KNR Constructions Limited.

Date: 20th November 2026 Ref: KNRCL/SD/2026/1154&1155

To, The Manager BSE Limited, P J Towers, Dalal Street, Fort, Mumbai – 400001 Scrip code: 532942	To, The Manager, National Stock Exchange of India Limited, Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai – 400051. Scrip Code: KNRCON

Dear Sir/Madam,

Sub: Transcript of Earnings Call
Ref: Regulation 30 of SEBI (LODR) Regulations, 2015

We refer to the above captioned subject, we herewith submit the transcript of the earnings call held on Monday, 16th November 2026 for the Q2FY27.

This is for the information and records of the Exchange, please

Thanking you,
Yours truly
For **KNR Constructions Limited**

HARITHA VARANASI
Digitally signed by HARITHA VARANASI
Date: 2026.11.20 16:41:22 +05'30'

Haritha Varanasi
Company Secretary

“KNR Constructions Limited

Q2 and H1 FY27 Earnings Conference Call”

November 16, 2026

E&OE - This transcript is edited for factual errors. In case of discrepancy, the audio recordings uploaded on the stock exchanges on 16th November 2026 will prevail

MANAGEMENT: MR. K. JALANDHAR REDDY – EXECUTIVE DIRECTOR AND CHIEF FINANCIAL OFFICER – KNR CONSTRUCTIONS LIMITED
MR. K. VENKATRAM RAO – GENERAL MANAGER, FINANCE AND ACCOUNTS – KNR CONSTRUCTIONS LIMITED

Moderator: Ladies and gentlemen, good day, and welcome to the KNR Constructions Limited Q2 and H1 FY27 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 touch-tone phone. Please note that this conference is being recorded.

This conference call may contain forward-looking statements about the company, which are based on the beliefs, opinions, and expectations of the company as on the date of this call. These statements are not the guarantee of future performance and involve risks and uncertainties that are difficult to predict.

I now hand the conference over to Mr. K. Venkatram Rao, General Manager, Finance and Accounts, KNR Constructions Limited. Thank you, and over to you, sir.

K. Venkatram Rao: Thank you. Good morning and thank you for joining us today on the call to discuss the financial results for Q2 FY27. Along with me, I have Mr. K. Jalandhar Reddy, Executive Director and CFO; and Strategic Growth Advisors, our Investor Relations Advisors.

We have uploaded results and investor presentation on the stock exchanges as well as our company website. I hope everyone got an opportunity to go through it. We would like to touch upon key company updates and industry events, post which we will have question-and-answer session.

The road sector continued to go through a phase of recalibration during the first half of FY27. While construction industry remains subdued, there was some encouraging sign on the project awarding front. National highway construction declined by around 19% year-on-year to 2,369 kilometers during April to September 2026. However, fresh project award increased by nearly 63% to 2,236 kilometers during the same period. This is an encouraging development after the subdued awarding activity witnessed over the past two years.

The slowdown in construction has largely been due to longer approval timelines and land acquisition challenges and delay in obtaining statutory clearance. While the improvement in award is a positive sign, the key will how quickly this project move towards execution.

With the Ministry targeting construction of 10,000 kilometers of the national highway in FY27, we expect activity to improve in the second half, although the pace of recovery may remain measured. On competitive front, bidding continue to remain aggressive. At the same time, the Ministry is placing greater emphasis on quality and safety.

Recently, it has increased the performance security requirement from 5% to 10% of the contract value for the contract involving the installation and maintenance of real-time bridge health monitoring sector on national highway and centrally sponsored roadwork. This reflects the encouraging focus on quality and accountability in infrastructure development.

Turning to our key market in southern India, we continue to see a healthy pipeline of opportunities across roads and urban infrastructure. In October, Andhra Pradesh outlined a national highway development pipeline of approximately INR1.93 lakh crores. This include 107 projects which worth around INR75,000 crores and seven major corridors with an estimated investment of approximately INR1.18 lakh crores.

In Telangana, the focus on urban infrastructure continues, particularly across Hyderabad and other major urban centres. The state has recently secured central approval for five urban infrastructure projects worth approximately INR3,892 crores. This include the expansion of Hyderabad-Godavari drinking water supply scheme, as well as the storm water drainage and other urban development works.

The Godavari project alone have an investment of around INR2,000 crores. We are also seeing continuous development on urban corridors, flyovers, elevated roads in Hyderabad, while similar infrastructure requirements are emerging in Chennai. These developments are relevant for companies such as ours, given our established presence and execution experience in these markets.

Beyond roads, the railway sector continues to offer opportunities, particularly in the capacity augmentation, freight connectivity, gauge conversion, doubling, and modernization. Indian Railways has utilized more than INR1.14 lakh crores, representing around 39% of the capital expenditure allocated of INR2.93 lakh crores. The scale of ongoing railway development program is also significant.

Similarly, the continued expansion of renewable energy capacity is driving the need for supporting power and transmission and distribution infrastructure, water resources, urban development, and metro rail projects, and also expected to continue to broader infrastructure opportunities over the medium term.

Another segment where we see a positive outlook is mining. Demand for coal remains strong, supported by the country's energy requirement. Coal India offtake during April to October FY27 increased by around 9% year-on-year to 454.6 million tons. October was particularly strong, with Coal India reporting a 19% year-on-year increase in production.

We see mining as an important segment for diversify our revenue base and contributing to growth our coming year. Overall, while the near-term execution environment in the road sector remains somewhat challenging, the improvement in the project award is an encouraging development.

