



## KNR Constructions Limited.

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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
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Dear Sir/Madam,

**Sub: Transcript of Earnings call for Q4FY26**

**Ref: Reg 30 of SEBI (LODR) Regulations, 2015**

We refer to the above captioned subject, we herewith submit to you transcript for the earnings call for Q4FY26 held on Monday, 1<sup>st</sup> June 2026.

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

Thanking you,

Yours truly

For **KNR Constructions Limited**

**Haritha Varanasi**  
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“KNR Constructions Limited  
Q4 FY '26 Earnings Conference Call”  
June 01, 2026

E&OE - This transcript is edited for factual errors. In case of discrepancy, the audio recordings uploaded on the stock exchanges on 1<sup>st</sup> June 2026 will prevail.



**MANAGEMENT: MR. K. JALANDHAR REDDY – EXECUTIVE DIRECTOR –  
KNR CONSTRUCTIONS LIMITED  
MR. K. VENKATA RAM RAO – GENERAL MANAGER,  
FINANCE AND ACCOUNTS – KNR CONSTRUCTIONS  
LIMITED**

**Moderator:** Ladies and gentlemen, good day, and welcome to KNR Constructions Limited Q4 and FY '26 Earnings Conference Call. This conference call may contain forward-looking statements about



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the company, which are based on the beliefs, opinions and expectations of the company as on date of this call. These statements are not the guarantee of future performance and involve risk and uncertainties that are difficult to predict.

As a reminder, all participants will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded.

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

**K. Venkata Ram Rao:**

Thank you. Good morning and thank you for joining us today on the call to discuss our financial results for Q4 and FY 2026. Along with me, I have Mr. K. Jalandhar Reddy, Executive Director; and Strategic Growth Advisors, our Investor Relations advisors. We have uploaded results and the investor presentation on the stock exchanges as well as on our company website. I hope everyone got an opportunity to go through it. We would like to touch upon a few key company updates and industry events, post which we will have a question-and-answer session.

Moving to the broader industry landscape, the road infrastructure sector witnessed a relatively measured pace during FY '26, particularly on the project awarding front. Over the past 2 years, awarding activities by NHAI and MoRTH remained below the peak level seen earlier, reflecting a more calibrated and execution-focused approach across the sector.

During FY '26, NHAI awarded 3,100 kilometres of project, lower by approximately 22% year-on-year and below the initial target of 7,500 kilometres. The moderation was primarily driven by extended project appraisal and approval timelines, land acquisition-related challenges and increased emphasis on ensuring better project preparedness and structuring before tendering.

That said, execution activity on the ground continued to remain healthy. NHAI constructed around 5,300 kilometres of the national highway during the year, which while marginally lower than the previous year, but it is surpassed in its internal construction target of 5,000 kilometres. This reflects the sector's strong execution capability and continuing progress across ongoing projects despite near-term awarding headwinds.

More importantly, the government's long-term commitment towards infrastructure led growth remained very strong. Continuing investment towards expressway, economic corridors, logistic infrastructure and multimodal connectivity are expected to support sustained opportunity for sector over the medium to long term.

Also new meaningful opportunities are now opening up across segment such as mining development, irrigation, ropeways , metro terminal projects, urban mobility, and rail connectivity. This is creating a broader infrastructure ecosystem and enabling companies to

diversify their capabilities, expand into new area of growth and build stronger long-term business models.

On the cost front, the industry has also witnessed some volatility in the commodity linked inputs during the year. The ongoing geopolitical tension and conflict in the West Asia led to an increase in crude oil prices, which consequently impacted bitumen prices. However, the impact on the domestic infrastructure sector remains manageable to provide better support to the contractors and improve cash flow visibility, the Ministry of Road Transport and Highway reduced the price adjustment cycle from 3 months to 1 month, enabling faster pass-through of the fluctuation in the construction material and equipment costs. This step has been positively received by the industry and is expected to provide greater stability in the project execution going forward.

Assets monetization also continued to witness healthy momentum during FY '26 with NHAI monetizing around INR28,000 crores through InvIT and TOT transaction, largely in line with the government target. This reflects the increasing maturity of the asset recycling model and support continued investment towards future infrastructure development. Looking ahead, the outlook for FY '27 remains constructive.

As per industry estimates, the MoRTH is expected to construct around 9,000 to 9,500 kilometres during the year. While the pace of awarding and construction may remain more balanced compared to the peak cycle witnessed earlier, the sector continued to benefit from the strong policy support, sustainable public capital expenditure and rising private sector participation across infrastructure segment.

Overall, India's infrastructure opportunity set today extend well beyond roads and highways with increasing opportunity across transportation, urban infrastructure, energy, logistics, mining and water sector. The industry is entering a more diversified and sustainable growth phase. Companies with strong execution capability, financial discipline and multi-sector expertise are expected to well position to the capitalize on this long-term opportunities.

