POWER MECH®
Growth Unlimited

Date: November 17, 2026

To
Listing Department
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex,
Bandra (E), Mumbai – 400 051
Symbol/Security ID: POWERMECH

To
Dept. of Corp. Services
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai- 400001
Security Code: 539302

Dear Sir/Madam,

Sub: Transcript of the Conference call with Investors / Analysts pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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With reference to the subject cited above, please find enclosed the transcript of the Conference Call with Investors / Analysts held on November 13, 2026, on the Q2FY27 performance of the Company.

Kindly take the same on record and acknowledge the receipt.

Thanking you.
Yours faithfully,
For Power Mech Projects Limited

Power Mech Projects Limited Hyderabad

Movva Raghavendra Prasad

Digitally signed by Movva Raghavendra Prasad
Date: 2026.11.17 09:16:04 +05'30'

M. Raghavendra Prasad
Company Secretary and Compliance Officer

Encl: as above

"Power Mech Projects Limited
Q2 FY27 Earnings Conference Call"
November 13, 2026

MANAGEMENT: **MR. N. NANI ARAVIND – CHIEF FINANCIAL OFFICER – MR. S.K. RAMAIAH – DIRECTOR (NON-BOARD), BUSINESS DEVELOPMENT**

MODERATOR: **MS. JUILI BAVISKAR – ASHIKA INSTITUTIONAL EQUITIES**

Moderator: Ladies and gentlemen, good day and welcome to Power Mech Projects Limited Q2 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. I now hand the conference over to Ms. Juili Baviskar from Ashika Institutional Equities. Thank you, and over to you, Ms. Baviskar.

Juili Baviskar: Thank you. Good morning and very warm welcome to everyone. On behalf of Ashika Institutional Equities, I welcome you all to Power Mech Projects Limited Q2 FY27 earnings conference call. Today, we have the top management represented by Mr. N. Nani Aravind, CFO, and Mr. S. K. Ramaiah, Director, Business Development. We thank Power Mech Projects for giving us the opportunity to host the call, and we will now like to hand over the floor to management of their opening remarks, post which we will open the floor for Q&A. Thanks, and over to you, sir.

N. Nani Aravind: Thank you. Good morning, everyone. I am Nani Aravind, Group Chief Financial Officer of the company. I would like to extend a warm welcome to all of you joining us today for our quarter two and first half of the financial year 2027 earnings conference call. Thank you for taking the time to participate in this discussion. As we complete the first half of financial year 2027, the company has continued its strong growth momentum, supported by improved execution across several of our key business verticals. Our performance reflects the strength of our diversified business model, expanding order book, execution capabilities, and increasing contribution from our O&M and mining business.

Coming to the financial performance of the quarter two financial year 2027, the company recorded a revenue from operations of INR1,609 crores, registering a strong year-on-year growth of 30% compared to INR1,238 crores in quarter two of financial year 2026. For the first half of financial year 2027, revenue from operations stood at INR3,233 crores, registering a growth of 28% over INR2,531 crores in the corresponding period of the previous year. The overall growth was supported by higher execution across industrial services, infrastructure construction, and MDO projects, which more than offset the relatively slower execution in industrial construction projects.

EBITDA for quarter two financial year 2027 stood at INR187 crores, registering an 18% year-on-year growth compared to INR158 crores in quarter two financial year 2026. For half year FY27, EBITDA stood at INR363 crores, registering a growth of 7% over INR340 crores in half year FY26.

Profit after tax for quarter two FY27 stood at INR88 crores compared to INR78 crores in quarter two FY26, registering a growth approximately 12%. For half year FY27, PAT stood at INR177 crores compared to INR159 crores in the corresponding period of previous year, also registering a growth of 12%. The company has maintained healthy growth in revenue, EBITDA, and PAT during the first half of FY27.

Coming to the segment-wise revenue performance, industrial construction recorded a revenue of INR372 crores during quarter two FY27 compared to INR435 crores in quarter two FY26, representing a decline of approximately 14% year-on-year. This was primarily due to completion of certain earlier projects and the slower progress in FGD projects. Industrial services recorded a revenue of INR570 crores compared to INR440 crores in the corresponding quarter of the previous year, registering a strong growth approximately 30%.

The performance was supported by improved execution and ramp-up of projects secured through new order inflows. Infrastructure construction contributed INR582 crores during the quarter compared to INR322 crores in quarter two FY26, registering a growth approximately 75% year-on-year. This was driven by strong execution across civil infrastructure and other ongoing new projects.

Our MDO business recorded a revenue of INR85 crores compared to INR31 crores in quarter two FY26, representing a growth of approximately 174% year-on-year. The growth was primarily supported by the ramp-up in production at the KBP mine. The increasing contribution from our MDO business is an important development, as this segment is expected to strengthen the company's overall profitability as operations scale up. Overall, the quarter reflects healthy execution across industrial services, infrastructure construction, along with an increasing contribution from the mining business.

Coming to the margins and profitability, EBITDA margin quarter two FY27 stood at 11.55% compared to 12.65% in quarter two FY26. For half year FY27, EBITDA margin stood at 11.17% compared to 13.33% in half year FY26. Higher margins during the previous year, due to exceptional additional revenues in Uttarakand Riverbed minerals the comparative number is higher compared to the present quarter.

The underlying operating performance for the quarter compared to the previous quarter remains healthy. On sequential basis, EBITDA improved approximately INR11 crores. From INR176 crores in Q1 FY27 to INR187 crores in Q2 FY27. EBITDA margin also improved from 10.78% to 11.55%, supported by better operating cost management and improved execution. PAT margin for quarter two FY27 stood at 5.45% compared to 6.31% in quarter two FY26.