The key will be how quickly this project translates into the appointed date, and ongoing execution. At the same time, investment returns, railways, urban infrastructure, water, and mining continue to provide opportunities for the sector. Road will continue to remain our core business.

However, we see the next phase of growth being supported by more diversified business mix across highways, mining, urban infrastructure, irrigation, and railways. Our focus will remain to be on building a sustainable order book, executing projects efficiently, and maintaining financial discipline. We will remain selective in the opportunities we pursue with a clear emphasis on timely execution, cash flow, and returns.

Now coming to the key updates of the company. The percentage of the physical progress as on 30th September 2026 for four HAM projects is as follows: Magadi to Somwarpet, approximately 92%; Marripudi to Somavarappadu, approximately 94%; Mysore to Kushalnagar Package IV 29%; and Mysore to Kushalnagar Package V, approximately 25%.

As of September 2026, the company has already invested INR193 crores out of INR396 crores revised equity requirement for four HAM projects. The additional equity requirement of INR202 crores to be infused as INR117 crores and INR85 crores in H2 FY27 and '28, respectively. You can refer to Slide number 26 of investor presentation for detail on each HAM project. The company may require further additional equity investment of around INR510 crores for Chennai and Telangana NHAI HAM projects.

The company received letter of acceptance from Hyderabad Metropolitan Development Authority for construction of elevated corridor from ICCC Banjara Hills to Shilpa Layout Flyover Road, Hyderabad and state of Telangana. The total project cost is INR1,396 crores with a construction period of 24 months.

The company achieved financial closure for KNR Manyamkonda Infra Private Limited, wholly owned subsidiary of the company on 1st October 2026 for the HAM project in the state of Telangana.

Further, as a part of share purchase agreement with Indus Infra Trust, the company completed the transfer of its equity stake balance to SPV, namely KNR Guruvayur Infra Private Limited and KNR Ramanattukara Infra Private Limited.

The KNR Guruvayur Infra was transferred in September. The company had invested around INR193 crores through equity and sub-debt and received a consideration of INR486 crores. Similarly, for KNR Ramanattukara, which was transferred in October, the company has invested around INR226 crores through equity and sub-debt and received a total consideration of INR549 crores.

With the transfer of these two assets, KNR has successfully completed the monetization of all four HAM assets to Indus Infra Trust. Lastly, the exceptional item in Q2 FY27 includes a profit of INR292 crores arising from sale of KNR Guruvayur Infra to Indus Infra Trust.

Now coming to order book position. As of 30th September 2026, the company total order book stands at INR11,709 crores. This order book does not include the recently won two HAM projects and HMDA flyover project. Including these projects, the company's total order book stands at INR16,355 crores. This order book is divided into 43% for the road projects, 10% for

irrigation projects, 5% for pipeline projects, and 42% for mining projects. Client-wise bifurcation is 74% order book is from third-party client and balance 26% from captive HAM projects.

With the third-party order book, 30% is from the state government contract, 43% from the central government contract, and remaining 1% from the private sector clients. The current order book will be executed over a period of three to three and a half years, excluding the mining project.

In this line, the company is targeting order inflow of range of around INR4,000 crores to INR5,000 crores during FY27, with focus on maintaining a diversified mix across road, irrigation, and other sectors.

Now let me take through the Q2 and H1 FY27 standalone financial performance first, followed by the consolidated financial highlights.

The revenue for the quarter stood at INR477 crores. EBITDA for Q2 FY27 stood at INR44 crores, and EBITDA margin is at 9.2%. The net profit for the quarter was INR281 crores. Revenue for H1 FY27 stood at INR914 crores.EBITDA for H1 FY27 stood at INR109 crores, and EBITDA margin in H1 FY26 stood at 12%. Net profit for H1 FY27 stood at INR563 crores.

Now coming to Q2 and H1 FY27 consolidated financial performance.

The revenue for the quarter stood at INR600 crores. EBITDA for Q2 FY27 stood at INR147 crores, and EBITDA margin is 24.6%. The net profit for the quarter was INR102 crores. Revenue for H1 FY27 stood at INR1,188 crores. EBITDA for H1 FY27 stood at INR244 crores, and EBITDA margin in H1 FY26 stood at 20.5%. The net profit for H1 FY27 stood at INR183 crores.

Now moving on the standalone balance sheet. The company continued to maintain a strong balance sheet. The working capital debt stood at 104 days compared to 78 days as of March 2026. The consolidated debt as of September 30th, 2026, stood at INR1,180 crores as compared to INR2,438 crores as of March 31st, 2026. The net debt to Equity on consolidated basis as of June 30th, 2026, stood at 0.22x as compared to 0.49x as of March 31st, 2026.

With this, we can open the floor for question-and-answer.

Moderator: Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Shravan Shah from Dolat Capital. Please proceed.

Shravan Shah: Hi, sir. Thank you for the opportunity. Couple of questions. Sir, first on, just to get a clarity, that now further we are looking at INR4,000 crores to INR5,000 crores of more order inflow by March '27.

K. Venkatram Rao: Yes.

K. Jalandhar Reddy: Yes, we are targeting, sir.

Shravan Shah: Okay. So, sir, there I just wanted to get more clarity, how many projects in terms of the value that we have bid and where bid is yet to open? Second, which segments and in terms of the value that we are targeting to bid by March?