Now coming to the key updates of the company. The percentage of physical progress as of March 31, 2026 for the HAM project is under: Ramanattukara to Valanchery around 99.4%, Valanchery to Kappirikkad 98.3%, Chittor to Thatchur around 97.4%, Magadi to Somwarpet around 91.3%, Marrisudi to Somvarappadu approximately 77.1% and Mysore to Kushalnagara Package IV around 15.5% and Mysore to Kushalnagara Package V approximately 12.2%.

As of March 31, 2026, the company has already invested INR734.24 crores out of INR952.17 crores revised equity requirement for all HAM projects. The additional equity requirement of INR217.93 crores to INR170 crores and INR47.93 crores for FY '27 and '28, respectively.

You can refer to Slide number 26 of the investor presentation for details under each HAM project. During the quarter, the company received a letter of award for 2 HAM projects with a combined project value BCC of INR3,897 crores. The first project was awarded by Tamil Nadu State Highway Authority, TANSHA for development of full and elevated corridor from



Thiruvanniyur to Uthandi on State Highway 49. The bid cost of the project is INR2,163 crores and has a construction period of 3 years and followed by an operation period of 5 years.

Subsequently, the KNR Mahabalipuram Infra Private Limited has been incorporated and concession agreement has also been executed. The second project was awarded by NHAI for laning of NH-167 from Gudebellur to Mahabubnagar in Telangana. The project is valued at INR1,734 crores and has a construction period of 2 years, followed by an operation period of 15 years.

Subsequently, a subsidiary, KNR Manyamkonda Infra Private Limited has been incorporated and concession agreement has also been executed. The tentative equity requirement for two HAM project will be around INR510 crores. Further, company has also received letter of acceptance for 2 EPC projects worth INR133 crores. One from the Greater Hyderabad Municipal Corporation for construction of 4-lane unidirectional flyover at Rasoolpura in Telangana. The project value is approximately INR50 crores and scheduled to be completed over 24 months.

Second one is from Hyderabad growth corridor for the widening and strengthening of pipeline road from Shankarpally road in Telangana project is around INR83 crores and has an execution period of 9 months.

In respect of monetization proposal, we wish to inform that the company has transferred its all of equity share in one of its subsidiary company that is KNR Palani Infra Private Limited to Indus Infra Trust.

The company has invested INR64.40 crores in the form of equity and sub debt in that SPV. Pursuant to this transaction, the company has received a consideration of INR 205.05 crores from the purchaser. And further, the SPV has also upstream INR90 crores of the cash surplus to the company through this transaction. The company is expected to close of one of the project by June '26 and other 2 projects by September '26.

Now coming to order book position. As of 31st March 2026, the company total order book stands at INR8,672 crores. The order book does not include the recently won HAM project. Including the HAM project, the company total order book stands at INR11,903 crores. This is divided into 49% of the roads project, 14% for irrigation and 7% from pipeline project and 30% for mining project. Client-wide distribution is 61% of order book is from the third-party client and the balance 39% from the captive HAM project. In third-party order book percentage is also contracted 59% from state government, 1% from the central government and balance 1% is from our other private player. Kindly read the Slide number 32 of investor presentation as above.

The current order book will be executed over a period of 3 years to 3.5 years, excluding the mining project with the government continuing emphasis on infrastructure development, we expect order activity to be improved over the coming quarter across both centre and state government.



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In the line with this, the company is targeting order inflow in the range of approximately INR8,000 crores to INR10,000 crores during FY27, comprising a healthy mix of NHAI projects, irrigation projects, mining and other state government infrastructure work.

Now let me take through the Q4 and FY26 standalone financial performance first, followed by the consolidated financial highlights.

The revenue for the quarter stood at INR535 crores. EBITDA for Q4 FY26 stood at INR28 crores and EBITDA margin at 5.3%. Net profit for the quarter was 19 crore.

Now coming to the FY26 highlights. The revenue for FY26 stands at INR2097 crores. EBITDA for FY26 stood at INR178 crores and EBITDA margin stood at 8.5%. Net profit for FY26 stood at INR116 crores.

Now coming to Q4 FY26 consolidated financial performance the revenue for the quarter stood at INR696 crores, EBITDA for Q4 FY26 stood at INR169 crores and EBITDA margin is 24.3%. Net profit for the quarter was INR106 crores.

Moving on the FY26 highlights the revenue for FY26 stood at INR2,698 crores. EBITDA for FY26 stood at INR711 crores and EBITDA margin FY26 stood at 26.4%. Net profit for FY26 stood at INR437 crores.

Now moving on the standalone balance sheet. The company continued to maintain a strong balance sheet. The working capital days stood at 78 days compared to 93 days as of March '25. The consolidated debt as of 31st March 2026 stood at INR2,438 crores as compared to INR1,847 crores as of 31st March 2025. The net debt to equity on a consolidated basis as of 31st March 26 stands at 0.49x as compared to 0.41 as of 31st March '25.

With this, we can open the floor for question and answer. Over to you.

**Moderator:** Thank you very much. We will now begin the question-and-answer session. First question is from the line of Ketan Jain from Avendus Spark. Please go ahead.