On a sequential basis, PAT was marginally lower by approximately INR2 crores, mainly due to higher finance cost and depreciation during the quarter. Looking ahead, we expect the margin trajectory to improve in the coming quarters as the contribution from relatively higher-margin business, particularly MDO, increases with the scaling up of operations. Continued focus will be on improving execution efficiencies, cost optimization, and enhancing the contribution from higher-margin business segments.

Coming to order inflow and order book, the company secured fresh orders worth approximately INR1,890 crores during quarter two FY27. With this, the cumulative order inflow for FY27 up to the reporting period stood at INR4,801 crores, representing approximately 40% of our annual order inflow target of INR12,000 crores. The order inflows during the period reflect our continued presence across thermal power, industrial services, and infrastructure-related opportunities.

Some of the key orders secured during the period include five years comprehensive O&M order for 2 x 600 MW Athena Power Plant by Vedanta, five years comprehensive operation maintenance contract, 2 x 600 Moxie Power Thermal Plant of Adani Tuticorin facility, and three years operation maintenance contract from ash handling plant and coal handling plant at Yadadri Thermal Station awarded by TG Genco. These orders further strengthen our O&M portfolio and provide long-term revenue visibility.

As of today, our consolidated order backlog, including MDO projects, stood at INR56,729 crores, reflecting approximately 3% growth year-on-year. Of this, the executable order book, excluding MDO, stood at approximately INR17,486 crores, providing more than two years of revenue visibility across the core business. The MDO order book stood at approximately INR39,243 crores, representing a significant portion of our overall order backlog.

We continue to focus on strengthening our order book through a selective participation in high-value EPC packages, balance of plant projects, domestic and international O&M contracts, civil infrastructure, urban mobility, and mining opportunities. To conclude, the first half of the financial year 2027 has been encouraging.

The revenue growth of 28% and PAT growth of 12% over the corresponding period of the previous year. Our consolidated order backlog of approximately INR56,729 crores provides a strong multi-year revenue visibility. We remain confident about the growth opportunities available across our core business, particularly power O&M, industrial construction, civil infrastructure, and mining.

To conclude, the first half of the financial year 2027 has been encouraging, with revenue growth of 28% and PAT growth of 12% over the corresponding period of the previous year. Our consolidated order backlog of approximately INR56,729 crores provide a strong multi-year revenue visibility. We remain confident about the growth opportunities available across our core business, particularly power O&M, industrial construction, civil infrastructure, and mining.

Our key priorities for the coming quarter will be to accelerate execution across all our existing order book and newly secured projects, improve our margin profile through a higher contribution from O&M and MDO business, strengthen cash flows through a timely project certification, collection, and efficient working capital management, continue to build a diversified and sustainable order book across domestic and international markets.

With our strong execution capabilities, diversified business portfolio, and healthy order backlog, we remain confident of delivering sustainable growth and creating a long-term value for all our stakeholders. With this, I would like to hand over the discussion to Mr. Ramaiah Garu to share further insights on the business performance, operational development, and outlook. Thank you.

S.K. Ramaiah: Thanks, Aravind, for your detailed brief on the operations and also the business side of the growth of the company, and how we are trying to improve the many areas of the business, order growth and then revenue. Now, coming back to the achievements YTD as on date, one significant thing is that there is a better outlook in the year 2026-2027 compared to 2025-2026, from the fact is that more opportunities are coming up.

Then, particularly the power sector is booming in a big way. And then O&M in particular, and then construction side of the business in the ETC business, and also the associated civil works in the power sector. These are the major developments.

Our overall perspective, if you look at it, the quarter two of last year to quarter three, this one compared to, again, INR1890crores, against INR1,020 crores of last year, quarter two, the achievement is about INR1,890 crores. That is a substantial increase in that. In this quarter, particularly the O&M has been a top performer. With that, the overall backlog of the orders has gone up to INR16,598 crores, with the overall increase of 4.5% compared to last year's beginning, about INR15,900 crores.

The one aspect is that normally first half, the order flow will be less. As I told, last year, the total order flow, the first half was INR2,290 crores. Now, it has gone to INR3754 crores, and YTD, it is almost INR4,800 crores. Therefore, that shows that the ordering process has improved even in the f, first two quarters also.

With that, the targets, of INR12,000 crores should rationally be pursued. Where all these things will come up, perhaps we have gone through in detail, and a roadmap has been drawn for a clear business development and order backlog and conversion also. The main driver is the investments which are coming in a massive way by the private sector. Adani and then JSW, they are leading the pack, the whole aspect.

Adani is planning of the capacity enhancement ongoing projects from what is the installed capacity, 18,730 MW to 42,000 MW in the next five years. JSW is planning from 5,658 MW to 30,000 MW. Of course, public sector GENCOS, they are also capacity enhancement. Damodar Valley Corporation from 6700mw to 16000mw, then NTPC has got big plans from 67,000 MW to 91,000 MW.

Our business profile fits into more into private sector because of the quickness and also the shorter cycle times and the quick turnaround of the revenue, and that will give a better outlook for our operations in terms top and bottom line. The packaging philosophy also more suits our method of working, what is called a vertical package.

That means the entire comprehensive installation business and also the construction side of the civil and structural work. These two aspects are synergic to each other, and that better captured with private players like Adani and then JSW. That is where we prefer to work t, and cycle times are much less, about 30- 31 months. Then the delays are much, much better managed in the case of these private companies.

Coming back to the overall opportunity, if you look at it, perhaps the INR12,000 crores what we have mapped in the beginning seems to be better. We are better at to achieve this in the current year based on the total high-end opportunities we are working on that. In the power sector itself, on the installation business, about INR3,650 crores of high-end opportunities have been identified with projects with Adani in three projects, and also with JSW.

On the O&M side, in fact, we are hopeful of another INR1,850 crores of high-end opportunities being pursued in three, four plants in the next four months. Apart from that, the EPC sector of the business, about three, four opportunities are being pursued. Of course, there are some scheduling works and all in the way the bidding structure is set because EPC contracts are complex.

