



KALPA-TARU®

KALPATARU POWER TRANSMISSION LIMITED

Factory & Registered Office :

Plot No. 101, Part-III, G.I.D.C. Estate, Sector-28,
Gandhinagar-382 028, Gujarat. India.

Tel. : +91 79 232 14000

Fax : +91 79 232 11951/52/66/71

E-mail : mktg@kalpatarupower.com

CIN : L40100GJ1981PLC004281

KPTL/22-23

10th November, 2022

BSE Limited Corporate Relationship Department Phiroze Jeejeebhoy Towers Dalal Street, Fort MUMBAI - 400 001. Script Code: 522287	National Stock Exchange of India Ltd. 'Exchange Plaza', C-1, Block 'G', Bandra-Kurla Complex Bandra (E) MUMBAI – 400 051. Script Code : KALPATPOWR
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Sub.: Investor's / Analyst Presentation

Respected Sir/ Madam,

In terms of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are pleased to forward herewith a copy of Investor's / Analyst Presentation on financial results of the Company for the quarter and half year ended 30th September, 2022.

Kindly take note of the same on your records

Thanking you,

Yours faithfully,

For **Kalpataru Power Transmission Limited**

Shweta Girotra
Company Secretary

Encl.: a/a

ISO 9001 CERTIFIED COMPANY

Corporate Office : 81, Kalpataru Synergy, Opp. Grand Hyatt, Santacruz (E), Mumbai-400 055. India.

Tel. : +91 22 3064 2100 ■ Fax : +91 22 3064 2500 ■ www.kalpatarupower.com

Kalpataru Power
Transmission Limited

Analyst Presentation Q2 FY23 Results



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Consolidated Annual Revenue*
₹ 148 Bn

Combined Order Visibility (Incl. L1)^
~ ₹ 473 Bn

Global Footprint
67 Countries

Employee base
7,500+

Ongoing Projects
30+ Countries

Diverse and High Growth Business Platform



Power Transmission & Distribution



Railways



Oil & Gas



Buildings and Factories



Water



Urban Infra & Metro Rail

* For financial year end 31 March 2022

^ Order Book as on 30 Sep 2022 + Order wins in Q3 FY23 till date + L1

H1 FY23 Highlights - Consolidated



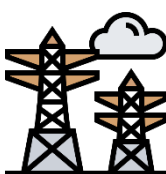
Growth driven by strong execution and robust opening order book in B&F, Water and Urban Infra businesses



Cost pressure and high commodity prices leading to an impact on margins; softening of commodity prices & reduction in supply chain cost to aid margin improvement going forward



- Order Book at an all-time high of ₹ 38,550 Crores with robust order booking of ₹ 14,388 Crores YTD FY23
- Achieved ~70% of targeted FY23 Order Inflows; Additional L1 of ~ ₹ 6,000 Crores;
- Bidding pipeline over ~ ₹ 1,000 Bn in next few quarters



New Project Wins / L1:

- Large-size order wins in Water, Urban Infra, Railways and T&D
- T&D business gaining strength with order wins of ₹ 4,360 Crores
- Forayed into Airport, Metro Rail and Data Center



Net Debt at Sep-22 of ₹ 2,905 Crores; Reduced by ~ ₹ 150 Crores in Oct-22 given improved collections and momentum in project closures



Average per day revenue on road BOOT assets (WEPL, BBEPL & VEPL) at ₹ 53 lakhs for H1 FY23 with ~16% YoY growth in traffic



Received CII's Digital Transformation (DX) Award 2022 for the adoption of innovative and sustainable digital technologies

Sales Growth

11% YoY

₹ 7,475 Crores

PAT Growth

16% YoY

₹ 186 Crores

EBITDA Margin

8.9%

₹ 665 Crores

Order Book

₹ 38,550 Crores

YTD Order Inflows
₹ 14,388 Crs + L1 of
~ ₹ 6,000 Crs

Delivering on our Strategy - Outlook FY 2023 & Ahead

Progressing Well on Strategic Goals

- Leading position in core EPC business; Continue to further strengthen engineering & technical capabilities
- Firming-up qualifications & capabilities in high growth EPC businesses; Also, evaluating new & upcoming areas in the EPC market
- Divesting non-core businesses / assets – road BOOT, Indore real estate & Shree Shubham Logistics Ltd. (SSL)
- Optimal capital allocation with focus on organic and inorganic growth in the core business
- Future Fit Organisation:
 - *Technology & Digital Platforms to Improve Productivity*
 - *Sustainability: ESG and Climate Focus Solutions*
 - *Capabilities: Design & Engineering, Up-skilling and Re-skilling of Workforce etc.*

FY 2023 Guidance

Consolidated
Revenue Growth
15% +

Consolidated
Order Inflows
₹ 21,000 Cr +

Consolidated
PBT Margin
~4.5-5%

Further
Deleveraging by
₹ 300-400 Cr

VISION - 2025 Aspirational Targets

Consolidated
Revenue
~ USD 3 Bn

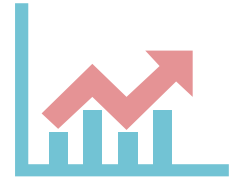
Order Book
~ USD 6 Bn

ROCE
22%+

Global
Footprints
100
Countries

Improving
ESG /
Sustainability
Rankings

Merger Rationale - Potential Revenue, Cost and Other Synergies



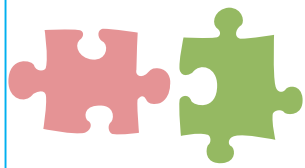
Enhanced capability to bid for large-size & complex projects in core business



Increase geographical reach by leveraging KPTL's existing global footprints



Optimising cost through synergies in finance, procurement, supply chain etc.