**Ketan Jain:** Hi, thank you. Sir I want to understand how many kilometres were awarded you said around 3,000 kilometres by NHAI. In totality including MoRTH how many kilometres are awarded in FY26?

**K. Venkata Ram Rao:** We have that NHAI data. MoRTH data also we'll get it and we will let you know.

**Ketan Jain:** Understood. Okay, sir. What was our order inflow in FY26, sir?

**K Jalandhar Reddy:** There is one ECR flyover in Chennai, that is around INR2,150 crores is recently awarded. And apart from that, I think NHAI one that Gudebellur–Mahabubnagar 1 project which is about



INR1,750 crores. And there are a few flyovers in GSMC, which was already announced in the market.

They are in almost near about INR1,400 crores to INR1,500 crores is now awarded. And further, there have been some bids which were submitted. We are also expecting some bids out of that. And again, there is some other bids in Chennai ORR also we are expecting those around INR800 crores.

And mostly there is another mining project is also on the pipeline. Maybe we will be having enough order book for upcoming year, barring which another two, three projects also we are aiming from NHAI and MoRTH further from flyover projects. So, with all that, I think we'll be able to achieve the targets set for order book concern in this year. So definitely, this is going to be a good start for us for next year.

**Ketan Jain:** Sir, any guidance on revenue and order inflow for this year, sir, FY27?

**K Jalandhar Reddy:** Revenue is quite difficult to say anything because which project is going to be awarded when and when it can be taken off certain projects are there, which are EPC nature. They can start in 2, 3 months' time after agreement. But certain projects are HAM model type and all they take another 6, 7 months.

Further, this is a different situation we are heading, sir. First time, we are unable to say what we are going to do this year. That's the major thing because we are mainly depending on the works which are coming up. It's not that every time we used to be having order book under execution and then something we used to have. But this time, it is a quite difficult situation. But however, we'll try to touch around 2,000 plus this thing which that we'll face. Further anything added will also boost the things. Gearing up for FY27 kind of thing.

**Ketan Jain:** Understood. Just a last question on my side. I see working capital has increased. Debtor days have been higher. Which pocket of customers are you seeing a delay in payments? Are you seeing any particular states delaying payments?

**K. Venkata Ram Rao :** Payment pass is there because you know that we have one project in Kaleshwaram Package 4, where almost INR670 crores of debtors is pending. So, other than this, every state, whether NHAI or other state, we are not facing any issue. So, debtor days compared to March '25, it is reduced. But definitely, Package 4 debtors, there is no movement in that. So basically, from government of Telangana irrigation project, where we have stuck with some of the debtors.

**Ketan Jain:** Understood. Okay sir I will join back the queue. Thank you.

**Moderator:** Thank you. Next question is from the line of Sandeep Agarwal from Naredi Investments. Please go ahead.

**Sandeep Agarwal:** Thank you sir for the opportunity. Sir few questions. So just regarding the Telangana due, sir, any timeline or any update regarding this?



**K Jalandhar Reddy:** Sir, actually, see, the thing is Telangana concerned, we are confident of getting the payments. But recent discussions says that loans issue will be for sure severely by the Finance Minister. But KNR and Mega Engineering had an extensive meeting with Finance Minister last week. They said within 1, 2 months, we'll be solving. I think we are hearing the same from the situation.

But I think this time Finance Minister has reviewed, so we are hoping that things could be a better shape. I request always my investors or known people that our persuasion has never stopped and we have been under severe persuasion to get this payment done. I think more or less, we should get this it's not in this quarter. But next quarter, we shall be able to get that what we have.

**Sandeep Agarwal:** Okay. Thank you. Sir, just next one is, sir, regarding our order pipeline for the financial year '27, what is our expectation other than this INR3,600 crores initially we get?

**K Jalandhar Reddy:** INR3,600 crores I think Chennai and NHAI are concerned. But I think another INR4,000 crores is under pipeline we can say atleast it is LOA near about unless we get issued with LOA we cannot say it is a pipeline kind of thing only, what I'm talking about.

Apart from that, further, we are also pursuing some bids. So, I think another INR4,000 crores, INR5,000 crores also we are focusing to get orders sir. And because Hyderabad RRR is also getting to come out and almost 66 highways, which are around Hyderabad are likely to come up.

Apart from that, we are also trying to gear up something in railways. We are also gearing up in mining. We are also gearing up in flyover project as well we will also look at good projects from the solar. So, with all that, I think we'll be able to achieve the target which we set forth last year, but they are not getting fulfilled in entirely last year, but we will try to do in this coming one, two quarters.

**Sandeep Agarwal:** Okay. Sir, last one, just last one. Sir, any major claims pending to be received in current year and next year?

**K Jalandhar Reddy:** They are being paid off. There's nothing actually whatever that was there, we have been received in the last quarter itself. I think the last announced quarter. Later, I think we have hardly anything. Anything small, small could be there, but I think it is a quite difficult task right now with the situation which we are heading in.