A lot of parameters have to be matched, and the offers have to be compliant to the stringent tender requirements, and that is why it is taking time. Durgapur, around INR2,500 crores. JSW, CHP, EPC about INR1,000 crores. BHEL, Amarkantak about INR2,000 crores. These are the three major opportunities. I told you about the installation side, about INR3,650 crores.

O&M side, about INR1,850 crores expected in the future, with the major jobs expected from Adani and also Vedanta Group. I would like to explain briefly about the lot of progress made on the O&M side of the business, because that is where the top line as well as the bottom line is coming up. In fact, our entire order booking in this quarter is coming on the O&M side mostly.

Therefore, presently the company is working in about 38,500 MW of operation plants, about 32 plants, except three plants which are non-power related. Rest of the 29 plants are all power sector oriented. In that, there are three segments of type of working. One is the end-to-end solution in comprehensive O&M, about 9,000 MW, 23% of our operating base is on the comprehensive, where every part of the business and the execution is handed over to the contractor.

Then semi-comprehensive, except the control room, rest of the outside and various operations, about 40% of the business in the O&M, 15,400 MW. That is what we are working. Other than that, maintenance contracts and manpower supply contracts and routine works on the job, that is also we are working in about 14,187 MW, 37%.

The major portion of the business coming from Adani, about 9,720 MW, Vedanta about 5,000 MW, Tata Power 4,000 MW, RP Goenka Group two plants of 600 MW is INR1,200 crores, and Telangana GENCO recently it has been commissioned i that we have taken a job. Others are about INR14,644 crores of different type of jobs. This is the total execution order value ongoing for the last two, three years is of INR7,426 crores. Out of that, the backlog on the O&M is around INR4,642 crores. In fact, compared to last year backlog from INR2,972 crores, the O&M backlog has gone up almost by 56% from INR2,972 to INR4,642. That should be a positive indication not only for the top line, but more important for the bottom line.

The questions can be asked obviously, why there is no such progress in the other sectors, that is the ETC business, construction business. Typically, what has happened, there has been some lag in that in terms of ordering. Even the opportunities have identified both for the private sector and the government sector. In that way, we are pursuing vigorously with both Adani and JSW.

Those opportunities, as I told you, these are all feasible opportunities which we can work on that. INR3,650 crores, I said about the high-probability projects in the installation business. The civil side of the business around INR2,000 crores, that should be also there in the Adani two

plants, and there are other civil works are also balance which has to come from Adani, JSW about another INR2,000 crores.

What is another important thing I said, O&M I said INR1,850 crores, BOP already told INR5,500 crores. There is a new development happening in the non-power sector, and the steel segment is coming up in a big way in investment in three major plants of Steel Authority of India Limited, that is Bokaro, about 3.5 million tons, then Bhilai about 4 t million tons, and then Rourkela. These two plants are now active. Initial tenders are out in the case of Bhilai Steel Plant for the raw material handling package that will be around combined EPC package of INR4,000 crore-INR4,500 crores. We are trying to tie up with a technology partner on that. Similar type of package is also expected in the Rourkela for the raw material handling.

There are other packages also in the case of Sinter Plant, Pellet Plant, and then miscellaneous similar structural packages. We have got some exposure in that. These are all big-ticket items. It has got a lot of bulk work involved in the steel and concreting work. With our experience, perhaps we are getting qualified in this.

We hope this is a new segment which even though we had an exposure of working earlier in JSW and JSPL, after the more opportunities came up in the power sector, we thought we will try to focus on that. These much bigger packages are coming. We are trying getting a focus back on that. That is where what Aravind was confident about INR12,000 crores comes from the basis about INR4,800 crores YTD what has been captured.

Another INR7,000 crores, that has to come up from these high-end opportunities of INR16,000 crores. Bulk of it will continues to come from the O&M side. The other, the backlog of ordering which has to happen in the installation, the civil side. At least one BOP also if we capture, that will be a reasonable to expect the same.

Added to that, if we are successful in the steel side, that will be add-on growth for the business and business development and growth of the company. In fact, on the power sector, if you look at it, ongoing projects which are working in various projects about 59,000 MW- 60,000 MW with an investment of INR3 lakh crores.

In that, the opportunity size, ongoing opportunity size, we are mapping about INR20,000 crore-INR25,000 crores based on what has been ordered and what has to be ordered. These opportunities are intensely being followed project to project and end to end. That is also taken care of in terms of the O&M side because the Central Electricity Authority has gone a plan for 40,000 MW of commissioning of the new power plants, which are under investment.

That should come about 7,000 MW- 8,000 MW of operation availability on average basis. Of course, it varies, it depends on the year to year how much is getting commissioned, but next five years should be confident 40,000 MW should come on the pipeline. That may add an opportunity in the O&M side, offering about INR1,200 crore-INR1,500 crores yearly apart from the renewals.

And then that yearly, if it is compounded on the three-year to five-year contracts, it will be substantial order flows should come in the O&M side in the next couple of years. Therefore, in a nutshell, we are bullish on this INR12,000 crores of target what we have kept based on the high-end opportunities. And then the new businesses side, wherever we are trying to work on that.

And then there is another important development is Middle East peace is coming up. Latest information is that we have taken a INR492crores combined cycle plant, 2,000 MW Gas fired combined Cycle power plant installation work in Saudi Arabia. Just now that order has been clinched. Therefore, lot more opportunities to come into Middle East and also West Africa provided the present peace can continue. And these markets will add up to the business. With that also, O&M jobs also should be available. That what I would like to say.

Thank you very much.

Moderator: Should we open the line for questions? Speakers, should we open the line for questions?

N. Nani Aravind: Okay, proceed.

Moderator: Speakers, should we open the line for questions?