K. Jalandhar Reddy: Sir, actually there are a couple of proposals. One, Gevra mine bid has come up, which we are now placing it. I think it is on the month end. 1st or 2nd of December, I think. Yes. Apart from that, we are focusing on highway bids only. As such, HAM model projects of size INR2,000 crores, INR3,000 crores above, we are targeting. But the bids are not happening, but I think in couple of months they should happen.

Likely hit one or two that will be done. Recently we have got one INR1,400 crores worth of contract in Hyderabad city itself, which is HMDA. HMDA has a good payment pattern; there is no problem. Current work which we are doing in city, they have little problems in GHMC, whatever that. GHMC around INR600 crores worth contract we own.

Apart from that, other projects, total of around INR3,000 crores we are heading out. Out of which only INR600 crores is a little bit delayed payments that happened, but rest all will happen in time. That is what our assumption in city of Hyderabad. Focusing in city of Hyderabad works is that the reduced order inflow from NHAI and other state governments, which has forced us to enter the city works.

As a pattern change, because these are pattern changings only because to improve the business as well to survive in the risky times. These are the steps which were taken, sir, right now. Some few of solar projects also we are looking at. However, we will quote a good price and good price doesn't mean viable price. If we guarantee you get it is okay.

Otherwise, also we don't bother because we have been trying several bids from a longer period which we couldn't get through. That is one of the areas. And railways, actually, we were bidding and the bids are going little bit slow, but still, we would like to go look at the bigger ticket size so that there is some chance good bidding that can happen in Indian Railways also. That is also under focus, sir.

Mainly, actually, as you rightly asked, where am I focusing is that actually the INR4,000 crores to INR5,000 crores worth of contract, if I win from highway, it is good, which I am thinking. Otherwise also, it is good I win out of other sectors like coal mining or some other mining sector. Otherwise also, MSRDC has come up with new tenders right now.

I think the old tenders which have been cancelled, they again come up with new tenders, which we will also be likely to focus on that. I think hopefully there is some light that we can get. Now that the order inflow pressure is also a little less than compared with the other few months. Now it is okay, sir.

Shravan Shah: Got it. Great. Sir, now on the revenue front and the margin front. Obviously, first, if you can just spell out in terms of any change in terms of the guidance on the revenue front for this year and next year. Last time we were looking at INR2,200 crores to INR2,300 crores for this year and

the next year INR3,000 crores plus. Just wanted a broad sense there and also the margin and then would like to understand in terms of the segment-wise how the revenue will pick up particularly on the mining front.

K. Jalandhar Reddy: Yes, sir. Actually, revenue, in the sense, revenue guidance as we have given, I think we would like to stick on to it. As of now, we are not liking to change anything, because order inflow expected, where we have committed for these things, are okay as of now in line, we can say. But margin-wise, as you rightly said, they have come down because the market level is also come down.

There is lot of pressure due to this war situation, or due to the current dollar fluctuation and inflation that is happening all over the thing. With all that, I think there is a lot of pressure that is coming onto the balance sheet, sir. We can say straightaway that the EBITDA levels have fallen because of these many reasons. We were trying to keep up the staff, the same amount of manpower.

Overheads are likely increased and the turnover that is happening is lesser. That is also giving little bit pressure on the thing. The equipment is also unutilized for longer periods. In the past two years, the 100% utilization has not happened. Now I think they are rolling back into action from upcoming days.

I think Coal mining one, Banhardih mine is also likely to start in another four, five months. If it is starting also, next year onwards we can clock revenues of that type. Focusing, sir, definitely I think we will try to do something better, but at this point of time, I can only stick to the figures which I have given, sir.

Shravan Shah: Got it. In the second half, if we have to pencil in terms of the margin and next year, at a standalone level, how at a percentage level, how we can look at? This second half of FY27 and next year, how one can look at the EBITDA margin?

K. Jalandhar Reddy: Sir, actually, the second half, you can expect the similar pattern, sir, because nothing great that is happening except that mining project and one Gudebellur project. That mining Gudebellur project are starting. Actually, that is also, Gudebellur project, which I was telling, that INR700 crores one, that HAM only project, that is having some royalty issue. They have the bid royalty, so the GO issued by Telangana government that time.

Now I think it's an implementation, that implementation is because of which I think the work is not started. I think by this month end, the issues will be resolved and then project will start. Because once we pay the royalty, we may not get back. So, we are holding it onto that. We are thinking that actually the land and everything is ready for that.

Only that royalty, without paying royalty, I cannot even bring any product to the road. That is another problem. With all that, I think it is stuck, sir. I think another couple of weeks, the problem should get resolved and we should start working on it.

Shravan Shah: Next year onwards, once we have the HAM, which will be picking up both the two new HAM, most likely we should be having the AD maybe in next one odd month. So that the contribution and even the mining contribution will be significantly increasing. Can we look at kind of a 13% EBITDA margin for next year FY28 is doable?

K. Jalandhar Reddy: The 13% cannot guarantee, sir, because now not only the overhead that is increasing, it is the input prices that are getting changed. Even food prices have gone up. Everything has gone up. Because of this, the issues are a little bit there. But I will be needing a little more calculation for upcoming assumptions and then come on to it, sir.

Shravan Shah: Got it. Sir, lastly, mining put together both the projects in this year, next year, how one can look at in terms of the revenue and the irrigation, anything update in terms of the payment which we were expecting from the state government?