**Sandeep Agarwal:** Okay. Thank you, sir.

**Moderator:** Thank you. Next question is from the line of Shravan Shah from Dolat Capital. Please go ahead.

**Shravan Shah:** Hi, sir. Sir just to understand in more detail in terms particularly on the revenue front. So, I will try to break it up into the segment-wise, so it would be easy for you. In terms of FY27, specifically from now onwards, if we include the two new HAM projects, our current order book



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is INR11,900-odd crores. So, let's say, in that, how each segment-wise one can look at in FY27, let's say, pipeline, we have INR832 crores, irrigation INR1,667 crores.

Obviously, the unbilled will minus INR700 crores, INR800-odd crores. So maybe INR700 crores, INR800 crores is executable. Mining is INR3,500-odd crores and HAM is INR1,400-odd crores and the two new HAM INR3,800 crores in terms of the EPC. So, each segment-wise, how one can look at this?

And given, let's say, if we do, as you are saying, INR2,000 crores minimum, so I know we still will be able to do close to INR2,400 crores, INR2,500-odd crores. So INR11,900 crores and less this, so close to INR9,000 crores and plus another we will get INR9,000 crores, INR10,000 crores. So, kind of INR18,000 crores, INR19,000 crores book will be there at the end of FY27. So, in that sense, how one can look at FY28? Will it be kind of at least INR4,500 crores kind of a revenue that one should be looking at?

**K Jalandhar Reddy:**

The one thing is sure, this time whatever the order which is coming up it's coming at a tight competition, cannot be expecting like a level last year. So, turnover can go, but I don't think the bottom line will be to that tune which we were giving in the earlier days because now the market is entire changed actually. So however, we will try to keep up the better way.

And we are also thinking in a different pattern, different methodologies by which we can economize the things and do some sort of productive job. So, by which if we gain anything, that's an additional thing. But however, nowadays, the market is at very low levels.

I think EBITDA, if you talk about EBITDA, I'm very shameful to say that it is around 10 kind of level now we are getting. If we are able to do something better, I think it is always better, because actually, sir, all the orders on hand were executed and because of the big gap that has come in NHAI, for 2 years there has been very less job inflow that has caused us to bid in such a way that's the major issue sir.

And second sir, the overheads are higher because the staff and equipment, everything is being maintained in the same level and the turnover has come down. So, for which also, we are facing that. So, everything we put into the shape and everything is coming into the busy shape, then things will improve. That's what we are thinking.

**Shravan Shah:**

So, you are saying that the execution, the turnover in the next year FY '28 obviously can be ramped up significantly if we win the order inflow. But on the margin front, we are saying that 10% is the one that one can look at. But there also, given the HAM projects that even recently we have won, so there previously, we used to have a 18%, 20% kind of margin. So at least the HAM will still will be contributing a decent margin, but the other segments, as you are saying, would be having a kind of a 10% margin. That's the way one can look at?

**K Jalandhar Reddy:**

Actually, that recent Mahabubnagar-Gudebellur project I think it is aimed at 11%-12% level, EBITDA execution thing. So going forward, we'll have to see that, sir. Again, I think Chennai



one is a little bit comfortable we can say. So overall, we should be doing good, but we'll have to see, sir, how it goes because you know based on the amount of works being executed to that particular quarter, with respect to the same level of staff and the same level of equipment depreciation, which is being passed on, everything correlates that you always know that calculation I didn't have to tell you. So, situation is that sir.

Really, critical thing now to answer, every time I have to tell you that this will happen, this may happen like that. This time, a bit dilemma is there. And however, I think going forward, after winning a few more orders, I can clearly tell you what happens sir.

**Shravan Shah:**

For mining the existing one in terms of the capex and the revenue, how we can look at for this year FY27 and next year, the existing INR3,552 crores mining order that we have. So, in terms of revenue and capex

**KJalandhar Reddy:**

Mining order sir, actually concerned that the main hurdle of getting that Banhardih mine that F1 clearance has come up for the forest, which is about, say, 850 hectares land, whatever 50% is given for, I think the F1 clearance has come. And now the Banhardih Village, Gram Sabha is to happen and once that comes out, then we will be able to tell you when exactly the timelines are. Once the Gram Sabha is conducted, but NTPC officials, they could not answer the questions raised by the public, any villagers about the rehabilitation issues.

So, I think for the next meeting, they will be prepared to answer those questions because they were needing some certain clarifications with their headquarter department and central government clearances they have to take before they announce anything. So, I think they are getting prepared for that and then go for the Gram Sabha again. So, this time, it could be a successful story. I think not less than it will take 7 to 8 months to start at least.

**Shravan Shah:**

Okay. And sir, lastly, in terms of how many value of projects and also if you can specify NHAI at the state level that we have already submitted bids and where the outcome is yet to come?

**KJalandhar Reddy:**

So actually, that submission happened in the many fronts. Our mining project, which we have submitted around INR3,600 crores bid is submitted for that. And I think apart from that, there are Chennai 2, ORR projects. There are 2 projects put together around INR850 crores and odd. So, this is about, say, INR4,000 crores plus, that's what in the pipeline is there now.