The strong balance sheet of the combined entity (amongst the best in the peer group) provides an opportunity to improve credit ratings and a larger capital base to pursue growth in the core business



Efficient use of management bandwidth



The combined entity will lead to superior value creation for the stakeholders

Transaction Overview

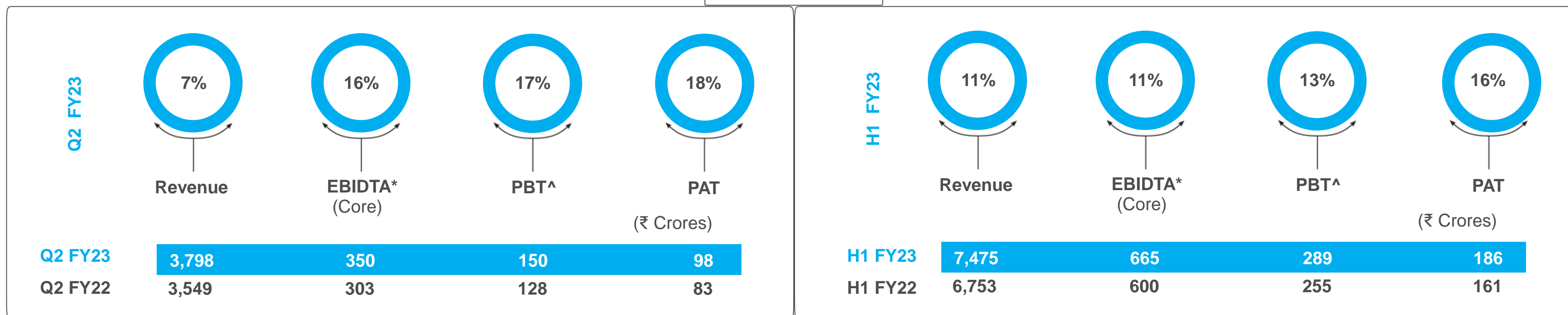
- ✓ On 19th Feb 2022, the board of KPTL approved the scheme of amalgamation of JMC with KPTL, subject to necessary approvals
- ✓ Shareholders of JMC (other than KPTL) shall be issued equity shares of KPTL in the ratio of 4:1

Update on Approvals

- ✓ Received no observation letter from SEBI & Stock Exchanges
- ✓ Received NOC's from lenders
- ✓ Filed petition in NCLT in May 2022; Final hearing expected in November 2022
- ✓ The merger is expected to be completed by Q4 FY23

KPTL - Key Financial Highlights - Consolidated

Y-o-Y Change



- Consolidated revenue growth led by robust project execution and healthy order book in the B&F, Water and Infra business
- Core EBITDA margin at 9.2% in Q2 FY23 (higher by 70 bps YoY) and 8.9% for H1 FY23; EBITDA margin impacted due to high commodity prices, cost inflation and diverse job mix
- PBT (Before ECL & Exceptions) at ₹ 150 Crores in Q2 FY23 and ₹ 289 Crores in H1 FY23; PBT (Before ECL & Exceptions) margin at 3.9% for Q2 FY23 and H1 FY23
- Exceptional Items in H1 FY23 relate to write-off in value of fixed assets of Shree Shubham Logistics Ltd. (SSL)
- PAT at ₹ 98 Crores in Q2 FY23 and ₹ 185 Crores in H1 FY23; PAT Margin at 2.6% in Q2 FY23 and 2.5% in H1 FY23
- Revenue of LMG (Sweden) of ₹ 256 Crores in Q2 FY23 and ₹ 522 Crores in H1 FY23; LMG's Order Book as on 30 Sep 2022 at ₹ 950 Crores
- Revenue of Fasttel (Brazil) of ₹ 98 Crores in Q2 FY23 and ₹ 221 Crores in H1 FY23; Fasttel's Order Book as on 30 Sep 2022 at ₹ 1,036 Crores
- Net Debt as on 30 Sep 2022 ₹ 2,905 Crores; Net Working Capital Days at around 140 days at the end of Sep 2022
- Received orders of ₹ 14,388 Crores YTD FY23 with major order wins in T&D, Water, B&F, Urban Infra and Railways business
- Consolidated Order Book at ₹ 38,550 Crores as on 30 Sep 2022; Additional L1 of ₹ 6,000 Crores

* EBITDA excludes impact of ECL / Impairment Provision for loans & advances and investments