K. Jalandhar Reddy: Yes, sir. This one concerned with the mining project, sir. I think we will be last October we have clocked about say around INR17 crores worth of turnover we have made there. And this month we are targeting about INR 20 crores. We will have to see what happens. Apart from that, we are also focusing on that Banhardih mine which has not started, but I think then four, five months it will take.

So, it will come on the next year itself. Once it is a concern to the irrigation project payment, yes, likely last time I said that there is some movement. If we get some payment by this month end, it will be good. That is what we are struggling. I think hopefully for second week of December, we shall receive some amount.

Shravan Shah: Okay, sir. Previously we were looking…

K. Jalandhar Reddy: Finance Minister also has committed to pay us because they have water shortfall in this Hyderabad. They are hurrying it up now.

Shravan Shah: That last time you said that money…

K. Jalandhar Reddy: We have waited. Let's wait for three, four weeks. Then I think we will have a good news. That's what I'm thinking.

Shravan Shah: Okay. Ballpark any idea that by March how much we can get the payment?

K. Jalandhar Reddy: If we get, sir, I think they are considering to pay around INR600 crores. The balance that RE also will get through. Once RE gets through, then it will take another three, four months to get ready.

K. Jalandhar Reddy:: Once RE is done it it will take another two months. This is the situation, sir, right now.

Shravan Shah: Okay. Got it, sir. Thank you and all the best.

Moderator: Thank you. The next question is from the line of Shubham Borade from ICICI Securities. Please proceed.

Shubham Borade: Yes, hi. Thanks for the opportunity. Just one question from my side. How is the order pipeline looking like, and have we identified certain projects to bid for, and are we in L1 in key projects as of today?

K. Venkatram Rao: Yes, as sir already explained you, as of now, , we have only just around INR400 crores worth of project there in L1 as of today. And as far as the order book is there, as you know, right now, we have almost INR16,000 crores of order book, consisting of at least INR6,800 for the mining. If you exclude that also, we have almost INR10,000 crores of order book.

And as we told that we are targeting around INR4,000 crores to INR5,000 crores order book by this FY27, it consists of some project in mining and definitely road sector that we are always trying to get the project in that sector only. But due to this aggressive competition, , we are not very much sure. But definitely, we will try to achieve a few project in roads, railways, and mining sectors.

Shubham Borade: Thank you, sir. Just a clarification. The INR5,000 crores will be for H2 only, right? H2.

K. Venkatram Rao: Pardon?

Shubham Borade: The INR5,000 crores target of inflow will be for H2 FY27 only?

K. Venkatram Rao: Yes, yes. Correct, correct.

Shubham Borade: Okay, sir. Thank you. Thank you.

K. Venkatram Rao: Thank you.

Moderator: Thank you. Next question is from the line of Faisal from H.G. Hawa. Please proceed. Mr. Faisal, your line has been unmuted. Please proceed with your question. Due to no response from the current participant, we move on to the next. The next question is from the line of Vasudev from Nuvama. Please proceed.

Vasudev: Thank you for the opportunity. Sir, excluding this exceptional item we had, what would have been our adjusted PAT for this quarter? Also, last quarter, we had some INR76 crores of EPC claims. This quarter also, do we have any one-offs like such in revenue and cost?

K. Venkatram Rao: This quarter, other than this exceptional item, we do not have any other one-off item. Adjusted PAT actually for this quarter is INR30 crores.

Vasudev: INR30 crores. Okay, sir. And sir, in our irrigation, pipeline, and mining projects, what is the kind of revenues that we have already clocked in H1 and our targets for FY27 and 2028 in each of these three segments?

K. Venkatram Rao: Yes. For irrigation project, for this quarter, we did only INR 10 crores of the turnover in this quarter we did. And for the entire year is only INR 20 crores, around 2% for the entire six months. Mining project has not yet started, so there is no revenue of mining project as such in the balance sheet as of now.

But as we explained you, in mining sector, we are targeting around, you can say, around INR 100 crores of the turnover in balance six months from the mining project. In Irrigation projects, , almost all project is completed and all project is almost in We are just done majorly Package IV only that we are waiting for the payments. Payment we will receive, the left-out work is around 100 crores will be there only.

We do not have much, you can say, only for Package III is there, that we are going to execute in this balance six months. The order book in Package III is INR329 crores . So out of that, we may execute because recently only they have given some land. So now we will start executing some portion of the work. But it may be around INR50 crores to INR60 crores we can execute in Package III only.

Vasudev: Okay. And sir, on the pipeline project?

K. Venkatram Rao: Our pipeline project is, orderbook left out is around INR750 crores is there. Maybe around INR300 crores we will execute in next six months for this project.

Vasudev: Sure, sir. And sir, just in terms of some bookkeeping questions, our segmental split of revenue for this quarter, the capex that we have done, and our target for the full year, and what is our outstanding receivables from Telangana government now?

K. Venkatram Rao: Okay. Outstanding receivables is from irrigation is around now INR660 crores is there, and HAM is INR330 crores. With unbilled, it is coming to around INR1,400 crores are there with the unbilled.

Vasudev: Okay. And sir, on the capex.

K. Venkatram Rao: Capex for this six months, we did capex of around INR220 crores, sir, capex. For entire year, it may go up to around INR400 crores.

Vasudev: Okay. Lastly, sir, your segmental split of revenue for this quarter.