Apart from that, I think tenders submitted, but not open they are about INR3,000 crores, INR4,000 crores, and GHMC also has come up around INR1,400 crores has come in the last year ended itself. So, with all that, I think now we have a good pipeline and we are also a few bids which we are now going to submit, which we have committed.

I think we are waiting for NHAI bids to happen. In many areas, we have studied from the past 2 years. So, there the study is ready now. I think when the tenders happen, then definitely we're going to prepare.



- Moderator:** Next question is from the line of from Balasubramanian from Arihant Capital.
- Balasubramanian:** Sir, on the mining capex of INR350 crores, this will be funded at stand-alone level, the internal accruals for new debt or separate project SPV? And I'm trying to understand, I think the projects, I think to start at third quarter of this financial year. So, when we can expect revenue contributions in mining in FY '27 or FY '28?
- K. Venkata Ram Rao:** So, this -- whatever the capex is in the mining project definitely will be in the parent company balance sheet because this project is being MDO, but whatever the back-to-back work done by KNR JV partner. So, whatever the capex requirement will come that KNR is going to bought that money.
- And for that, you know that already our monetization proposal is going on. We have the internal accruals, and we can definitely go for a higher purchase loan also. So, we are working out actually where we have to get -- how we have to fund that capex. So that is one thing.
- And in respect of mining project, as sir already explained that it will take further 7 to 8 months to start, we can say maybe from Q4 actually that mining may give some revenue actually in this year.
- Balasubramanian:** Okay, sir. Sir, my second question, could you please talk about concrete pipeline for railway and metro projects in the coming years? And earlier you have mentioned about 2 to 3 percentage of margin dilutions to win new orders. So out of INR11,900 crores, how much percentage is in high-margins orders? And how much percent low-margin orders, which you have taken 2 to 3 percentage of margin dilutions?
- K. Venkata Ram Rao:** So definitely in the railway sector, actually, we have bidded actually some of the projects might be around INR700 crores to INR 800 crores. Actually, we have bidded the projects in the railway sector.
- And as we are making the diversification in other sector, so definitely, the margin level is, as sir explained, around 10% we are seeing overall margin level with the composition of our HAM project and this ECR Chennai project and what are the projects we got actually in the GHMC area because there is not much irrigation project is there because generally, irrigation project used to give above around 18% to 20% of EBITDA. So that's why our overall EBITDA was good. But now irrigation projects are not much in our order book.
- So definitely, execution aspect, definitely, we will try to achieve that. But EBITDA front, definitely, we have to keep our growth, and we are selling at around 10% to 11% like the EBITDA we could maintain in the future.
- Moderator:** Thank you. Balasubramanian, I will request to come back. Next question is from the line of from Taha Ansari from Taha Capital Management. Please go ahead.



**Taha Ansari:** Thanks for the opportunity, sir. Sir, just now you said that by quarter 4 of this financial year, our mining project can get operational. So, if this goes on, so what can we expect going in FY28? What revenues our mining project can make for us going within FY28?

**K. Venkata Ram Rao:** you know that in this mining project it is open mining. So, we have to do a lot of excavation. and our billing is based on how much coal we extracted. The project is actually around INR3,500 crores for the financial year.

Our turnover will be somewhere around INR300 crores to INR400 crores actually per annum. If it is fully operational, then it will peak up to, you can say, INR1,000 crores turnover in the fifth year. So initially, we are expecting somewhere around INR300 crores to INR350 crores of the turnover. if it is going to be operational.

**Taha Ansari:** Okay. And this is for FY28, INR350 crores to INR400 crores in mining?

**K. Venkata Ram Rao:** Yes.

**Taha Ansari:** Okay. And the second one is, sir, by the end of FY26, we got 2 HAM projects worth around INR3,800-odd crores. So, what appointment date for them we can expect as well as is there any revenue guidance you can give going ahead for FY27 and '28 from these 2 particular HAM projects which we got in the very last?

**K. Venkata Ram Rao:** As far as the ECR Chennai project is concerned, , we are almost finalized. We are there in the process of doing the financial closure. And we expect that we may complete the financial closure in this month and you can say. So, after that based on the land is also available.

So, we can target actually appoint it maybe in the next 2 months. And that project is going to start contributing in somewhere in Q3, Q4. And as far as our Telangana project is concerned, we have time till September and maybe in Q4, Telangana project is going to contribute something about that also.

**Taha Ansari:** Okay. So, the main contribution from these 2 projects will be there in FY28 only. And sir, the last one of mine, you said that in 2 to 3 months, we'll get the irrigation receivables and all, which are pending.

So yesterday only, there was an article published in which the irrigation minister is saying that they are focusing more on to this Palamuru irrigation project. they are focusing on a mission mode on these projects.

And even he has suggested that the previous government was more into Kaleshwaram financing and going on to these projects, and we are more focused on to this Palamuru irrigation project. So, what should we expect from it? Can it add to more time receiving our receivables or something?