^ PBT before exceptional items and ECL Provisions

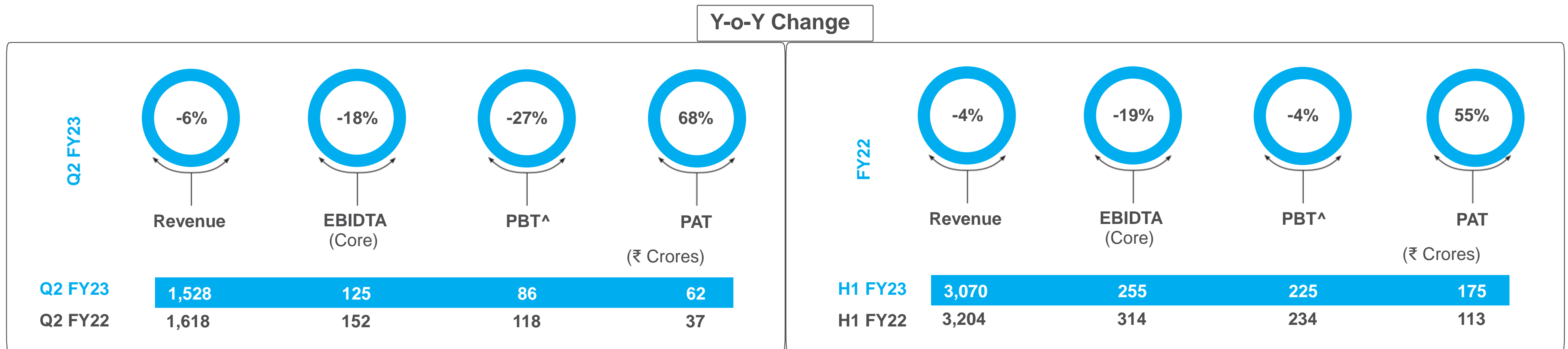
KPTL - Financial Highlights (Consolidated) - Q2 FY23 & H1 FY23

(₹ Crores)

Q2 FY22	Q2 FY23	Growth	Particulars	H1 FY22	H1 FY23	Growth
3,549	3,798	7%	Revenue	6,753	7,475	11%
303	350	16%	Core EBIDTA (excl. Other income & ECL)	600	665	11%
98	116	18%	Finance Cost	196	216	10%
128	150	17%	PBT (Before Exceptional & ECL Provision)	255	289	13%
64	144	125%	PBT (After Exceptional & ECL Provision)	191	271	42%
83	98	18%	PAT	161	186	16%
8.5%	9.2%	+70 bps	Core EBIDTA Margin	8.9%	8.9%	-
3.6%	3.9%	+30 bps	PBT Margin (Before Exceptional & ECL Prov.)	3.8%	3.9%	+10 bps
1.8%	3.8%	+200 bps	PBT Margin (After Exceptional & ECL Prov.)	2.8%	3.6%	+80 bps
2.3%	2.6%	+30 bps	PAT Margin	2.4%	2.5%	+10 bps

Particulars	Q2 FY22	Q1 FY23	Q2 FY23	Difference	
				y-o-y	q-o-q
Loan Funds	3,462	3,239	3,714	252	475
Net Debt	2,810	2,301	2,905	95	604

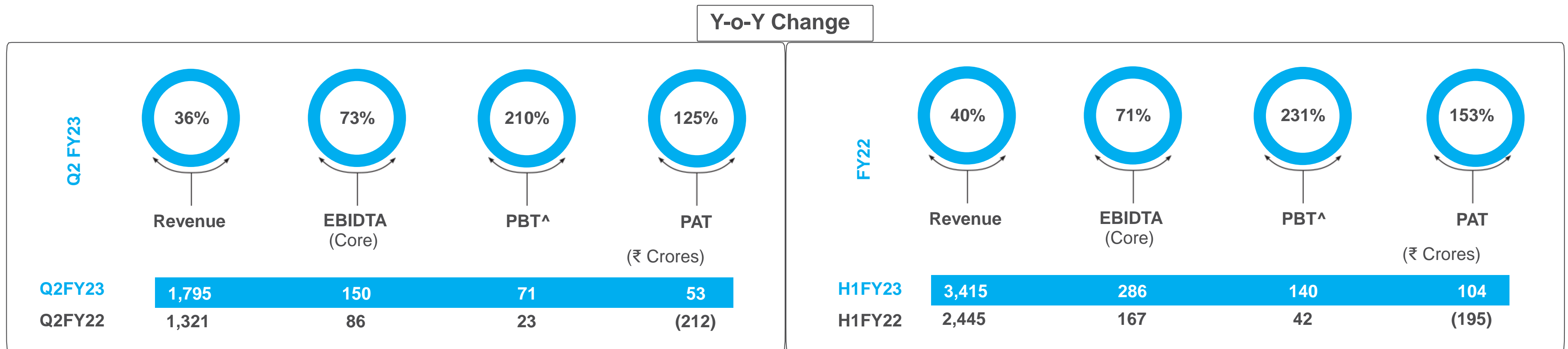
KPTL - Key Financial Highlights - Standalone