K. Venkatram Rao: For this quarter, we did around 28% revenue from our road EPC work, 48% from the HAM work. Irrigation is just 2%, and back-to-back subcontract, we did around 21%.

Vasudev: Okay. Sure, sir, that's it from my side. Thank you.

K. Venkatram Rao: Thank you.

Moderator: Thank you. The next question is from the line of Bhavin Modi from Anand Rathi. Please proceed.

Bhavin Modi: Hi, sir. Thank you for the opportunity. My first question is, sir, how much amount is still pending from the three assets that we got monetized? So, how much amount is pending to be received?

K. Venkatram Rao: Yes, in three assets, , even we have transferred the entire equity to them. So, as of now, withhold is around INR295 crores withhold is there on these three assets. This withhold is majorly consisting of that ESP we supposed to get from the authority and from the vendor.

Bhavin Modi: Okay, got it. And for the fourth asset, how much is pending?

K. Venkatram Rao: The fourth asset, this accounting will come in the Q3 of this quarter.

Bhavin Modi: Right.

K. Venkatram Rao: In the four assets, withhold will be around INR130 crores will be withhold will be there in fourth asset.

Bhavin Modi: Okay. Second thing is with respect to the receivables. The receivables has increased because I believe it is because of the HAM assets. When can we expect the disbursement in the SPV and the trade receivables to go down?

K. Venkatram Rao: Basically, the HAM assets is, as you know, that is basically from our Mysore project and our Ongole assets will be there. HAM assets based on our funding position of the parent company, we go for disbursement from the bank and get the money. There is no challenges to get the money from the HAM assets.

Definitely, as per irrigation sector is concerned, almost INR660 crores pending receivables is there from the irrigation, and basically that consists of Kaleshwaram Package 4. I explained you that we are trying, we are pursuing with the government to get the release of this money. We are expecting some money in December and by March also we should get some major portion of the certified billings.

Bhavin Modi: Got it. And sir, third question is with respect to capex, right? You told that you'll be incurring the INR400 crores of capex. How much would be related to the mine business, and how much would be for the new HAM? Second, with respect to the capex for the mine business, I believe the revenue on a broader part will start getting recognized from the next year, but we will be recognizing the depreciation, right, from this year itself. Is my understanding right?

K. Venkatram Rao: Yes, as far as definitely out of INR220 crores of the mining assets, what the assets in our balance sheet, almost INR180 crores is pertaining to the mining assets, and rest INR40 crores pertaining to other projects for basically road and other assets. This year, out of INR400, around INR300-INR320 crores is pertaining to the mining assets, and rest is the road assets.

Bhavin Modi: Okay. What about the…?

K. Jalandhar Reddy: If that Banhardih mine is starting, so we will have to invest another INR400 crores to INR500 crores then as a capex. So, we do not know when it is going to start. I think four, five months we are expecting it to start, I think.

Bhavin Modi: Okay.

K. Jalandhar Reddy: Because the court has a lot of importance, so they want to start immediately, and I think high-level pursuance is happening over there. So, it may click anytime, actually.

Bhavin Modi: Okay. So, sir, if we have to envisage for both the mines, what is the capex that is envisaged? And if I am not wrong, till date, we have incurred around INR180 crores of capex, right?

K. Jalandhar Reddy: INR500 crores. Each is taking INR500 crores worth of investment.

Bhavin Modi: Okay.

K. Jalandhar Reddy: I think INR370 crores, INR380 crores we have already spent, right, on this Kusmunda. Then further, we may have to go another, say, INR60 crores, INR70 crores. Even EVs also there. So, another INR120 crores is there in that. So, nearly about INR500 crores it is happening. After that, again on Banhardih also.

Bhavin Modi: Another INR500 crores.

K. Jalandhar Reddy: Because it has to be completed in five years.

Bhavin Modi: Okay. If I'm not wrong, we will be spending almost INR1,000 crores of capex, right, for these two mines?

K. Jalandhar Reddy: Yes, yes. These two mines, yes.

Bhavin Modi: Then most of the proceeds that we got from the monetization would be utilized in the capex, right? Mine capex, right?

K. Venkatram Rao: Mine capex as well as equity investment in our HAM projects also.

Bhavin Modi: Got it. Understood. Yes, that is it from my side.

Moderator: Thank you. The next question is from the line of Deepashri Arvind Joshi from Ambit Capital Private Limited. Please proceed.

Deepashri Arvind Joshi: Hello, sir. The mining project that you have recently received, about INR3,300 crore…

K. Venkatram Rao: Voice is not audible.

Deepashri Arvind Joshi: Am I audible?

K. Venkatram Rao: Not clear.

Deepashri Arvind Joshi: Sir, the mining project that you recently received, about INR3,300 crores, that is as part of a JV, right? But you included the entire INR3,300 crores in your order book. So, would not we have to consider 51% of that, as it is in a JV?

K. Venkatram Rao: Yes, yes. Actually, our portion only we have considered. So, INR 3,300 crore is our portion only, what we have considered in our books. But entire work is going to be executed by us only. Even the other partner is going to give entire work back-to-back to us. That is why entire INR 3,300 crore has been considered in our order book.

Deepashri Arvind Joshi: Okay, got it. So, the project cost itself is INR3,300 crores, or you included…?

K. Venkatram Rao: No, it is more. What is our margin, what is the royalty we supposed to pay to them actually? So, after royalty, net amount is come down. So, INR 3,300 crore is our portion of the work that we are going to execute.

