflows because MSRDC was a large bid out.
- Beyond that, are you seeing anything on the Maharashtra side, which contributes lion's share to our order book? Even the BMC budget is now out, whereas there has been an increase. So do you think any large project beyond the Konkan Express, which may or may not happen coming in from Maharashtra from the state side?

Kamal Gupta: Yes, yes. So as I told you, this -- and somebody asked also this Project 11 is the BMC, which has floated Versova to Dahisar, also Dahisar to Virar and Palghar also, they're planning the sea link, which is INR80,000 crores of the project. So that will surely come in 2 quarters. And like apart from them, they are also targeting to increase this metro network in Maharashtra.

So whether it's in Thane, whether it's like underground metro from this thing, from Colaba to post office and of course, this airport to airport is coming, but it be on BOT. There are some projects in Navi Mumbai CIDCO, line -- 2 lines they are getting in on EPC and Pune, there are metro lines coming up. So metro in Maharashtra, also there is huge possibility. This INR80,000 crores of Dahisar to Virar and Palghar will be there. And apart from that, of course, some elevated corridors, flyovers are also in pipeline in Maharashtra.

Parikshit Kandpal: You think there would be good ordering even next year, which is expected. Now coming to the civil part, it is 8% of our order book, so which is -- which could be much higher and bigger, especially in the government building side. So how are you thinking there? And do you think that segment you are inclined to grow substantially from here on?

Kamal Gupta: Yes. So it's like, Parikshit, we don't -- wherever the opportunity is there, if we got this opportunity of like building like NBCC, we took this project of INR1,000 crores now in Noida last month. So like when we get an opportunity, we strike for it. So like that proportion of 7%, 8% can go to 15% or can be at 7%, 8% also. So it's all on the right opportunity and getting it at our numbers because as I told you before also, we don't want to go very aggressive and take projects at any number.

We want to maintain margins of our -- the profit margin of 14% to 15% minimum, then only quote for the project. So we are bidding all the projects with these numbers. So if we get whether it's in building, whether it's in tunnels or flyover projects, elevated metro, we are in for that.

Parikshit Kandpal: Okay. Just the last question on the Tamil Nadu side. So how has been the progress on the metro projects? And what is the pipeline you're looking? How is the pipeline looking in Tamil Nadu for us to expand or get new orders? So what are the opportunities which are available for us to get the orders?

Kamal Gupta: Yes. So our projects of NHAI, which is around INR700 crores in Tamil Nadu is going very well now. It's picked up a very good pace. We've done already like around 750 or 800 piles in that. A lot of peers are done. The segment costing has started. So that project is online. And we've also taken one project from the state government costing around INR600 crores, even that is going in full swing.

So there are other projects also coming in Tamil Nadu, some elevated structures by NHAI also in state governments are in pipeline. We're looking forward. And there's some expansion of metro network also in the Tamil Nadu we are planning. So we'll be looking for the right opportunity and bidding for that as well since we have...

Parikshit Kandpal: So metro, we are not doing that. I was wondering that in metro, especially in metro...

- Kamal Gupta:** Right now, we don't have the metro project. We have bidden for the metro project, but we could not get there in.
- Parikshit Kandpal:** Okay. But you are interested in doing metro there in Chennai.
- Kamal Gupta:** Yes, yes, why not. Of course, we have full set up for the metros.
- Moderator:** We'll take the next question from the line of Shravan Shah from Dolat Capital.
- Shravan Shah:** Congratulations on a good set of numbers. Sir, a couple of data points on the balance sheet, sir. What's the mobilization advance, retention money, unbilled revenue?
- Vasant Savla:** So Shravan, mobilization advance is INR557 crores. And unbilled revenue is INR608 crores.
- Shravan Shah:** And retention money is?
- Vasant Savla:** Retention is INR338 crores.
- Shravan Shah:** Okay. Sir, just a couple of questions. So sir, regarding this INR550 crores BMC property tax notice, obviously, you said that responsibility is on the government whoever be the authority to pay. But just trying to understand right now in terms of the time line or in terms of the worst-case scenario, do you see any kind of financial liability can come to us?
- Kamal Gupta:** Absolutely not, Mr. Shravan.
- Shravan Shah:** Okay. Okay. Got it. Second, sir, this year, already L1 plus already is what we have received INR8,500 crores, INR8,600 crores order. So in the fourth quarter, how much more do we expect to get the orders? And for next year FY '26, broadly, how much we are looking in terms of the order inflow?
- Kamal Gupta:** So this year, as we told like we're in L1 in around INR5,200 crores of projects. So we are expecting some orders out of this only, okay? The complete orders or maybe like something may spill in Q1. Apart from that, like whatever we have bidden, if it gets opened early and so it does take after opening also the process around 1.5, 2 months. So maybe we -- if something is there, I'm not sure like out of this INR4,000 crores what we have bidden, if something comes in this quarter. Secondly, for FY '26, again, we are looking for around INR6,000 crores to INR7,000 crores of order inflow.
- Shravan Shah:** Okay. And sir, this INR4,170 crores that we have bidden, if you can help us, how many projects or maybe if you can specify the value of the 2, 3, 4 projects, whatever we have bidden?
- Kamal Gupta:** Sure. So we have bidden for this project, yes. So one is this railway line at Indore. So like of RVNL, costing around INR1,200 crores, okay? So this is a tunnel, which is there for Indore. And the other big one is the stream tunnel of metro line by MPMRCL again in Indore, INR2,500 crores, the other one is INR1,200 crores. And there are some other small projects of INR3,350 crores.