**K. Venkata Ram Rao:** Actually, sir, as we already told you because for Package 4, basically, where is the concern is there for the receivable of the debt. So definitely, we are following rigorously with the government. And ultimately, as you know that this water supply to the Hyderabad cities, right now, the scarcity is there. So definitely, we had meeting with irrigation officials.

So once our project is completed, then only that water can come to the Hyderabad City. So, this is also one of the, you can say, priority project the government has to because government has already awarded actually project from pipeline from our project to the Hyderabad city. Once the water is available in that reservoir, then only the water is going to come.

That's why we are discussing with them, and we are hoping that maybe 2 to 3 months, we should be able to get the money. So definitely, our project, we will get money, what we want to say.

**Moderator:** Sorry to interrupt you, Taha. Kindly come back for a follow-up please. Thank you. Next question is from the line of Vasudev from Nuvama Wealth. Please go ahead.

**Vasudev:** Yes. Thank you for the opportunity. Sir, in the irrigation and the pipeline projects, how much have we done the execution in FY26? And how much are we planning for FY27?

**K. Venkata Ram Rao:** , percentage wise in FY26, , we did around 17% work in irrigation projects. And out of that pipeline work is it is around the 13%-14% we did in the pipeline work in FY26.

**Vasudev:** Could you quantify in value terms, like how much we did in '26 and our plan for '27?

**K. Venkata Ram Rao:** In fact, this pipeline work we did around INR270 crores work in FY26. And as far as irrigation, we did around INR340 crores of work in FY26. And next year, definitely for we are trying to do around INR350 crores to INR400 crores works in FY27 for our pipeline work.

And irrigation work actually most of the work is completed. So, Package 4 is almost -- it is everything in done onlyalmost. So, turnover will come from Package 3 projects only. So, because there is some land issue is there. So, the government has to pay this villagers for acquiring that land. If government is paying that land, then definitely, we can execute around maybe around INR200 crores to INR250 crores work in the Package 3 in FY27.

**Vasudev:** Okay. And sir, just some bookkeeping questions. What is the capex we did in Q4 and our target for FY27 are revenue split for the quarter across segments? And how much is the balance outstanding from Telangana government?

**K. Venkata Ram Rao:** As far as Telangana government outstanding is almost INR1,400 crores INR1,450 crores is there, including

including unbilled there pending from the government of Telangana. As far as capex requirement is there, so for FY27 because now this mining project is going to -- whatever the existing capex is sufficient actually for our existing order book.



But once the mining projects and because we have projects in this ECR Chennai where this is completely elevated corridor, there are some capex which will come. So, this year, , we are targeting somewhere around INR200 crores to INR250 crores of the capex based on when this mining project is going to start.

- Moderator:** Thank you. Next question is from the line of Vaibhav Shah from JM Financial. Please go ahead.
- Vaibhav Shah:** You mentioned that we will get ADs for the 2 new HAMs in 3Q and 4Q. So, what kind of execution are we targeting in FY28 from both the HAMs?
- K. Jalandhar Reddy:** I think we have to complete that project, that is 3 years. But I think mostly -- we'll have to target actually Madathukulam one, we'll have to complete that actually by FY28.
- K. Venkata Ram Rao:** September '28. So, you can say around INR1,000 crores to INR1,200 crores we can execute from these in FY28.
- Vaibhav Shah:** From both HAMs combined?
- K. Venkata Ram Rao:** Both HAMs combined, yes.
- Vaibhav Shah:** Okay, okay. And sir, what would be our unbilled portion in the irrigation order backlog?
- K. Venkat Ram Rao:** Unbilled is there around INR800 crores.
- Vaibhav Shah:** So that revenue is already recognized or is it staying in the order book?
- K. Venkata Ram Rao:** Yes, correct.
- Vaibhav Shah:** Okay. And sir lastly, what was our revenue from irrigation in Q4?
- K. Venkat Ram Rao:** In Q4, irrigation revenue was just -- it is around 8%.
- Vaibhav Shah:** 8% for Q4?
- K. Venkat Ram Rao:** For Q4, yes.
- Vaibhav Shah:** Okay, okay. And sir, lastly, you mentioned that margins could be around 10%, 11% for FY27. Do you expect it to remain similar in '28 as well despite we doing by a sizable portion in FY28 given the very strong order book right now, which will be under execution for the entire FY28?
- K. Venkata Ram Rao:** As sir explained because whatever the existing order books are there. So, we have taken because you know that last almost 3 years, we are not getting much order. So definitely, we have gone a little bit aggressively and we have got this project. So that's why previously you know the HAM project, we are getting around 15% to 16% of EBITDA and irrigation is more than around 10% to 20% EBITDA.



But right now, we are definitely going aggressively and that's why this in even this our Mahabubnagar project which there is we will get somewhere at all to 13%. So that's why in overall order book as of now we are expected around 10% to 11% of EBITDA.

**Vaibhav Shah:** Okay. Sir, lastly, what revenue are we targeting for FY28?

**K. Venkata Ram Rao:** Our target is because this year, we did INR2,000 crores and next year, we will do somewhere around INR2,000 crores plus, maybe INR2,200 crores, INR2,300 crores. So definitely around INR3,000 crores plus we are targeting actually in FY28.