Deepashri Arvind Joshi: Okay, got it. Could you help us with the remaining equity requirement? How much would be done in '27 and '28?

K. Venkatram Rao: Yes, yes. Actually, if we consider these our four assets, so equity requirement will be equity requirement will be INR395 crores. Out of INR395 crores, already we have included actually INR192 crores. So, rest is INR202 crores is required for these four assets. Out of INR202, we are expecting around INR110 crores we are going to execute in FY27, and balance INR85 crores in the FY28.

This exclude our two HAM project of ECR Chennai and Telangana, where equity requirement is INR510 crores. That we have to see if we are getting appointed date by this month, then we may require to put some equity in there. Otherwise, we have to include in the next year.

Deepashri Arvind Joshi: Okay, got it. Thank you, sir. That is it from my end.

K. Venkatram Rao: Yes. Thank you.

Moderator: Thank you. The next question is from the line of Sudeep Bora from Ambit Capital. Please proceed.

Sudeep Bora: Hello. Am I audible?

K. Venkatram Rao: Yes.

Sudeep Bora: Yes. Thank you for the opportunity, sir. My question was regarding the status of the HAM projects and one EPC project that we have won in Telangana. How are we looking at it, in terms of appointed date and the construction work to start? Is it possible in 2027 or second half of 2028, or what timelines are we looking at?

K. Jalandhar Reddy: Sir, actually, the city works are likely to start. I think, recently we have received one INR1,400 crores, INR1,395 crores work, which we need to do the agreement. Agreement time is almost a

month. Within a month we have to do. After that, I think we can start the work. But there could be some land problems.

The main thing is that committing turnover on that it is going to be bit issues because, cities, they may have to do some land acquisition, partial, all that. But I think 50% of the stretch is clear, so we can do a quite a good performance in this third quarter. Sorry, fourth quarter. Considering that HAM model project which you asked about, I think by this first week of December, we'll be taking the appointed date, sir.

I think there is an issue related to holding up of that appointed date is only for that, zero royalty GO issued by Government of Telangana during the bid time. That is not communicated to the concerned department, so they are not allowing us to take out the material without royalty. Without royalty, we cannot even take any small construction material to the road. That is the major problem which is now stuck with.

I think the Revenue Ministry has cleared that. The document has now gone to the Secretary, Chief Secretary. If that is likely to issue the zero-royalty GO to the concerned department. I think this may happen in another couple of weeks. Plus or minus one, two weeks, we can take it as the government process is involved.

I think by first, second week of December, we are expecting the appointed date to happen, sir. From that onwards, we will start doing the project. Maybe initially we will have to do structures and networks only. Little bit lesser turnover is expected, but I think fourth quarter we may pick up quite good. Then I think the first quarter next year will come to a little bit of all type of activity. Yes, sir.

Sudeep Bora: Okay. Okay, sir. Thank you for this.

Sudeep Bora: Next question was on Mysore-Kushalnagar Package 4 and 5. Earlier, I think we had indicated that there would be a downsizing in terms of these projects because the entire ROW is not available. What is the current status on this?

K. Jalandhar Reddy: Yes, sir. Now that they made it available, except around 7 kilometers, 8 kilometers, most of the area is now clear. We are working on that, sir. The balance is also, the balance 8 kilometers is also likely to come up in another two, three months' time. I think it is going to take full value of the project. There may be some plus or minus change of scopes could be there. That is separately accounted.

Sudeep Bora: Okay. No material reduction in scope as of now. That is what you are envisaging, right?

K. Jalandhar Reddy: Yes, sir.

Sudeep Bora: Okay. Okay, sir. Thank you. Thank you.

K. Jalandhar Reddy: It is time-taking, sir. Because they recently handed over the stretches, so time is taking.

Sudeep Bora: Okay. Okay. Got it. Thank you, sir. Those were my questions.

K. Jalandhar Reddy: Thank you.

Moderator: Thank you. The next question is from the line of Shravan Shah from Dolat Capital. Please proceed.

Shravan Shah: Hi, sir. Sir, on depreciation front, so from Q1 to Q2, obviously the mining capex is leading to increase from INR10 crores to INR19-odd crores. How one can look at half year depreciation, and let's assume the Banhardih mine, we will be doing a capex maybe in either in the fourth quarter end or maybe in Q1 FY28 - Put together this INR1,000 crores capex, then how one can look at the FY28 for our depreciation?

K. Jalandhar Reddy: Actually, that development is happening now. In doing the development, I think whatever the bill that is happening, hand to mouth only. We can't expect anything good in this thing. But net of 5% profits we are expecting out of this mining project, sir. I think Banhardih is also in the similar course, kind of that. Because it's been a tough and competitive world, just to make some value and just to make ourselves a little bit comfortable due to other those, these works were quoted.

Definitely, I think we were expecting for this Kusmunda mine and to FY28, we want to clock around INR400 crores turnover. Again, Banhardih, if it starts, another INR300 crores we can expect. If it starts in the, first quarter of that. Because it's the initial starter, the development and all will take place.

Even mobilization also to happen because we haven't started the mobilization because we don't know when they are giving up the land. Just keeping the idling and all, it may not work. Nowadays, even manufacturers, they are taking a lot of time to supply the equipment. On order, they are making now. Yes, sir.