- Standalone revenue declined due to a lower opening order book in the T&D business and slower progress in select projects
- EBITDA margin at 8.2% in Q2 FY23 and 8.3% in H1 FY23; EBITDA margin impacted mainly due to: (1) volatility in commodity, currency & elevated logistics cost (2) lower absorption of overheads given the decline in revenue, and (3) closure of old projects
- PBT (Before Exceptional Items) at ₹ 86 Crores in Q2 FY23 with margin of 5.6%; For H1 FY23, PBT (Before Exceptional Items) at ₹ 225 Crores with margin of 7.3%
- PAT at ₹ 62 Crores in Q2 FY23 and ₹ 175 Crores in H1 FY23; PAT margin at 4.1% in Q2 FY23 and 5.7% in H1 FY23
- Received new orders (including LMG & Fasttel) of ₹ 6,889 Crores for YTD FY23 (Order Inflow for Q2 FY23 at ₹ 2,318 Crores and Q3 FY23 till date of ₹ 938 Crores)
- Order Book of ₹ 18,856 Crores as on 30th Sep 2022 (Including LMG & Fasttel); An additional L1 of around ₹ 4,300 Crores

[^] PBT before exceptional items

JMC - Key Financial Highlights - Standalone



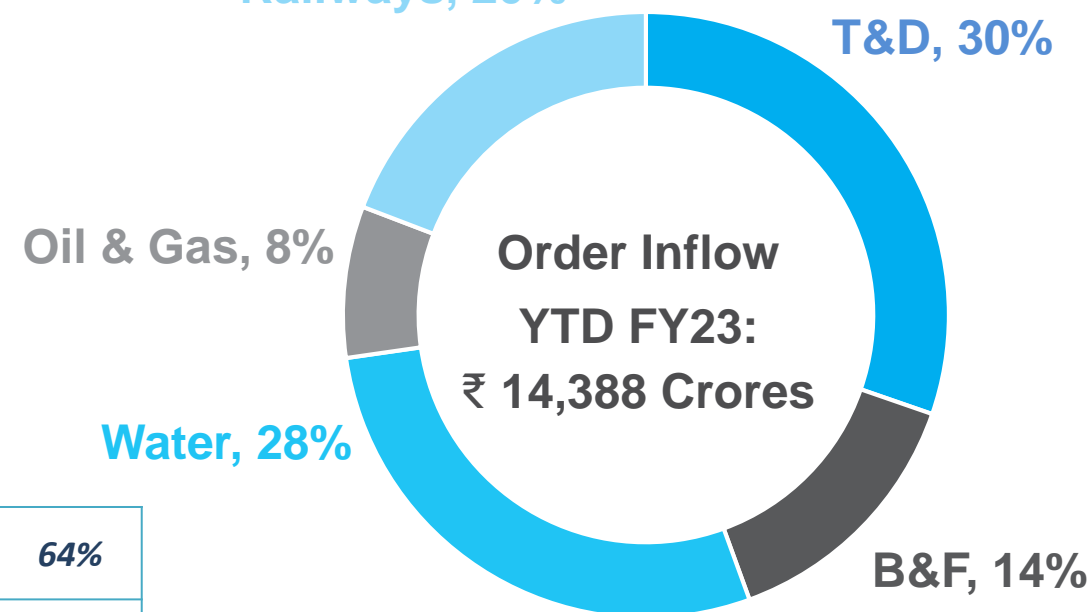
- Revenue growth largely on account of strong execution and robust order book in B&F, Water and International projects
- EBITDA margin improved by 180 bps to 8.3% in Q2 FY23. For H1 FY23, EBITDA margin grew by 160 bps to 8.4%.
 - Higher execution, Improving business mix and declining cost pressure led to improvement in margin
- PBT (Before ECL & Exceptions) at ₹ 71 Crores in Q2 FY23 with margin of 4.0%; For H1 FY23, PBT (Before ECL & Exceptions) at ₹ 140 Crores with margin of 4.1%
- PAT at ₹ 53 Crores in Q2 FY23 and ₹ 104 Crores in H1 FY23; PAT margin at 3.0% in Q2 FY23 and 3.1% in H1 FY23
- Received new orders of ₹ 7,499 Crores for YTD FY23 (Order Inflow for Q2 FY23 at ₹ 2,380 Crores and Q3 FY23 till date of ₹ 1,830 Crores)
- Order Book of ₹ 20,009 Crores as on 30th Sep 2022; An additional L1 of around ₹ 1,700 Crores