**Vaibhav Shah:** Okay. Thank you.

**Moderator:** Next question is from the line of Bhavin Modi from Anand Rathi. Please go ahead.

**Bhavin Modi:** Can you help me what is the unbilled revenue pending from the road order book and from the pipeline?

**K. Venkata Ram Rao:** Actually, almost irrigation project is almost INR800 crores actually and balance, you can say around INR500 crores in the road.

**Bhavin Modi:** Understood. And sir, second, with respect to in the last call, we mentioned that we are forming a team for the railway segment. And we also saw there was a bidding done by the KNR in the railway. So how do you see railway vis-a-vis the road because all the other players are seeing there are not such good margins in the railway segment. So how are you looking at or what different we are trying?

**K. Jalandhar Reddy:** Railways, maybe we have done almost 6, 7 tenders as of now, out of which none of them because the market is there is a little bit heated. So recently, we have submitted in some contract between Lumpur and Shimoga. Shimoga, I think that is around INR800 crores. So that there we are expecting, I don't know what happens, we can't say, but we have quoted a little bit sensibly. We'll have to see what happens here.

But I think the trend is very strong -- but I think this will ease out our problems in going into railways and all. So, it's targeting for high-speed railways with the joint venture partner under which we are discussing. So definitely, I think this will give us in quoting those aspects. So, I'm making the trials in this actually.

**Bhavin Modi:** Sir, last thing, any ongoing talks for the back-to-back EPC arrangement either in railways or roads anything which is going on?

**K. Jalandhar Reddy:** So back-to-back discussion was there on that Maharashtra project, but there also they were not offering some lucrative price. They have got a lucrative price, but they are not keeping the lucrative price. So, we said the discussion, we can't say it's a successful story or not successful story. we have quoted our price to them. If they accept, definitely, we'll do at that price.



- Bhavin Modi:** Okay. And any plans on the elevated...
- K. Jalandhar Reddy:** I can even say that Pune - Nanded highway we are waiting for that person to respond on that. Sir trials are there from all corners with little bit sensible payment backup. We are all trying in it.
- Bhavin Modi:** Understood. Thank you sir.
- Moderator:** Thank you. Next question is from the line of Faisal Hawa from H.G. Hawa and Company. Please go ahead.
- Faisal Hawa:** Sir, over the years, we have accumulated a lot of land in the sense for mining, etcetera. And now because of solar projects in rural areas, etcetera, there is a lot of value for these lands. So, can you just give an estimate of what this land bank that we have is worth today at current prices? That is one.
- Second, sir, there are a lot of data centre projects which are coming on in Andhra Pradesh, and we are kind of quite strong in that region. So, are we looking at executing these projects because these are also rather complex projects, and we can have some private sector involvement so that our payments matters are also eased out? And third is, sir, what are our plans in solar? And how do we plan to really get into the sector in a big way without compromising on margins?
- K. Jalandhar Reddy:** Sir, solar is concerned, first, I'll talk about the land which we have on the ground. See actually, sir, these lands were accumulated only for the quarries and all other. See, there is every highway, which we have done to core lanes, I think neither coming for six lanes or for the greenfield. So, these most of the quarries are a little bit useful for those projects which are coming up because later, if you want to buy these not at an unacquirable cost.
- Today, even the land which I want to purchase I cannot purchase because the price is so much. Almost they have gone by 3x to 4x above. So, with this, sir, actually, the little bit comfortness is there for the company asset kind of build-up.
- But, it's the right idea that going solar into these projects, yes, definitely, sir, we are examining the case. And as and when the things roll out like nearby areas if they call for tenders, NTPC tie-ups, we are able to make up. All that we are trying up. Definitely, sir, we would like to develop these lands with solar or for the quarry. So, we want them to be under utilization in coming 4, 5 years. That is the target which we are working on it, sir.
- Second, sir, which you have asked about data centre, we are now thinking of data centre in Hyderabad near about smart city area. There have been certain friends who would like to join the thing and they want to make the business successful. So, the model has come up like Agentic AI plus data centre development.
- So, these sort of thing is going to be a little bit EBITDA making and then going forward, it is lucrative for the public also. So definitely, sir, we are now under discussion stage. I think one

the MoU also model MoU has been circulated between us and the partners who want to join the thing.

So, this is a little bit at this stage right now. So going forward, the plan for the company is that to grow very big in the data centre, not like doing one data centre and restricting others because backup data centres are also required and then multiple data centre requirement is there in India because 2027 onwards, Indian data should be Indian in India. So, the advantage also is going to boost the business. That's what everybody is thinking, and we are also a positive thought we are giving towards that sir.

**Faisal Hawa:** But we are definitely very well equipped to do data centre EPC work?

**K. Jalandhar Reddy:** Yes, sir. We will do EPC. EPC no doubt will be done by KNR. The thing is the main thing that allotment of land from the government where the power -- 100% power supply assurance is there. That is only the important point with water supply. This is the main thing, sir.

