गार्डन रीच शिपबिल्डर्स एण्ड इंजीनियर्स लिमिटेड
Garden Reach Shipbuilders & Engineers Ltd.
(भारत सरकार का उपक्रम, रक्षा मंत्रालय)
(A Government of India Undertaking, Ministry of Defence)
CIN NO.: L35111WB1934GOI007891

SECY/GRSE/BD-69/AM/03/25-26 17 Feb 2026

To,

**National Stock Exchange of India Limited**
Exchange Plaza,
Bandra Kurla Complex, Bandra (E),
Mumbai – 400 051
Symbol: GRSE

**BSE Limited**
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001
Scrip Code: 542011

Dear Sir / Madam,

**Sub: Transcript of Analysts' and Brokers' Meet for Q3 & 9M FY26 of GRSE – Reg 30**

1. Further to our Intimation Letter No. SECY/GRSE/BD-69/AM/03/25-26 dated 05 Feb 2026, we wish to inform that Analysts' and Brokers' Meet has been held on **Wednesday, 11th February, 2026** at 04.30 p.m. at BSE Convention Hall, Dalal Street – Mumbai, to discuss the Financial Performance of the Company for the Quarter and Nine months ended 31st December, 2025 and way forward.

2. In this regard and pursuant to Regulation 30 read with Para A of Part A of Schedule III of the SEBI (LODR) Regulations, 2015, the Transcript of the Analysts' and Brokers' Meet is enclosed herewith.

3. This is for your information and records.

Thanking You,

Yours faithfully,
For **Garden Reach Shipbuilders & Engineers Limited**

SANDEEP MAHAPATRA
Digitally signed by SANDEEP MAHAPATRA
Date: 2026.02.17 17:22:42 +05'30'

Sandeep Mahapatra
Company Secretary and Compliance Officer
ICSI Membership No. ACS 10992

# Garden Reach Shipbuilders & Engineers Limited
# Q3 & 9M FY26 Analyst Meet
# 12th February, 2026

## Management:

1. **Cmde P. R. Hari, IN (Retd)** - Chairman & Managing Director
2. **Shri Niranjan Mukund Bhalerao** - Director (Finance) and Chief Financial Officer
3. **Shri Sandeep Mahapatra** - Company Secretary and Compliance Officer

**Garden Reach Shipbuilders & Engineers Limited**
**Q3 & 9M FY 26 Analyst Meet**
**12th February, 2026**

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**Gaurav Girdhar:** Hello. Good evening, everyone. I am Gaurav Girdhar from Concept Investor Relations. I welcome you all to the analyst meet of Garden Reach Shipbuilders & Engineers Limited to discuss its Q3 & 9M FY 26 results.

We have with us today, Cmde P. R. Hari, IN (Retd), Chairman and Managing Director; Shri Niranjan Mukund Bhalerao, Director (Finance) and Chief Financial Officer; and Shri Sandeep Mahapatra, Company Secretary and Compliance Officer.

Please note this conference is being recorded.

I would now like to hand over the floor to Cmde P. R. Hari, sir, to give his opening remarks. Sir, over to you. Thank you.

**P. R. Hari:** Thank you, Gaurav. Once again, good afternoon, ladies and gentlemen. It is indeed a pleasure to be here with you today, and I eagerly look forward to this particular meeting which we have once in a year, when we interact with you all in person. And thank you all for attending this conference to discuss our financial results of your company for the quarter ending 31st December 2025 and the Nine Months ending 31st December, and also to provide you a glimpse of the future outlook.

As I normally do, I shall first touch upon the financial highlights, then provide you all an overview of the physical performance that has translated into this financial performance, then touch upon the current order book status, and also an update on the projects that we are currently executing, and then give you a glimpse again of the future outlook and also our expansion plans.

Coming to the financial performance, yes, Q3 has been a good quarter for all of us, and the results have been encouraging. Our revenue from operations year-on-year has gone up from ₹1,271 crores to ₹1,896 crores. That is registering a growth of 49%. And so have all the financial parameters coming down to the bottom line.

Our profit after tax has moved up from ₹98 crores during the last, that is Q3, FY '25 to ₹171 crores during the current, I mean, recently concluded quarter. That is registering a growth of 74%.

If you take the nine-month period, I will just put things in perspective. Revenue from operations so far has been ₹4,883 crores. And if you compare the FY '25 revenue from operations was ₹5,076 crores. We almost touched that figure in a nine-month span.

So, on the whole, Q3 and the nine-month period has been interesting, good, and I can assure you that better times are yet to come.