[^] PBT before exceptional items and ECL Provisions

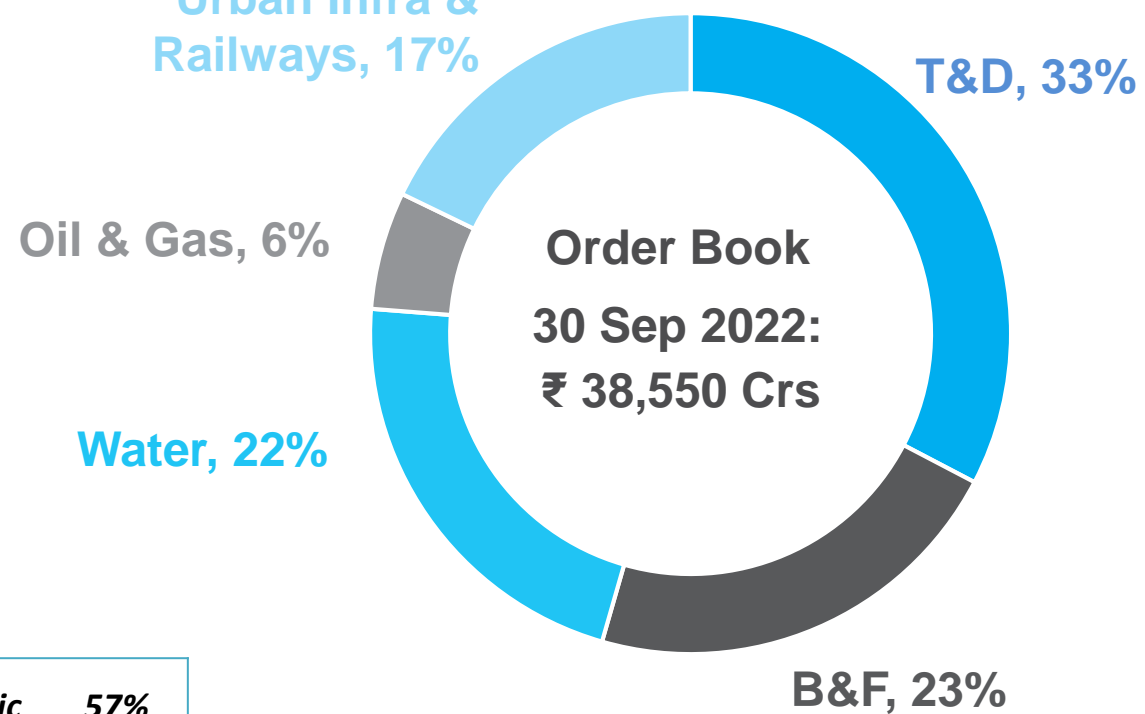
Order Book & Inflow Profile

KPTL - Consolidated

Urban Infra & Railways, 20%



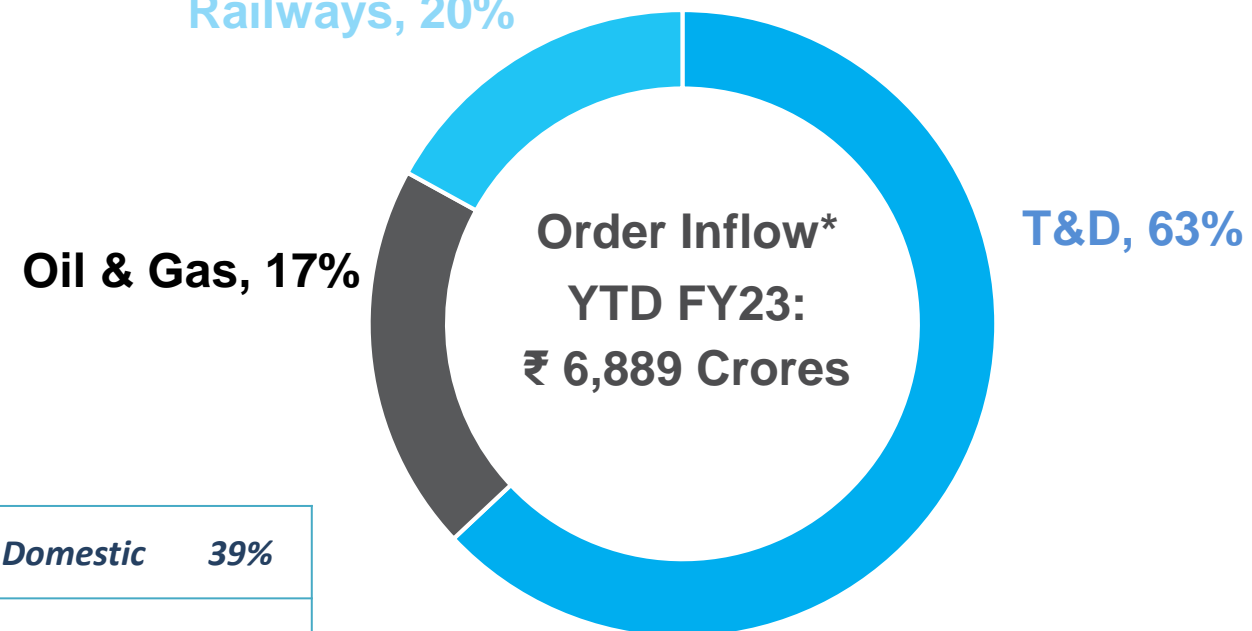
Urban Infra & Railways, 17%



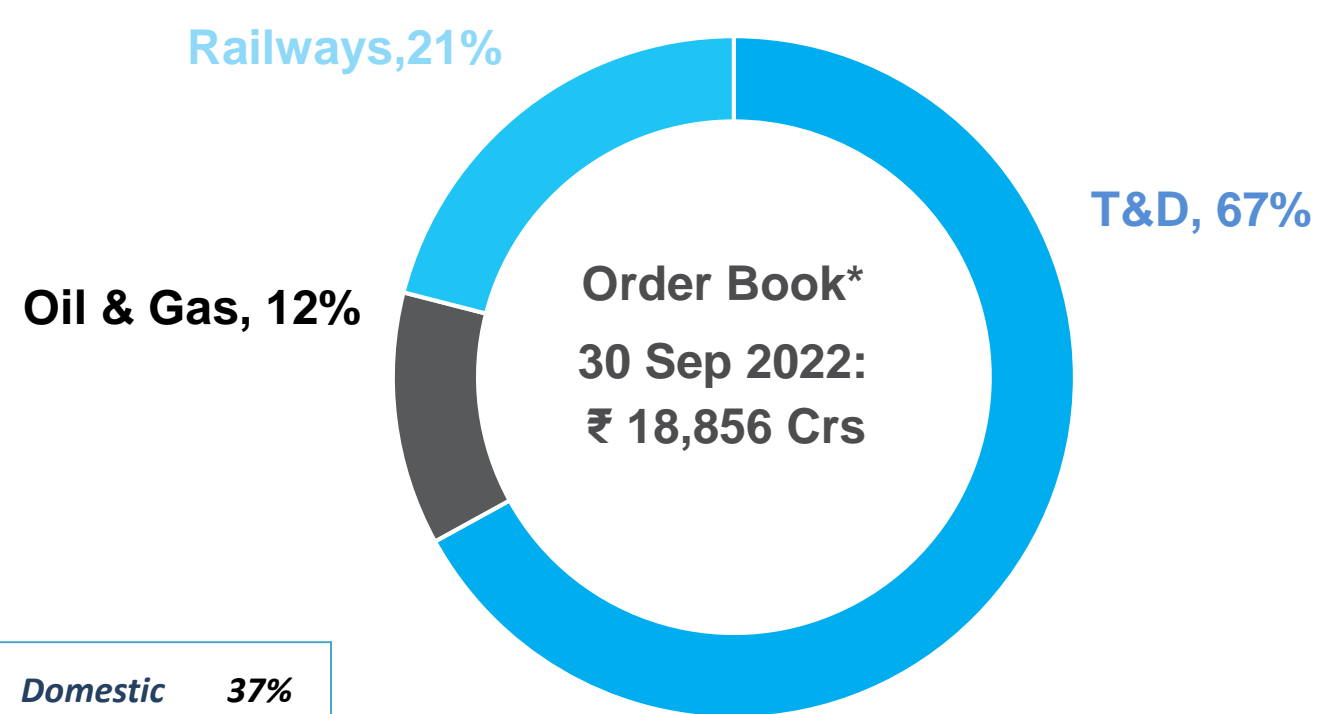
^ Adjusted for inter business contracts

KPTL - Standalone

Railways, 20%



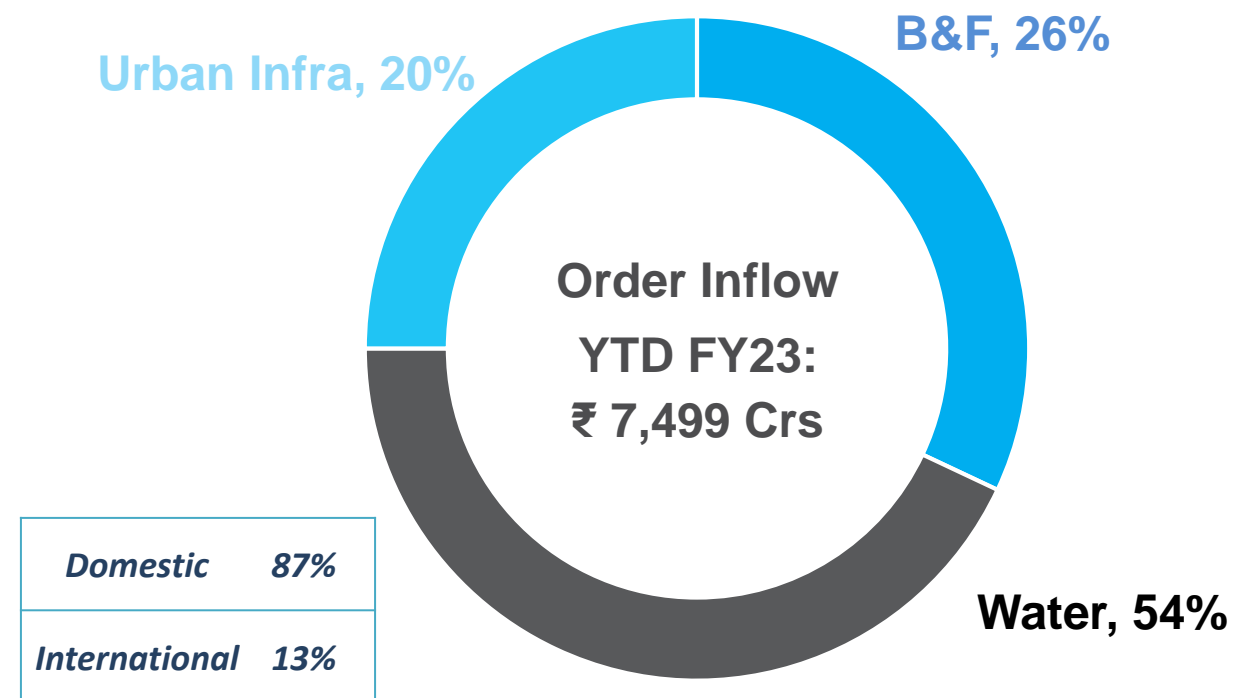
Railways, 21%



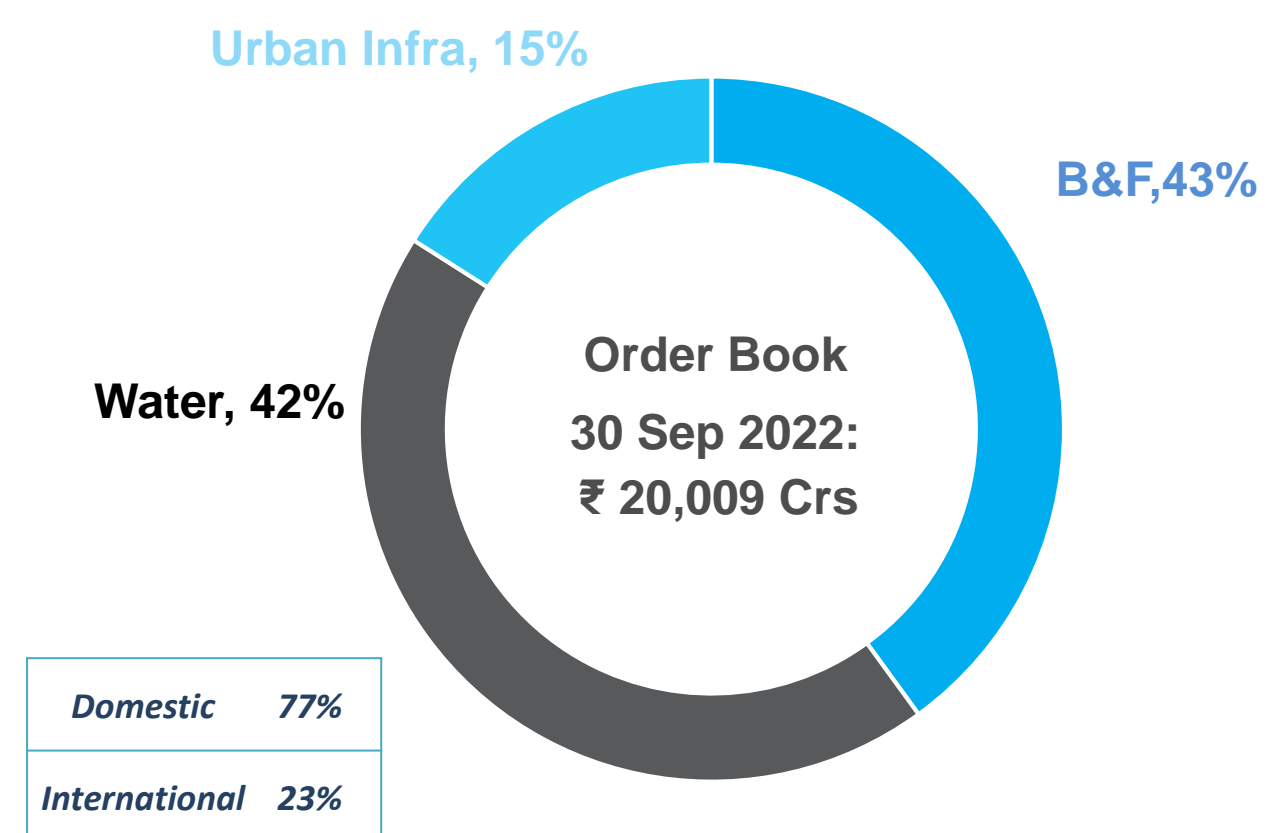
* Includes LMG & Fasttel

JMC

Urban Infra, 20%



Urban Infra, 15%