N. Nani Aravind: You can proceed.

Moderator: Thank you. We will now begin the question and answer session. The first question comes from the line of Mohit Kumar with ICICI Securities. Please go ahead.

Mohit Kumar: Good afternoon, and thanks for the opportunity. My first question is on the O&M order book. I think you mentioned INR4,622 crores. My question is it fair to expect that the execution in FY28 from this O&M order book will be closer to INR800 crores or INR900 crores per year? Is that a fair assumption?

S.K. Ramaiah: You mean some new capacity is coming as an opportunity in O&M?

Mohit Kumar: No, no. My question is the backlog is already at INR4,672 crores, right? So, our revenue booking or execution in FY28 should go up, right? Massively. So, expectation of INR900 crores per annum is a fair assumption, right?

N. Nani Aravind: Yes, the new orders are expected to contribute around INR400 crore-INR500 crores of incremental revenue growth. So, overall O&M revenue will go up by 25%.

Mohit Kumar: Probably, sir, can you just tell us the year expectation for FY28 number from this backlog for O&M?

N. Nani Aravind: Overall, we projected around INR2,600 crores from the current year. We are projecting INR2,100 crores for the current year. It will go up by another INR500 crores by 2028.

Mohit Kumar: Understood. Understood. My second question is on the MDO production in million tons in Q2 and H1. Can you also talk about the progress on commissioning of Washery?

N. Nani Aravind: The KBP mine, we are targeting production around 3 million tons for the current financial year. Even though for our revenue guidance projection, we projected only 2.5 million tons. So far, we did around 7 lakhs tons in first half of the year. Being rainy season and during first quarter, we started the new seams, and the coal production was low. This will be covered up in the Q3 and Q4, and we are confident of achieving our target projected revenue of INR350 crores. So far, we achieved revenue of INR119 crores from KBP mine. Balance INR231 crores revenue expected to be generated from the KBP mine during 2nd Half of the year. Regarding the washery is concerned, we have completed 85% of the washery construction, and we are targeting to complete the construction of washery by end of January 2027. We are planning to start the trial runs in February.

In line with our projected timelines, we are targeting to close this construction by January end. Hopefully, we will do the washery by March, and we will generate one month's revenue with washed coal during the current financial year.

Mohit Kumar: And sir, any update on Tasra open cast mine?

N. Nani Aravind: Sir, Tasra output. Production we are doing 50,000 to 60,000 per month.

Mohit Kumar: And the revenue booking which you did for the first half for Tasra?

N. Nani Aravind: First half, almost INR50 crores overall for both the quarters together. INR26 crores for the quarter one, INR24 crores for the quarter two we booked so far.

Mohit Kumar: And we expect that number to go up to 2 million tons in FY28. Is that a right assumption, sir?

N. Nani Aravind: Yes.

Mohit Kumar: Understood, sir. Thank you. Thank you, and all the best.

Moderator: Thank you. A reminder to all the participants that you may press star and one to ask a question. Next question comes from the line of Dhananjay Mishra with Centrum Broking. Please go ahead.

Dhananjay Mishra: Yes, thanks for the opportunity. Am I audible?

N. Nani Aravind: Yes, Dhananjay, go on.

Dhananjay Mishra: Yes. I just wanted to check what is the contribution from the rail order in this quarter in terms of revenue? Because we have clubbed the EPC and the ETC together.

N. Nani Aravind: So, you want the revenue breakup for both EPC and ETC?

Dhananjay Mishra: Yes, yes.

N. Nani Aravind: Industrial construction recorded a revenue of INR286 crores, and EPC division achieved revenue of INR87.4 crores.

Dhananjay Mishra: Okay. This is kind of similar to our Q1 number from the rail order, right?

N. Nani Aravind: Yes.

Dhananjay Mishra: We are targeting INR750 crores, INR700+ crores for the full year. Do you think it will pick up in Q3 and Q4?

N. Nani Aravind: EPC, the procurement orders, major orders already placed which we will be billed in the coming quarters. We are confident of achieving the projected numbers.

Dhananjay Mishra: Okay. 700 is comfortably we will achieve?

N. Nani Aravind: Yes, INR694 crores plus. Yes, INR694 crores is projected from the EPC. We will achieve that number.

Dhananjay Mishra: Even the MDO business, we are targeting close to INR500+ crores from both the mines?

N. Nani Aravind: Yes. We are confident of crossing that INR500 crores revenue, KBP mining operations are progressing well, and we have deployed the new machineries to enhance production, and these additions generate new extra revenues in next two quarters, and we can achieve the projected numbers.

Dhananjay Mishra: What will be the capex for the full year in MDO business and outside MDO business?

N. Nani Aravind: Overall Capex of around INR900 crores is estimated in the Washery and CHP railway siding together, In the KBP mine, there is no heavy equipment. As the operations are being carried out on hire basis, and only the project capital expenditure of around INR300 to INR330 crores of requirement. We already incurred around INR150 crores. Balance INR150 crores, there is a delay in Washery from the client side, so we are also postponing some of the expenditure of

capex. In KBP, there is no requirement of much capex in next two years. Tasra, so far, we incurred around INR600 crores. Another INR300 crores will be there by this March.

Dhananjay Mishra: Okay. Sir, on margin side, despite higher contribution from O&M, that is about 35%, we are still at, if you talk about operating EBITDA margin, excluding other income, it is 11.1%. How do you see this margin in H2, and whether we will achieve 11.5% or 12% on full year basis, when I talk about operating EBITDA margin in this financial year?

N. Nani Aravind: Yes, sir. There is a constraint in terms of increase of the material cost on account of the war in West Asia. In spite of that, if you look at our financials Q1 and Q2 FY 27, there is an improvement in the operating margins of consol numbers. Maybe because of the rainy season in the mining side, there is a low production, and once the volume increases, the margins will be recovered in the minimum of that.