**Faisal Hawa:** And sir, what are our long-term plans in solar EPC? I believe that the plain vanilla solar EPC is not attracting us much because of the low margins. So, is there some other long-term plans that we have?

**K. Jalandhar Reddy:** Solar EPC kind of thing, sir. What is happening here, actually if I were to answer that question. Solar EPC in a small scale, it is worst. We cannot even touch. But the larger scale like 1,000 megawatts and all that, they are having some sensible touch. So definitely, sir, there only we want to hit not below this. Above 500 are all happening in a good way. Only the challenging point in this is acquiring the land for those things.

In certain contracts, land is being offered by the client itself. There, we have no issues. But certain areas, we have to go with our own land or the land leasing method which we have to go. So we are now exploring sir. Maharashtra area, we are exploring opportunities. And Karnataka also recently, we have gone one land position. All that is happening, sir, slowly.

**Faisal Hawa:** Thank you so much for answering my question so well sir.

**Moderator:** Thank you. Next question is from the line of Durgesh Shukla from InCred Capital. Please go ahead.

**Durgesh Shukla:** Hello, sir. Thanks for the opportunity. I just have one question. In the results pdf on the stand-alone part on point number 4, it is mentioned that the company has recognized claims for an amount of INR16,297 lakhs from client on settlement. And also, you have mentioned about cost and everything. So just wanted to know this revenue, this part of recognized claim is already included in the revenue or not?

**K. Jalandhar Reddy:** It is included because what has happened, INR162 crores of the claims we have recognized and we have assessed some of the projects where our cost has changed. So, you can consider that



around actually net of INR162 crores minus INR130 crores, around INR27 crores has been considered in the income from operation.

**Durgesh Shukla:** Okay. So basically, this INR16,297 lakhs and INR13,552 lakhs is both included in revenue and cost in the given statement. That's the thing, right, sir?

**K. Jalandhar Reddy:** Yes, yes. It is included in revenue from operations. So, net has been included, what you can say.

**Durgesh Shukla:** Net has been included. Okay, sir. Thank you sir. That's all from my side.

**Moderator:** Thank you. Next question is from the line of Vasudev from Nuvama Wealth Management. Please go ahead.

**Vasudev:** Yes. Thank you for the follow up. So, sir, we're targeting INR8,000 crores to INR10,000 crores of order inflows for next year. So, for this, what kind of bid pipeline, if you can just quantify that, that we are looking at?

**K. Venkat Ram Rao:** As you told that around INR4,000 crores the pipeline is there. That is basically some of the GHMC project and some of the mining projects are there. And we are targeting to actually bid for some of the NHAI projects in the Northeast part, NHAI projects are coming in the HAM model. So that's INR8,000 crores to INR10,000 crores is a mix of all these things, mining and roads.

**Vasudev:** Okay. Got it, sir. And you said that irrigation is about 8% of the total revenue for this quarter. So, if you can give a breakdown for remaining segments as well, like road EPC, HAM and as such?

**K. Venkat Ram Rao:** Yes, yes. HAM is around 42% for this quarter. And road EPC is 33% and back-to-back EPC is around 17%.

**Vasudev:** Okay. Sure. And lastly, sir, what is the capex that we did in Q4?

**K. Venkat Ram Rao:** We did actually almost not much actually. Total year, we did around INR4 crores of capex.

**Vasudev:** Okay. Fair, sir. Got it. That's it from me, sir.

**Moderator:** Thank you. Next question is from the line of Akshat, an Individual Investor. Please go ahead.

**Akshat:** Are there any major delays or execution challenges in the current projects? If yes, then what steps are being taken to improve execution and timeline in financial year '27?

**K. Venkata Ram Rao:** Delays in I think Kushalnagar

**K. Jalandhar Reddy:** Mysore -Kushalnagar, there have been certain land problems were there because of that service road they wanted the public, it's a greenfield. Actually, the lands are divided into 2 parts, rather access to the village and the lands have been cut by the highway. So, they wanted certain service



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roads to be provided and access to the village to be provided. So, for that, they were fighting and all these days, they stopped it.

NHAI could not conclude that. But later recently within, I think, 2 weeks back, they have given the police protection to go ahead with the work. So now works are restored. I think the work is in full swing by today. So, with all that, I think those projects timeline is going to be a little bit shifted.

But however, we will try to procure the provisional completion on time, but the final completion may differ with the final completion date. That's what we are expecting because more than 50% of the land was under problem on both the projects, Mysore- Kushalnagar 2 projects, it is like that. And rest all, I think most of them online, Mahabubnagar, what I heard recently, we met the Project Director, he was very confident of giving land within 5 months of time. He would give entire land to us to go ahead.

**Akshat:** Okay. Thank you, sir.

**Moderator:** Thank you very much. As there are no further questions, I would now like to hand the conference over to the management for closing comments.

**K. Venkata Ram Rao:** Yes. Thank you. Thank you all for joining us on this call. Please reach out to our Investor Relations Consultant, Strategic Growth Advisors or us directly should you have any further queries. We can now close the call. Thank you.

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