This financial performance is, of course, obviously the result of a strong physical performance. And again, to place things in the right perspective, we have delivered five major platforms, that is, ships, during the last nine months. That is the first nine months of the financial year. And that is translating almost a ship every two months. These include one Frigate P-17 Alpha, 3 Anti-Submarine Shallow Water Crafts, and one Survey Vessel. And the way the projects are progressing, we intend delivering three more major vessels in the next three months.

All the major projects are progressing satisfactorily, I should say. I will just give you a glimpse of the ongoing projects. And before that, I will touch upon the order book. Our order book position as of 31st December is ₹18,482 crores. And interestingly, this is the first time we are dipping below ₹20,000, which is good news for you, which means our execution rate has picked up.

I have been attending investors' meet. This is the 13th quarter since 2022. I think we did the investors' meet, of course, in virtual mode sometime in April 2022. So, this is the 13th quarter on a trot where we are showing year-on-year growth.

Now, I mentioned the order book position is ₹18,482 crores, and this comprises of 10 projects consisting of 42 platforms. And these include four projects of the Indian Navy, the P-17 Alpha projects. We have delivered one of the three ships and two more ships are under construction. The second ship has almost touched the 93% physical progress, and we intend delivering the ship in the next three months. That is one of the ships which I mentioned that we will be delivering in the next three months. The third ship of this project is on track, and this calendar year we will be delivering the third ship.

Coming to the next project, there is a survey vessel large project. There is a four-ship project. Three ships have already been delivered, and the fourth ship has touched almost 95% physical progress. In a month, that is next month, March, we will be delivering the third ship and closing the project.

Coming to the Anti-Submarine Shallow Water Crafts project, it is an eight-ship project. Three ships have already been delivered, and the fourth ship almost touched about 92%, 93%. And in the next three months, in April, May, we will be delivering that platform. The other four ships of the project are on track, and we intend closing this contract during the next financial year.

Coming to the fourth naval project, that is the Next Generation Oceangoing Patrol Vessel project, it is moving on track. The deliveries will start from 2027, that is Financial Year 27-28, it is a four-ship project, and culminate in Financial Year 28-29. So far, the progress of the project has been good, with the first 2 ships having achieved almost 60% progress, and the next two, about 45% to 48% progress.

Now, in addition to these defense platforms, we are also executing one project for the government of West Bengal. It is a small project, but a very interesting project that is for hybrid ferries. It is a 13-vessel project, and two different sizes, 7 ships of 100 passengers and 6 ships of 200 passengers. We will start commencing the delivery during this financial year, that means the coming financial year, with the first 2 vessels will be delivered during the first quarter, and that project will be closed during the first half of FY '28.

We are also doing three different projects of research vessels. One, an Ocean Research Vessel for the Ministry of Earth Sciences. The project moving on track, around 20% physical construction has been achieved. The targeted contractual delivery is during the Financial Year 27-28 well on track. An Acoustic Research Ship for the Ministry of Defense, that is the DRDO, a Kochi-based lab of theirs. Project on track. The production is already commenced. The delivery is during the financial year again 27-28, and 2 Coastal Research Vessels for the Geological Survey of India that comes under the Ministry of Mines, interestingly, and this project will be completed during Calendar Year 2027. That means the first half of FY '28 we will close this project.

In addition to that, we are also doing two export projects. One, a small project for the Government of Bangladesh. It is a 1,000-meter cube Dredger. On track so far. We are crossing our fingers. So far there has been no red flags. The stage payments are coming in, so nothing for you to worry as of now. This project will be completed during the 3rd Quarter of Financial Year '27.

And we are also executing a project for 12 multipurpose vessels for a German client. I think last time when we met, we had a contract of four of these vessels. Then after seeing our performance and inspecting our site and the progress, they increased to eight and as of now it has been increased to 12. So, this 12-ship project is in hand. We have done the keel laying of two of these vessels and the third ship keel laying is planned later this month. Project on track. The delivery of the last of these vessels, the deliveries will commence during the 2nd Quarter of Financial Year '27 and will stretch to Financial Year '29. So, it is a slightly long-drawn project.

This is the status of the ongoing projects that we are executing and to give you a glimpse of what are the orders, what we expect and what is likely to come out in the near future. We, as you are aware, last time again when we met, I had mentioned that we would be bidding in such a fashion as to win the Next-Generation Corvette order. Yes, we have won it. We have become the L1 and it is a big project.

It is a five-ship project amounting to approximately ₹33,000 crores and the price negotiations have been completed and the contract negotiations are in final stages. It requires certain approvals, but we are confident of this contract getting concluded during the current financial year, which means next month we intend closing this contract, signing the contract with the Indian Navy. They have also indicated that the approval process is well on track which means we are hopeful and confident of ending the current financial year with an order book around ₹50,000 crores.