Received New Orders of ₹ 14,388 Crores till date in FY23
L1 in excess of ~₹ 6,000 Crs (KPTL = ₹ 4,300 Crs and JMC = ₹ 1,700 Crs)

KPTL - Financial Highlights (Standalone) - Q2 FY23 & H1 FY23

(₹ Crores)

Q2 FY22	Q2 FY23	Growth	Particulars	H1 FY22	H1 FY23	Growth
1,618	1,529	-6%	Revenue	3,204	3,071	-4%
152	125	-18%	Core EBIDTA (excl. Other income & ECL Provision)	314	255	-19%
28	35	25%	Finance Cost	62	63	2%
118	86	-27%	PBT (Before Exceptional Items)	234	225	-4%
73	86	18%	PBT (After Exceptional Items)	189	225	19%
37	62	68%	PAT	113	175	55%
9.4%	8.2%	-120 bps	Core EBIDTA Margin	9.8%	8.3%	-150 bps
7.3%	5.6%	-170 bps	PBT Margin (Before Exceptional Items)	7.3%	7.3%	-
4.5%	5.6%	+110 bps	PBT Margin (After Exceptional Items)	5.9%	7.3%	+140 bps
2.3%	4.1%	+180 bps	PAT Margin	3.5%	5.7%	+220 bps

Particulars	Q2 FY22	Q1 FY23	Q2 FY23	Difference	
				y-o-y	q-o-q
Loan Funds*	1,446	1,346	1,591	145	245
(+) Long Term borrowings	104	258	244	140	(14)
(+) Short Term borrowings incl. current maturities	1,341	1,088	1,347	6	259
(-) Cash, Bank & Other Deposits	297	417	344	48	(73)
Net Debt	1,149	929	1,247	98	318