So, we are committed to achieve 11.6% minimum operating margin without other income operating margin in consol number. Several of our legacy projects are nearer to completion, and new projects, are carrying good margins. So, we are hoping that the new margins and new projects, we can surpass the projected numbers also.

Dhananjay Mishra: Okay. Lastly, sir, in presentation, we have mentioned order backlog from O&M side. It is INR5,689 crores. Did we just mention that we have INR4,600 for O&M? I mean, even if I take all these O&M orders, there is some mismatch in these numbers.

S.K. Ramaiah: No, that is added the third quarter so far.

N. Nani Aravind: Q3 also we received some orders, so that was added to that.

Dhananjay Mishra: Even after adding, okay. Even after adding those, that number, okay.

S.K. Ramaiah: Yes. INR1,046 crores.

Dhananjay Mishra: Okay. Okay. See, INR1,000 crores ETC, INR492 crores we got in ETC, and this Vedanta order is about INR326.7 crores. That is one O&M order we have received.

N. Nani Aravind: Almost INR3,700 crores of orders of O&M we received YTD, sir, till date. Out of INR4,800 crores order inflow.

Dhananjay Mishra: Okay

N. Nani Aravind: Major INR3,700 crore orders are from the industrial services, sir.

Dhananjay Mishra: Some order, some small order we would have not announced in exchange, right?

N. Nani Aravind: Less than INR100 crores and all, we are not announcing. By including all those small orders, it is a total INR3,700 crores.

Dhananjay Mishra: Can you give the breakup of this INR4,800 crores, this segment-wise? What is O&M? What is civil? What is ETC?

N. Nani Aravind: Sir, there are INR1,083 crores of civil works. One is the Salboni civil work, which we announced INR855 crores. And from Vandebarat train depot construction work of INR228 crores. These two are the infrastructure construction orders s. Remaining all orders of INR 3,700 Cr are related to the O&M orders. Major orders from O&M side received in Q3, we received one Lanjigarh, Athena, Chhattisgarh, one order from Vedanta, which is around INR407 crores. And INR120 crores of Singareni O&M renewal during the quarter. And in Saudi, we received

Dhananjay Mishra: INR492 Cr.

N. Nani Aravind: Elsewedy Electric Power Systems, so one INR492 crores order from Saudi Arabia. That is erection work. In Q2, major orders are from Adani Moxie Power Generation, around INR549 crores. Telangana, Yadadri township, Yadadri Telangana Power Generation, TG Power Generation, INR279 crores. Athena, Vedanta INR970 crores of their Athena Chhattisgarh power O&M order. These are the major O&M orders we received during the year.

Dhananjay Mishra: Okay. This INR4,800 crores is excluding GST?

N. Nani Aravind: Yes, sir, without GST.

Dhananjay Mishra: So, INR3,700 you are saying O&M till date, right?

N. Nani Aravind: Yes.

Dhananjay Mishra: Okay. Thank you. That is all from my side. Thank you.

Moderator: Thank you. A reminder to all the participants that you may press star and one to ask a question. Next question comes on the line of Nikhil Kanodia with Sunidhi Securities. Please go ahead.

Nikhil Kanodia: Yes. Hi, good morning. Am I audible?

N. Nani Aravind: Yes, Nikhil.

Nikhil Kanodia: Yes. Sir, good morning. First of all, congratulations on a decent set of execution and some margin recovery as well. Having said that, sir, wanted to understand, on the basis of whatever you have said, the Washery, you are expecting it to be up and running by January, February, and the O&M contribution has also kind of increased. As such, what is your revised guidance for FY27-2028, be it on the top line basis and the margin basis?

N. Nani Aravind: Right now, we are not proposing any changes in the guidance, sir. The guidance will remain same as what we projected earlier. In terms of the EBITDA margin also, the same guidance we are projecting for both 2027 and 2028.

Nikhil Kanodia: Okay. And sir, given the increased share of O&M and also that the MDO business has now started to contribute, shown some sign of contribution meaningfully. What sort of EBITDA improvement can we expect in H2, given these two businesses, MDO and your O&M?

N. Nani Aravind: Sir, 11.6% operating margin without other income which we projected for the current 2027, FY27. The new orders received during the Q1 and the Q2 in the current year are expected to start contributing to revenue and profitability from FY 2028 onwards. Initially, we will have to mobilization expenses and people, recruitment of people, overheads will be there. So, from 2028 onwards, as these projects stabilise and execution gather momentum, we expect an operating margin improvement of 0.25%-0.5% will be there over the FY 2027 numbers.

Nikhil Kanodia: Okay.

N. Nani Aravind: We are reiterating our earlier guidance for FY27. The projections and guidance provided previously remain unchanged, and we continue to stand by the same commitments for the current financial year.

Nikhil Kanodia: Okay. Okay. Sir, what would be your bid pipeline as on date?

N. Nani Aravind: Sorry, what bid?

Nikhil Kanodia: Bid pipeline.

N. Nani Aravind: Bid pipeline?

S.K. Ramaiah: Bid pipeline.

N. Nani Aravind: Around INR18,000 crores of high probable cases which we have identified in infrastructure, EPC side, EPC and civil—

S.K. Ramaiah: O&M.

N. Nani Aravind: ETC, EPC, Civil and O&M. Apart from that, as sir rightly said, there were some steel opportunities.

S.K. Ramaiah: Steel also is opening about INR5,000 crores.

Nikhil Kanodia: What would be your, sir, hit ratio, like success ratio in this bidding?

S.K. Ramaiah: We can take around 30%-40% minimum.

Nikhil Kanodia: And your sir, L1 position as on date?

N. Nani Aravind: Yes. So, these are. The L1 is mostly just with public tenders, Nikhil. In this case, it is more of negotiations with private clients. So, it is not L1 as such, it is a lot of technical negotiation back and forth.

S.K. Ramaiah: See, in private sector.