This is what is assured. In addition to these orders what we are executing and what is on the anvil, the Navy and Coast Guard have already obtained approval of necessity from the Defense Acquisition Council for 7 projects. These include 3 big-ticket projects. One is the P-17 Bravo project. It is a 7-ship project. Approximately. ₹70,000 crores is the AON amount. It could be around that may be marginally higher, again to be split between two shipyards.

Then the LPD, Landing Platform Dock, it is again a big project, attractive project, which has been lingering for a very long time. So, the AON has finally been accorded and the AON value could be to the tune of around ₹35,000 crores and the third big project is the 12 ship Mine Counter Measure Vessel project 8 and 2, 8 and 4, 8 ships for the L1 shipyard, 4 ships for the L2 shipyard. This, the AON value is around ₹32,000 crores.

So, in addition to these, there are other smaller projects, but all put together for the projects where AON has already been accorded and where we expect the RFPs to come out from now, which means something could come out in the next month onwards for the next 12 months is approximately ₹1,55,000 crores.

In addition to, of course, none of them are on nomination basis. These are all on competitive bidding, but the pool of competitors is limited. So, we have confidence in winning at least 20% of these orders. Keeping the P-17 Bravo project, what I mentioned that biggest ticket item among these, there we stand on edge because we are already executing the P-17 Alpha project. We have the design. We know the equipment manufacturers. We know exactly how it functions. So, like what I assured you last year when we met physically, so this year my KRA is to win the P-17 Bravo project. So, let us see. And this is only for the defense segment.

Now on the non-defense segment, as you are aware, the government has already promulgated, publicized a slew of initiatives. And one important thing for all of us is that for the first time, they have aggregated the demands of the government entities, that is the ONGC and such agencies. That demand alone is coming to, it is available in open media, it is coming to 207 platforms, starting from smaller size platforms of support vessels to VLGCs and beyond.

So, a conservative, very conservative value of these projects could be plus ₹1 lakh crores. Naturally, they will come out in a staggered fashion. Two tenders are already out and one EOI is already out. Two tenders for Platform Support Vessels and MR Tankers are live as of now.

And one expression of interest for the VLGC is also live. So, this is moving, but of course, the pace at which the other orders, what I mentioned on the defense segment, perhaps could be faster. And here the competition pool is bigger so that we are all on the same page.

So, all in all, the defense segment and the non-defense segment put together in the next, if I am adding the non-defense segment, in the next 12 to 18 months, we have around ₹2.5 lakh crores plus on the table for us to get a substantial chunk.

Now, having said this, now the demand is good, but what about our capacity to handle this? We are good to handle the defense projects because we have been brought up groomed, nurtured in that fashion. Now that the market has opened up for the non-defense segment especially for large platforms, we, I repeat, we had a constraint. We still have a limit. We have de-conflicted the situation. The constraint has become lesser.

And with this in mind, what we have done is we have systematically increased our production capacity. Two years back we had a capacity to construct 24 platforms concurrently. Today, that is in 2025, we increased it to 28 platforms. That is big and small and medium sized put together. And with the ongoing modernization that we are executing, by the end of this calendar year, we intend on enhancing this to 32 ships.

But this also would not be adequate to meet the demand that is existing. So, within our geographical present confines, we will not be able to meet this requirement, and it is with this intent that we intend moving, growing out of Kolkata first and thereafter out of West Bengal.

So just to give you a glimpse, some of them are in liquid form, some of them already action has been taken. We are going in for brownfield as well as greenfield expansion. As far as brownfield expansion, 3 sites we have taken over from the Syama Prasad Mookerjee Port in addition to what we had earlier. Of them two of these sites, we have physically started the modernization activities to get them to production level readiness.

And the third site, the negotiations are in final stages and we already engaged a consultant for the DPR. So, this brownfield expansion, we are good to go. With two of these facilities, we will be able to commence production by end of the calendar year. And the third facility, which is a bigger facility, we expect the production to commence there after the modernization efforts are completed in a span of two years.

This is what we are planning within West Bengal, but even that is not good enough. So, we have moved ahead with the finalization of 2 sites in Gujarat, one in Kandla and one near Bhavnagar. One is with the government entity. We are partnering a government entity for the Kandla site and a private entity for the Bhavnagar site. For the private entity, we already engaged a consultant for finalizing the DPR. And for the second, that is with the government entity, they have engaged a consultant already. So, this is where it stands.

But these two facilities will take a finite time for getting production ready. Our conservative estimate is 3 years from now. And this should meet the demand for large-size platforms, both in India and for abroad because we are getting a lot of queries from abroad. We are not able to meet as of now. So, our long-term plan is to get these facilities up and about so that the demand which is coming from within India, definitely, and what is coming from abroad, we can meet.