Shravan Shah: Okay. Yes. So sir, coming back to on the depreciation front, so roughly, particularly the second half and from next year, assuming from April onwards, we will start the Banhardih mine also. So broadly, this INR1,000 crores can be assumed that over a kind of a six-year period, we will be depreciating. So kind of INR160 crores to INR170 crores kind of a depreciation will be there. And for particularly the second half, obviously

K. Jalandhar Reddy: Our calculation is five years depreciation, sir, we have done in the bid time. But if you take it for seven years, I think it will be more this thing. But you know, nowadays the equipment in mine, they are running for almost 20 hours a day, sir. So, expecting that big cycle may not happen. So, five years, I think what we have taken is that the higher side is I am feeling actually. Therefore, competitively sake, I have taken it, but I am not very sure of that delivery.

Shravan Shah: Okay. Okay.

K. Venkatram Rao:: You can assume six to seven years, you can assume.

Shravan Shah: Yes. For this second half, how one can look at the depreciation? Because Banhardih will not be there in terms of the depreciation. Only the Kusmunda, so this INR19 crores depreciation of the second quarter, how it will inch up in third and fourth quarter?

K. Venkatram Rao:: It will be around INR30 crores will be there around, you can say, per quarter in the next two quarters. It will be around INR30 crores per quarter.

Shravan Shah: Okay. Okay. Once we get the appointed date for both the HAM in, let's say, in next one month odd, so out of this INR510 crores, how much we need to put in equity by March and in FY28, how one can look at in terms of the equity investment?

K. Venkatram Rao:: That's because definitely part of our existing assets HAM project is there. First, we will put equity there. And with our surplus cash, we will go for our -- that's why we may have to put not much. Maybe out of INR500 crores, we have to put somewhere around INR100 crores in these assets. That's all. Not more than that.

Shravan Shah: Okay, INR100 crores. But next year then we have to put maybe INR300 crores.

K. Venkatram Rao:: Yes, rest INR150 crores you can consider in the next year.

Shravan Shah: Okay. Got it, sir. Thank you.

K. Venkatram Rao:: Okay. Thank you.

Moderator: Thank you. The next question is from the line of Faisal Hawa from H.G. Hawa & Company. Please proceed.

Faisal Hawa: Hello?

K. Venkatram Rao:: Yes.

Faisal Hawa: Sir, my first question is that, is there any progress on the Tamil Nadu order which was to come for the flyover, but it has been stuck due to the government changing?

K. Jalandhar Reddy: Yes, sir. Actually, that government change has happened and they formed a committee. Now the committee is giving a final report. Actually, they just reviewed, they put a committee and reviewed that whether this project is required or not. Now that they are also recommending this project is required, I think the final meeting was held this past week. So, in a couple of weeks, we should get the appointed date for this and it should start.

Faisal Hawa: Sir, second, there is news in the overall market that there could be around INR30,000 crores of NHAI orders coming for Andhra Pradesh and some more orders coming in Telangana also. Do you feel that those tenders could come through by the fourth quarter of this financial year and maybe we could bag many of those because of our proximity to these areas?

K. Jalandhar Reddy: Yes, I think they all should happen. Even in Hyderabad, there is RRR is coming up and that outer ring road of that Amaravati is coming up. There are many works which are there. We are also studied almost around 20, 28-odd projects this recently. We are hopeful, sir. We are hopeful. Actually, the target what we have is around INR4,000 crores to INR5,000 crores in this year end, the target to achieve the orders. Out of which I think we may receive most order from highway. That is what my gut feeling is.

Faisal Hawa: You feel that there could be a lot of tenders coming in the fourth quarter for Andhra Pradesh and Telangana?

K. Jalandhar Reddy: The ticket size is big, sir. Here, the ticket size is big. All the projects are having around INR3,000 crores above worth of contract and mostly on HAM. Definitely that bidding is going to be little bit sensible only. Let us focus on that and try to get the good project in hand.

Faisal Hawa: Sir, is it a right statement to make that you have in your mind connected the Andhra or the Telangana receivables coming to the buyback going through? Because we are now having more than enough sufficient funds, but we have yet not decided on the buyback, either at promoter level or tender level or even at market buyback level from company.

K. Jalandhar Reddy: Yes, sir. Buyback, I am waiting for that something to happen on the, because irrigation payment. Now that they are rushing for this water crisis, so there is a positive outlook come from the Ministry of Finance. They called us and you submit all your details of billing and all that they asked for details.

Now that they are gearing up to pay, I think in a couple of weeks we should get paid or in the first, second week of December we should get paid. That is the scenario which we are now hearing, sir. Think positively, if it goes well, I think definitely we will have some good cash in hand. Recently, there have been proposals were there. Earlier also, one year onwards we were thinking like that after this sale proceedings we will do that and all that we have planned.

But recently, the most capital-intensive project we have received wherein we have to render capex in that Kusmunda mine. Further, there is a requirement which is coming up for the Jharkhand mine also, around INR 500 crore plus they are coming up. So, whatever we are receiving, I think they are held up for that actually.

So, certain portion which now we are thinking to resolve on the front of what we get through irrigation project, partial proceedings may go there for further investment on those projects as well certain requirement is also coming up in city work. City work we have got some flyover projects, around INR3,000 crores order book is there. So, here the little bit working capital we have to maintain in a high level actually. GHMC is due from three months and fourth month is also due. This one. So, with that I think capitals are blocking here.

But I think they get paid by this weekend, this next week or this weekend only we will get paid what we are hearing. But the thing is that little bit capital is increasing. Lot of requirements or

fund requirements are coming and definitely we are unable to little bit take calls on that actually. Otherwise, we are eagerly interested.