Nikhil Kanodia: Okay

S.K. Ramaiah: No, what I can tell you is that most of the opportunities that coming in power sector is coming from the private sector, that is Adani and JSW. And we are-

Nikhil Kanodia: Okay. So those are the technical bids and not the L1 basis bids, right?

S.K. Ramaiah: No, it is not L1.

Nikhil Kanodia: Technical bids.

S.K. Ramaiah: They have got a different approach for us because as a resource-based company, we are able to deploy the resources and also meet their schedules. Not many companies in the country has got that capabilities. For example, today in Adani plants, over 15,000 manpower is deployed, and they are working round the clock, and then we are meeting the schedules. Now, the new job what is expected also, whatever I told the opportunities about this one, both Adani and JSW, on the same lines, because some of the jobs are getting completed, we have got a flexibility of redeploying the manpower and adding the manpower.

Today, our headcount in the construction side and all this substantial has gone up by 20%-25% from the beginning of the year as on date because of the new orders which we have to execute from Adani and JSW. Further, we may have to augment it also in the third and fourth quarter also expecting new orders.

Nikhil Kanodia: Okay, sir. Understood. Sir, just one last thing from my side. I guess the revenue breakup on the segment basis that you have given and in your opening remarks and the one that is there in the PPT, there is some mismatch. If you can repeat that will be very helpful.

N. Nani Aravind: What mismatch you have observed, sir?

Nikhil Kanodia: Sir, the revenue breakup that you have said in your remarks and the ones that are there in the PPT. I guess there is some, like if I am not wrong, then like some segments, like maybe we have, like there is some mismatch. Like say, for example, instead of something else, we would have said industrial infra and all of those things. If you can just repeat your breakup, or else if you can say whether the PPT ones are the final ones.

N. Nani Aravind: Yes, the numbers presented in PPT ones are the final ones, earlier we are reporting transmission & Distribution division as separate vertical, now we clubbed that T&D into the infrastructure civil business. Because the major orders were completed, we are now operating our business under four verticals. So, it is industrial construction, industrial services, infrastructure construction, and MDO.

Nikhil Kanodia: Okay, sir. Understood. Thank you for answering those questions. Those were my questions, and all the best, sir. Thank you.

N. Nani Aravind: Thank you, Nikhil.

Moderator: Thank you. A reminder to all the participants that you may press star and one to ask a question. Next question comes from the line of Riya with Aequitas. Please go ahead.

Riya: Thank you so much for the opportunity. Just wanted to check how much is the volume uptake for both the MDO mines for this quarter?

N. Nani Aravind: Around, for the first half of the year, we have approximately produced around 7.5 lakh of coal l, I mean, tonnage we excavated and billed to the client, ma'am.

Riya: Got it. Also, from a net debt perspective, I see the net debt has increased by around INR425 crores. Just wanted to understand, any particular reason for this working capital trend, or if you could help me how this sustainable debt position?

N. Nani Aravind: Because see, we are investing money on the capital requirement of Washery. So we have March, as on March, we have utilization is very low, because we generally March end, all bankers will ask us to keep the money, whatever collection in the system. So the net utilization showing a very low value as on March. Subsequently, in months we have put on the money, and we have almost invested around INR400 crores on the new assets, the washery and the new capex requirements. For that, we raised equipment loans, and the working capital utilization has increased.

Riya: How is the collection period like? Collection period and collection amount, monthly collection rate?

N. Nani Aravind: Collection period, we are more or less maintained at 120 days, ma'am, 90- 120 days between. Overall average net current assets, we are maintaining at 120 days level. The collection is 45-60 days it is taking, depends on the division. Less time. For the others, it is taking 45- 60 days time.

Riya: Got it. In our numbers, we see contract execution expenses have increased by almost 36%. Any particular reason? Is it higher labor charges or what is the particular reason why employee and contract expenses have increased?

N. Nani Aravind: The one is the revenue has increased almost 30% compared to the previous year. Plus, we have started doing this EPC construction and HAM project or EPC construction and all, so the contract execution expenses have increased.

Riya: Okay.

N. Nani Aravind: There is no limitation. In line with the revenue increase, the new increase has—

Riya: Contract expenditure would continue to remain same as our HAM projects are going on. Employee expenses also, I think there is a..

N. Nani Aravind: There are some design-related pre-bid meetings and other technical-related services fees we have incurred.

Riya: Got it. Have you given any payment issues with any larger customer?

N. Nani Aravind: Your voice is echo is coming, ma'am. Can you repeat?

Riya: Have you given any payment issues with any customer? Can you help me with the number days BHEL is taking for payment?

N. Nani Aravind: No, ma'am. Right now, there are no issues of payment except that Jal Jeevan Mission water division, there is a delay in certification of the bills. All Receivables were realised, and approximately INR150 crores of Work in Progress are right now pending for certification. Except that rest of the projects, we are getting on time payments.

Riya: Got it. For the full year, do we maintain our full year margin guidance at 12%?

N. Nani Aravind: Yes, we are confident of maintain the full year margin guidance. Next two quarters, basically Q1 and Q2, our revenue and profitability is relatively low compared to Q3 & Q4.

Riya: For the full year, could you help how much offtake would we be able to do in both our mines?

N. Nani Aravind: Same as last year, 12.25%, including other income. The same level, 12.25%-12.5% level we can expect.

Riya: Okay. If you could give individual breakup of Tasra and that?

N. Nani Aravind: For the current financial year, we are projecting revenue of approximately Rs150 crore from the Tasra project and Rs 350 crore from the KBP mine, taking the combined revenue contribution from these two projects to Rs 500 crore.

Riya: Okay. Thank you so much. Thank you.

Moderator: Thank you. Next question comes on the line of Mahesh Patil with ICICI Securities. Please go ahead.

Mahesh Patil: Yes. Hi, sir. Thanks for the opportunity. Sir, just a clarification. You mentioned INR22,000 crore-INR25,000 crores of opportunity in power, right?