- Shravan Shah:** Okay. Got it. Got it. Second, sir, just wanted to understand, so currently, I think -- correct me if I'm wrong, we have 7 TBMs and the eighth one for the JMLR will come. So these 7 TBMs right now, are we already using at projects? Because broadly, if I'm now looking at our -- the metro segment as a pie is just 20%, and in that also, the underground metro is just 9%, so just trying to see, is there a possibility that if we are not using or maybe if we are not seeing that it can be used in next one year, is there a possibility to sell it off or...
- Kamal Gupta:** No. So, see, TBMs, right now, all the TBMs are in use, whether it's like Bombay, Delhi, and Surat. So the TBMs right now are used in all these 3 projects, correct? Whether it's Surat Metro, DMRC, Delhi Metro, and Mumbai Metro. We are already bidding for some projects of underground. As I told you, this is Bhopal Metro, this Indore Metro and Delhi Metro.
- So of course, when the metro comes like it takes a couple of years for the TBMs to be in use and that much time is also required for refurbishment and logistically transporting it. So I think it's like more or less till now, like we have been doing it since last 10, 12 years, this TBM work. All the TBMs are put in use. And probably 6 to 8 months or 1 year, some TBMs may be idle. That's the thing.
- Shravan Shah:** Okay. Okay. Got it. And Vasant sir, can you clarify in terms of the capex for next year. So sir has mentioned INR250 crores, INR300-odd crores for Chennai and plus this JMLR TBM, which would be close to INR300-odd crores plus maintenance. So in fourth quarter, how much more we will be doing the capex? And in FY '26 itself, how much capex we will be doing?
- Vasant Savla:** In quarter 4, around INR150 crores addition of the capex will be there. And JMLR TBM is coming in the next year. So that will get capitalized within FY '26.
- Shravan Shah:** Okay. So FY '26 in terms of the -- from the cash flow perspective, how much capex we will be doing in '26?
- Kamal Gupta:** FY '26 will be -- capex-wise, it is around INR400 crores.
- Shravan Shah:** Okay. Okay. Got it. And second, in terms of the depreciation, which is currently at -- for 9 months also, we have seen just a 2.2% decline despite the top line in 17%, 18-odd percent. So for fourth quarter and for FY '26, once this TBM will come, how one can look at the depreciation?
- Vasant Savla:** So as far as FY '25 is concerned because of the addition that we are going to make in Q4, there will be a little uptick in the depreciation charge. And next year, when the TBM will come, again, the other assets will get depreciated, TBM will compensate for that. So more or less, it should remain at the same level.
- Shravan Shah:** Okay. Okay. Got it. And in terms of the overall working capital levels, whatever currently we have, we don't see any kind of further increase or do we see any scope of further decrease in the working capital?



- Vasant Savla:** So compared to the last quarter, if you see, last quarter was 135 days working capital. We have already reduced it to 118 days. I think it should be around the level of 120 to 130 days.
- Moderator:** We will take the next question from the line of Jainam Jain from ICICI Securities.
- Jainam Jain:** Sir, as you said that we will be bidding for INR40,000 crores to INR50,000 crores of projects in coming financial year. So can you just provide a brief segmental breakup of that?
- Kamal Gupta:** Yes, I think I have already told, but again I'll tell you. So some -- like for building projects will be quoting around like INR8,000 crores to INR9,000 crores what we have planned. And for metros and railways around INR7,000 crores to INR8,000 crores, and elevated corridors and tunnels of around INR30,000 crores of projects.
- Jainam Jain:** Okay, sir. And sir, is there any upcoming major tender in the short term in Q4 FY '25 in which we will be bidding for?
- Kamal Gupta:** Sorry?
- Jainam Jain:** Is there any upcoming major tenders which is to be floated in Q4 FY '25 in which we will be bidding?
- Kamal Gupta:** So right now, yes, we are bidding for some of these projects of NBCC building projects in Delhi. There are 5 projects of INR1,000 crores each, INR800 crores, INR900 crores and INR1,000 crores, yes.
- Jainam Jain:** Okay, sir. So any details about that? I mean, what type of projects are those?
- Kamal Gupta:** These are building projects by NBCC.
- Jainam Jain:** Okay, sir. All 5 are building projects, right?
- Kamal Gupta:** Correct.
- Moderator:** We will take the next question from the line of Purab Singhania, a retail investor.
- Purab Singhania:** Congratulations on a good set of numbers. Could you please share the segment-wise operating margins for your order book?
- Kamal Gupta:** I'm sorry, Purab, can you come back? I could not -- you are not audible properly.
- Purab Singhania:** So could you please share the segment-wise operating profit margins for your order book?
- Kamal Gupta:** Segment is profit margins. No, we don't have such segment-wise profit margin, Mr. Purab.
- Purab Singhania:** Okay. And another question considering that a major geography concentration of our projects is in Maharashtra. And given the elections, appointed dates for these projects were quite delayed.