* Loan funds exclude interest free loan received pursuant to agreements in relation to divestment of T&D Assets

JMC - Financial Highlights (Standalone) - Q2 FY23 & H1 FY23

(₹ Crores)

Q2 FY22	Q2 FY23	Growth	Particulars	H1 FY22	H1 FY23	Growth
1,321	1,795	36%	Revenue	2,445	3,415	40%
86	150	73%	Core EBIDTA (excl. Other income & ECL)	167	286	71%
28	40	44%	Finance Cost	55	74	34%
23	71	210%	PBT (Before Exceptional & ECL Provision)	42	140	231%
(270)	70	-	PBT (After Exceptional & ECL Provision)	(251)	139	-
(212)	53	-	PAT	(195)	104	-
6.5%	8.3%	+180 bps	Core EBIDTA Margin	6.8%	8.4%	+160 bps
1.7%	4.0%	+230 bps	PBT Margin (Before Exceptional & ECL Prov.)	1.7%	4.1%	+240 bps
(20.5%)	3.9%	-	PBT Margin (After Exceptional & ECL Prov.)	(10.3%)	4.1%	-
(16.0%)	3.0%	-	PAT Margin	(8.0%)	3.1%	-

Particulars	Q2 FY22	Q1 FY23	Q2 FY23	Difference	
				y-o-y	q-o-q
Loan Funds	915	883	1,116	202	233
(+) Long Term borrowings	296	308	338	43	30
(+) Short Term borrowings incl. current maturities	619	575	778	159	203
(-) Cash, Bank & Other Deposits	213	309	317	104	8
Net Debt	702	574	800	98	226

JMC - Financial Highlights (Consolidated) - Q2 FY23 & H1 FY23

(₹ Crores)

Q2 FY22	Q2 FY23	Growth	Particulars	H1 FY22	H1 FY23	Growth
1,362	1,841	35%	Revenue	2,523	3,513	39%
110	183	66%	Core EBIDTA (excl. Other income & ECL)	207	340	65%
61	70	15%	Finance Cost	120	132	10%
4	64	1381%	PBT (Before Exceptional & ECL Provision)	(3)	114	-
(60)	63	-	PBT (After Exceptional & ECL Provision)	(67)	113	-
(1)	47	-	PAT	(12)	78	-
8.1%	9.9%	+180 bps	Core EBIDTA Margin	8.2%	9.7%	+150 bps
0.3%	3.5%	+320 bps	PBT Margin (Before Exceptional & ECL Prov.)	(0.1%)	3.2%	-
(4.4%)	3.4%	-	PBT Margin (After Exceptional & ECL Prov.)	(2.7%)	3.2%	-
(0.1%)	2.5%	-	PAT Margin	(0.5%)	2.2%	-

Particulars	Q2 FY22	Q1 FY23	Q2 FY23	Difference	
				y-o-y	q-o-q
Loan Funds	1,724	1,598	1,800	76	202
Net Debt	1,502	1,285	1,480	-22	195

JMC - Update on Road BOOT Assets - Q2 FY23

Average Per Day Collections (₹ Lakhs) – JMC Share

Period	Brij Bhoomi Expressway Pvt Ltd.	Wainganga Expressway Pvt Ltd.	Vindhyachal Expressway Pvt Ltd.	Total
Q1 FY20	9.2	17.1	21.0	47.3
Q2 FY20	7.6	15.0	15.0	37.6
Q3 FY20	8.4	16.1	17.4	41.9
Q4 FY20	9.0	17.3	16.5	42.8
Q1 FY21	5.7	10.8	14.2	30.7
Q2 FY21	8.9	17.4	16.0	42.3
Q3 FY21	10.7	20.1	17.9	48.7
Q4 FY21	10.5	20.8	17.1	48.4
Q1 FY22	8.4	16.0	15.8	40.2
Q2 FY22	8.7	18.5	16.9	44.1
Q3 FY22	9.2	18.1	19.0	46.3
Q4 FY22	8.6	19.7	19.7	48.0
Q1 FY23	10.5	22.5	23.7	56.8
Q2 FY23	9.4	20.5	19.9	49.7

- Average Per Day Revenue at ₹ 49.7 lakhs for Q2 FY23 compared to ₹ 44.1 lakhs for Q2 FY22, growth of 13% YoY
- Total JMC investment in Road BOOT Assets (Excluding KEPL) at the end of Sep-22 is ₹ 651 Crores (Investment of ₹ 42 Crores in H1 FY23)
- Wainganga Road Project (WEPL): Received consent for restructuring from majority of lenders; Expect closure in Q3 FY23
- Kurukshetra Road Project (KEPL): Project terminated and handed over to NHAI; Arbitration invoked in June'22



Thank You

Conference Call

Date: 11 November 2022 | Time : 09:00 AM (IST)
Dial in Number: +044 7126 1302, +044 4563 4952
(accessible from all networks and countries)

Contact

Registered: Plot No. 101, Part-III, GIDC Estate, Sector -28, Gandhinagar-382028, Gujarat, India.

Corporate Office: 7th Floor, Kalpataru Synergy, Opp. Grand Hyatt, Vakola, Santacruz (E), Mumbai 400055. India

Phone: +91 22 3064 3000

Email: investorrelations@kalpatarupower.com