S.K. Ramaiah: Yes.

Mahesh Patil: Okay. This is all of it, like EPC and BOP?

S.K. Ramaiah: Yes, it is a combination of the EPC construction of the installation, and then the civil works and structural works, and the balance of plant packages. Balance of plant packages given in this about INR5,000 crores. Then, the traditional EPC and civil works. Of course, we have captured opportunities in this both for the private sector, that is the Adani, JSW, and also BHEL.

One more company is there, L&T has taken lot of turnkey jobs also. But in the case of BHEL and L&T, the contract structure and bidding structure, they have changed differently, and it is not exactly suiting our method of working. Because we prefer, as I told you, composite single matrix orders, so that our resource base and our methodology fits in. They want to reduce the cost by splitting the packages into couple more packages.

By splitting the packages from one or two packages, they are making to four, five, six like that. That will not exactly fit in. Those projects will definitely get more delayed. Those risks are there. Therefore, in that way, since opportunity is there with both Adani and JSW, and they are pressing us, we are focusing on that.

Mahesh Patil: So this INR22-INR25 is just for Adani or JSW, or BHEL and L&T is also included?

S.K. Ramaiah: BHEL, for example, BHEL has also got lot of opportunity. But the question is that mainly execution, their ordering methodology, balance tendering of BHEL is of INR4,800 crores. So that is okay in terms of for their methodology, but it doesn't fit into our requirement. As on today, we don't need that type of opportunity to meet our all targets. We are pursuing other opportunities that may be suitable for us from Adani and JSW.

Mahesh Patil: To summarize, if it's industrial construction or civil construction, we are preferring private players. But if it's BOP packages where it's composite EPC work, then we are open to BHEL as well.

S.K. Ramaiah: That's what I told you. BHEL and JSW, therefore opportunities in EPC, we are pursuing INR5,000 crores.

Mahesh Patil: Okay. Out of this INR22,000 crore- INR25,000 crores, around INR18,000 crores are under bidding, you are saying, right? Bid by bid.

N. Nani Aravind: Yes.

S.K. Ramaiah: Yes, sir.

Mahesh Patil: Steel is an additional INR5,000 crores.

N. Nani Aravind: Yes. The hit rate is usually about one-third for most of the projects that we pursue. The total that we are pursuing is around INR18,000 crore-INR22,000 crores.

S.K. Ramaiah: If any add-on, it will be added in the steel sector, which I told you about INR5,000 crores. That we have to make some tie-ups with the technology players like Thyssenkrupp. We are discussing on that. That will definitely bring a substantial business because the package size around INR2,000 crores for our portion in each case.

Mahesh Patil: Okay, sir. What about on the mining side? I think earlier we mentioned on NMDC, et cetera. What is the status there?

N. Nani Aravind: NMDC.

S.K. Ramaiah: Yes, NMDC.

Mahesh Patil: Mining side.

S.K. Ramaiah: Yes. See, what has happened, the earlier deposit 13, they had a retendering, and they lowered the PQR requirements in terms of the net worth and also revenue, annual turnover and all. In that way, parties which are much, much at a lower end, they participated, and a very low-level bidding has happened. Lower pricing level has taken place, and we didn't take a call on that.

That was not worth taking for the risks involved in that. In fact, earlier said, earlier was the same package, we were L1, but their estimate was underestimated, 40% less estimate they made. Obviously, being a public sector, they could not award it. We have represented this matter, but we cannot do anything with a PSU unless we represent it at some other level.

Therefore, we have taken a call because of the other opportunities what we are having. Of course, now one more investment opportunity has come from NMDC, which has awarded the contract to RVNL for a blending site operation and then material handling at Vizag, valued about roughly around INR2,500 crores. That we are looking at it. Some qualification issues are there. We have represented to them. If it comes out, we will take a call and tie up with Thyssenkrupp.

Mahesh Patil: Okay, sir. Lastly, our interest cost has gone up sequentially from around INR27 crores to INR34 crores. So, this is just because of the capex that we have done in Q1 and Q2?

N. Nani Aravind: Yes, sir. The majorly capex and the new equipment loans we have taken during the quarter for the new capex requirements, so that resulted in the higher finance cost. But going forward, this cost will come down.

Mahesh Patil: No. Yes. In H2, we are also doing additional capex, right? Will it..

N. Nani Aravind: Yes, we are doing additional capex of Rs 350Cr.

S.K. Ramaiah: Structural and new opportunity.

N. Nani Aravind: Yes. The utilization of limits has reduced during Q3 compared to September (Q2),

Mahesh Patil: Okay.

N. Nani Aravind: Yes. Got it.

Mahesh Patil: Okay. Got it. Thank you.

Moderator: Thank you. A reminder to all the participants that you have pressed star and one to ask a question. Next question comes from the line of Vinay Nadkarni with Hathway Investments. Please go ahead.

Vinay Nadkarni: Yes. Am I audible?

N. Nani Aravind: Yes.

Vinay Nadkarni: Yes. Just wanted to Your industrial construction, you have changed the nomenclature. Where does O&M go and sit, and where does the civil infra and industrial EPC go and sit in your new construction?

N. Nani Aravind: Sir, industrial construction comprises of our industrial power business, industrial construction non-power business, EPC business.

Vinay Nadkarni: Okay.

S.K. Ramaiah: They are mainly mechanical installation jobs of the power and non-power sector, jobs like structural, mechanical equipment, piping, et cetera.

N. Nani Aravind: In the industrial services, O&M services will come under the industrial services.

Vinay Nadkarni: Okay. So, industrial services is only O&M?

N. Nani Aravind: Sorry, O&M, yes, sir. Only O&M. O&M of power plants and other sectors as well, including urban mobility. Infrastructure construction will come under the entire civil infra, civil and power civil, everything under infrastructure construction.