So could you please bifurcate the order book in terms of the project for which LOI has been received and for which appointed date has been granted?

Kamal Gupta: So all the projects like where the LOI has been received, the appointed date has been granted. So none of the projects where like LOI have been received and appointed work has not started or the appointed date has not been declared. It's all like wherever LOI is done, Purab, we have received the work order and appointed date as well.

Moderator: The next question is from Hemant Soni, an individual investor.

Hemant Soni: Just wanted to know one thing. Out of INR4,000 crores of order, what is generally the -- I mean, INR4,000 crores we have already bid, INR40,000 crores is in the pipeline. So out of this INR44,000 crores of order, what is generally the conversion ratio?

Kamal Gupta: Conversion ratio?

Hemant Soni: Yes.

Kamal Gupta: So like this will be around 15%, 20%.

Hemant Soni: Okay. And sir, it will be finalized in FY '26 only?

Kamal Gupta: Yes, yes. It should be finalized in -- because some projects will be coming in Q1, Q2, Q3. So accordingly it takes like a couple of months for them to finalize the orders after the bid. So it should be done in FY '26 only.

Hemant Soni: Sir, one more question from my side. Sir, like the budget we had already seen, it is more of a consumption-oriented budget and not a capex or infra-related project. So going forward, are we sort of seeing some slowdown in the pace of orders?

Kamal Gupta: Mr. Hemant, I absolutely don't see any slowdown in the pace of orders because we feel like whether it's all departments or all geographies, there is sufficient traction in the orders.

Moderator: The next question is from the line of Shravan Shah from Dolat Capital.

Shravan Shah: Sir, this to Alibaug Virar INR5,000 crores L1, is there a possibility that this -- the scope or the value can be reduced? Is there any negotiation or this number is the final one?

Kamal Gupta: No, already the negotiations were done by them like before only, it was like 2, 3 months back. So that is done. Now like I don't think there will be any further negotiations going forward.

Shravan Shah: So the original value what we have declared L1 that remains the same?

Kamal Gupta: I have to check. I think it is the original or the negotiated value. But I'll check and come back to you on this, Shravan.

- Shravan Shah:** Okay. Okay. And second, sir, are we looking to increase our fund, non-fund based limit? So 70%, sir has already mentioned, Vasant sir, that is utilized. So are we looking to further increase? So related to are we now, again, looking to -- in terms of the equity raising, are we looking to do equity raising -- fundraising?
- Kamal Gupta:** So first of all, for the limit fund based and non-fund based depends on the projects like if any new projects are there, which demand for it. Of course, we have to raise the non-fund based limits, and we'll be first utilizing our unutilized and then of course go for the other one. And for the fundraising, as you know, we have already taken the resolution, okay? And we'll look for the right opportunity and do it, yes.
- Shravan Shah:** Okay. Okay. Got it. And anything major in terms of the projects which are already kind of about to complete if you can spell particularly the Mumbai Metro when if you can name and when likely to be completed?
- Kamal Gupta:** So all the Mumbai metro projects are going at very good pace, Shravan. And as you know, we have already put into operational this Metro Line 3. The major portion was only till BKC, last October. And they are planning to -- MMRC is planning to put into operational from BKC to Worli also by April 25, by April end.
- So looking for the best and other metro lines are also doing very well, whether it's the line 2B, Line 6. Line 6, there are some issues, which is sorted out by MMRDA. So even Line 9, the work is going well Bhayandar and Mira Road. So, of course, ours is a civil portion and then the rolling stock and the electrification contractors also rope in. Even there work will be there. So another 3, 4 months, underground metro will be put into operational till Worli and I think by another 12 months, these elevated metros also one by one will be started.
- Moderator:** The next question is from the line of Manu Singhal from Crayon.
- Manu Singhal:** I would like to know that whom do you consider your strongest and the closest competitor in a similar market cap and sales figure, annual. And what is the plus point that you have over that competitor?
- Kamal Gupta:** Mr. Manu, I cannot name a particular person like this, which is very close. Because in our bidding, what it happens, there are 2 criteria. One is your technical qualification and the other is the financial, okay? So there are different sectors like metros are one, elevated are one, flyovers, and tunnels are one and roads are there or building.
- So there are different people in different sectors, okay? So like, of course, L&T is one person who is like mostly everywhere bidding with us, okay? So L&T is there, HCC is there, NCC is there, ITD is there, then Tata is there. These are the people who usually are always bidding where we are bidding. Afcons will be there.
- Moderator:** Ladies and gentlemen, as there are no further questions from the participants, I now hand the conference back to Mr. Kamal Gupta for closing comments. Over to you, sir.



J. Kumar Infraprojects Limited
February 05, 2025

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 IR team for any other clarification or feedback. Thank you all. Thank you so much.

Moderator:

Thank you, members of the management. On behalf of J. Kumar Infraprojects Limited, that concludes this conference. We thank you for joining us, and you may now disconnect your lines. Thank you.