Now the order book has raised to INR16,000 crores and further we are confident of achieving say INR5,000 crores to INR6,000 crores or INR4,000 crores to INR5,000 crores at least. So, with all that I think we can even reach the levels what we have earlier done. So, with all that I think definitely we should be comfortable enough to take over certain stock at this level actually. The thing is that the requirement for the company also is very important, but we are giving actually. I think you understood, sir.

Faisal Hawa: Yes, but I mean, even at promoter level, we could do some buyback, you know, because it would…

K. Jalandhar Reddy: If we have money, we have money, why we become here? Sorry, but anyhow. Just one more, actually. Nothing actually, sir. What it is, the promoter level, I think we have very less funds, sir. We only get salary, and that too, you know, family settlement happened for father these days, and certain real estate properties were also bought in. So with that, I think a little bit tightness is there in our front actually. Yes, actually, it's the right opportunity for us to take over certain stocks, because prices are tempting right now.

Faisal Hawa: Yes, because we are now at almost…

K. Jalandhar Reddy: I was very eager actually.

Faisal Hawa: Okay.

K. Jalandhar Reddy: I'll try my best in this, sir.

Faisal Hawa: Okay. Thank you for answering my questions so well, sir. Appreciate it.

K. Jalandhar Reddy: Thank you.

Moderator: Thank you. The next question is on the line of Bhavin Modi from Anand Rathi. Please proceed.

Bhavin Modi: Hi, sir. Thank you. Sir, can you just provide in the order book, what is the portion of the unbilled revenue in the road project irrigation pipeline?

K. Venkatram Rao: Yes. This unbilled revenue in irrigation is around INR830 crores is there. Balance is basically road. So out of INR1,300 crores, which is INR830 crores, the balance is basically road and other sector.

Bhavin Modi: Okay.

K. Venkatram Rao: Order book of irrigation is, you know, INR 1,600 crores is there. So out of INR 1,600 crores, you can remove INR 800 crores, but net order book will be around INR 800 crores only there from irrigation order book.

Bhavin Modi: Right. Got it. Second thing, you know, is with respect to, suppose I remove the long-term mining projects or maybe the irrigation pipeline project, so our road stands at around INR7,500 crores. So, when can we expect our core EPC business, like road or maybe that metro or the railway, to reach around INR15,000 crore? I do see, still we, as a KNR, we don't have presence in the building in the railway projects as well as the metro projects. We see lot of metro projects, metro rail projects coming up. So, what are your thoughts on that?

K. Jalandhar Reddy: Metro projects, sir, everything is going tight, sir, right now. I've placed a bid for minus 9%, where the bid has opened at minus 30% in railways. Because also the metros also we tried our best, sir, but still, we are trying with NCC. But anyhow, now that we got enough structural orders, you know, that Chennai flyover is almost INR2,000-plus crores.

In Hyderabad city, we have INR 3,000 crores plus worth of contracts in the Hyderabad city itself. So, I think around INR5,000-plus crores we have in structures itself. So, I think going for metros, okay, we can go, but, you know, other sector sales will be there. But right now, our structural teams are completely busy.

Bhavin Modi: Right.

K. Jalandhar Reddy: We even increased the teams now, actually.

Bhavin Modi: Got it. Got it. But sir, how can you speak about the Chennai project, flyover project, or the Hyderabad flyover project, right? How is the competition there? Is it like normal competition we see in the NHAI core projects?

K. Jalandhar Reddy: As far as Hyderabad is concerned, the competition is less because everybody has got a fear that they are not getting paid. Most of the contractors have not got paid actually. Many these things, everybody's opinion, there is no mobilization advance also. These people don't pay mobilization advance.

The contract has no cost of mobilization advance. Most of the players don't want to bid here. That's why we are able to get good price. That is the main thing. I think we got it pluses. Plus, to the estimation actually. The prices are good. Only thing is if they give the land and position of the foundation, we can rock the project actually.

Bhavin Modi: Got it. But sir, then when you say that they don't give mobilization advance, the working capital is also very high, right? Then what gives us the confidence to enter into such regions or such projects, right? Apart from the better margins.

K. Jalandhar Reddy: Yes, sir. I have, in the beginning only, I answered this question actually. Out of this INR3,000 crores order what we have in Hyderabad city, around INR600 crores is a little bit time delaying payments are there. GHMC. GHMC is a department actually. But still there is a delay payments are there because their funds are a little bit unplanned. HMDA and that Musi Riverfront Development Corporation, they have ready funds. Most of the order, I mean, INR 3,000 crores

-- out of INR 3,600 crores, only INR 600 crores is out. That INR2,400 crores worth of contracts are having timely payment.

Bhavin Modi: Got it, sir. Got it.

K. Jalandhar Reddy: There is no mobilization advance. At least the margin is a little bit more, so we can do the project.

Bhavin Modi: Got it. Thank you, sir.

K. Jalandhar Reddy: Welcome.

Moderator: Thank you. That was the last question for today. I now hand the conference over to the management for the closing comments. Over to you, sir.

K. Venkatram Rao: Yes, thanks. Thank you all for joining us on this call. Please reach out to us or our investor relationship consultant, Strategic Growth Advisors, or us directly should you have any further queries. We can now close the call. Thank you.

Moderator: On behalf of KNR Constructions Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your line.