Vinay Nadkarni: So, bifurcated? Okay.

N. Nani Aravind: Yes. So, we bifurcated this into industrial construction and infra construction difference.

S.K. Ramaiah: Sir, I will repeat once more to avoid confusion. ETC business and EPC business goes into industrial construction, and infrastructure construction is all the civil projects. Then industrial services is all the O&M business.

Vinay Nadkarni: Perfect. Is there any EBITDA number that you can share for these three, now that you have plugged various components into them?

N. Nani Aravind: Segmental EBITDA, O&M business, industrial services business, we generate around 16%-18% EBITDA margins. For the industrial construction and infrastructure construction, both are less than 10%, 8%-9% level of EBITDA margins we generate. For MDO—

Vinay Nadkarni: How about MDO?

N. Nani Aravind: MDO is around right now, because it's on the development phase, around 10%-12% of the EBITDA we are generating. But at the peak rate capacity, when we reach the PRC, by 2029, we touch this 20%-21% blended together average EBITDA margin.

Vinay Nadkarni: Okay. In terms of your future growth for FY27 H2 as well as in FY28, are there any specific challenges that you are concerned about?

N. Nani Aravind: There are no specific challenges, sir. The rainy season is over, and now we are hoping that we are almost in half of the first half of the year. We are short by only 2%-3% of the growth we have planned for the first half of the year, e. But we are confident of achieving the projected numbers. We are confident of achieving the projected number. There are no challenges.

Vinay Nadkarni: Okay. That 2028 growth projection was 20%-25%?

N. Nani Aravind: Yes, because ramp up of the mining production, TASRA mine also will come into the production by coming March onwards. in 2028, there will be a revenue growth will be increase by 25% to 30%.

Vinay Nadkarni: Okay. Your EBITDA will be…

N. Nani Aravind: EBITDA will be from the 2027 numbers, maybe around 0.25% to 0.2% jump will be there because of the new addition of O&M and mining business.

Vinay Nadkarni: Okay. Thank you very much. All the best for your future.

N. Nani Aravind: Thank you.

Moderator: Thank you. Next question comes from the line of Dhananjay Mishra with Centrum Broking. Please go ahead.

Dhananjay Mishra: Yes, sir. What is the portion of JJM order in the order book in the civil infra, and are we executing the balance order of INR700 crore?

N. Nani Aravind: We started executing the order from first quarter FY 27. We recognized revenue of INR55 crores. almost around INR900 crores of balance order to be executed consist of INR150 crores WIP and balance unexecuted order of INR750. We started executing. Almost 80%, 85% of the projects we brought into the O&M phase. We are now eligible for the generating revenue from O&M business of water division to the extent of INR15 crores, 50% of the projects we brought into the O&M phase.

S.K. Ramaiah: What the O&M portion of the business, which is excluding the EPC business, about INR700 crores for 10 years. That means INR70 crores per year, provided the complete schemes, about

1,091 schemes are completed. After that, we will be eligible for INR70 crores of revenue per year.

Dhananjay Mishra: Okay. This working progress is INR150 crores. What is the receivable?

N. Nani Aravind: No receivables are pending. We have realized the full amount only INR90 crores was the March receivable that during the year we realized.

Dhananjay Mishra: Okay. And sir, in the order book of civil infra, what is the breakup between power and non-power?

S.K. Ramaiah: Yes. Power is almost 75% because of the thing is the orders in the O&M side and the installation side. Balance on the backlog, what is about 55% will be…

N. Nani Aravind: In civil infra, sir.

Dhananjay Mishra: INR7,900 we have reported order backlog. Within that, what is the power and non-power?

S.K. Ramaiah: Yes. Civil power is about INR4,115 crores.

N. Nani Aravind: Remaining is the non-power side, sir. Civil non-power.

Dhananjay Mishra: INR4,000 you said civil power.

N. Nani Aravind: INR4,100 is the civil power.

Dhananjay Mishra: Okay. Okay. Thank you.

Moderator: Thank you. A reminder to all the participants, dial my press star and one to ask a question. Once again, a reminder to all the participants, dial my press star and one to ask a question. Ladies and gentlemen, as there are no further questions, we have reached the end of question and answer session. I now hand the conference over to the management for closing comments.

S.K. Ramaiah: Yes, I think to summarize the things, we are positive on the next two quarters based on the enhanced performance what we achieved in the first two quarters. INR12,000 crores targets what we kept will be reasonably achievable. The opportunities are opening up. Certain business areas perhaps we can also focus it, only the steel is an assured thing.

O&M continued availability of opportunities from the Adani and JSW, Adani side, and then Vedanta, they are the big ticket players. The installation side and the civil side work also we will be focusing it. The EPC business, what we have gained an entry in the SCCL Singareni Collieries, it is doing well. Our focus on this year is to at least get one more EPC opportunity with a BHEL possibly. That will enhance the overall order book position.

As a business development, we are also looking at some diversification, as I told, in the steel sector, because the steel sector is investing INR5 lakh crores, enhancing capacity from 220 million tons to 300 million tons. Power also we have seen present capacity of 230 to go up to 315 GW. That story everybody is aware of it. But one area perhaps the investment is coming in a big way is in the data centers.

The government's plan is to put up data centers. They have already planned about 9,000 MW. That is going to be a big ticket item. Of course, lot of things have to be learned on that. The technology of it, the implementation of it, we are discussing with some developers on that also. We have recently made a visit to see the data centers in Mumbai. We and our team had went there. If that can be some sort of a diversification which company is focusing, let us see how it takes shape.

N. Nani Aravind: Okay. Thank you.

S.K. Ramaiah: Thank you very much.

Moderator: Thank you. On behalf of Ashika Institutional Equities and Power Mech Projects Limited, that concludes this conference. Thank you for joining us. You may now disconnect your lines.

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