In addition, what we are currently doing to offset the capacity constraint is what we started about 5 - 6 years back on a public-private partnership model where we wanted to test the system. So, at that point of time, a private shipyard had spare capacity. And we had excess load. So, we outsourced a part construction of these vessels. And believe you me, that model has been successful. Of the 7 platforms which we had offloaded in partial or 75% construction, we have been able to take out five of them. This is a big player, private player.

And in addition, we are also engaged in business relationship with a smaller shipyard and two of the ships we have taken out from there. So, what we are doing currently to offset the capacity constraint in terms of building certain types of vessels, we are following a PPP model.

So, I think I have covered the financial performance. I have just given you a glimpse than the status of the order book, order book position and the status of the orders, what is expected and what is our plan to address the demand, huge demand that is existing.

As I mentioned, I just sum up my interaction, not interaction actually, my conveying the point, address or whatever you can call it, that the year so far has been good, especially the last quarter. But as I mentioned, the better times are yet to come. Thank you. I am open for questions. All your queries.

**Gaurav Girdhar:** Thank you, sir. We are now open for the question-and-answer session. We will request the participants to please introduce themselves and ask the questions. We will request everyone to limit their questions to two so we can address everyone queries.

**P. R. Hari:** One sec, may I take a second? What Director (Finance) was mentioning that I missed talking about the initiatives which the government has promulgated already and some of them are active live as of now. The various schemes for incentivizing or revitalizing the shipbuilding segment. So, the total financial outlay what they have provided is about ₹69,725 crores divided into two, three pillars. The first is about the shipbuilding financial assistance. It is a very attractive scheme where certain kind of platforms which are constructed in India based on the type of platforms get incentivized subsidy, ranging from 15% to 30%. It is a very, very attractive scheme and that amount what has been earmarked for this is ₹24,736 crores.

In addition to that, the government has also promulgated an attractive scheme. Again, it is very interesting scheme. It is called the Shipbuilding and Shipbreaking Credit Note. The funds

allocated for that is the ₹4,001 crores. And again, what is interesting is that if any of the ship owners break a ship in India, and he gets a credit of 40% of the amount realized from the breakage and this gets parked transferable and when the company, the owner builds a ship in an Indian shipyard, he can utilize this credit.

So, one way it is very good for the shipbuilding ecosystem that whoever is breaking, because people are looking at India as a shipbreaking hub also. So, we are coaxing them to come to India and binding them in so that they avail this credit facility. And in addition to this, they also come out with a ₹25,000 crore scheme for Maritime Development Fund and this scheme caters for brownfield expansion wherein x percentage, a certain percentage of the investment made towards brownfield expansion is subsidized by the government and also around ₹5,000 crores has been earmarked for an interest incentivization policy. So, here the interest is unfortunately very, very high and none of the shipowners are able to afford that kind of interest. So, 3% interest subsidy has been provided. This scheme is also active.

And the last, of course, is development of maritime clusters. So, there again the third, I think I have covered 25,000 plus 24,000. So, whatever is remaining out of the 69,000 has been earmarked. My memory is right, it comes to about 29,000, I think. So, ₹19,989 crores have been earmarked for development of shipbuilding clusters where greenfield facilities once you set up, you get up to 50% subsidy.

So, these schemes are very, very interesting and we including the activities which I had mentioned that in two areas we have commenced brownfield expansion, we will definitely be leveraging these schemes of the government including the Shipbuilding Financial Assistance Scheme.

Thank you. I am open for your questions, please.

**Hitesh Chaudhari:** Good evening, sir. Hitesh Chaudhari from ULJK Financial Services. So, my first question is on Corvettes. So, if you receive this order by this financial year, what is your execution cycle? And second question on Bravo, at what stage the talks has been came?

**P. R. Hari:** Thank you. The next generation Corvettes, yes, if we execute, I mean, if we conclude the contract during the current financial year, the first phase is the pre-production phase where the design activities are progressed and based on the design activities, the equipment procurement actions commence. But as far as you are concerned, the revenue accrual will commence two years down the line, which means if FY '26 end we are concluding the contract, FY '28 end, that means the 4th Quarter of FY '28 we can expect revenue accrual. Is that what you meant to ask?

**Hitesh Chaudhari:** Yes.

**P. R. Hari:** And the second part on the P-17 Bravo, as I mentioned, the AON of the Defense Acquisition Council has already been accorded almost six months back. And it is moving very fast. Because this is a project which Navy really wants to go and there was at a point of time a thought process for giving a repeat order but that did not fructify.

So, Navy is very keen on this project and I expect the RFP to come out, let us say, in April. If April the RFP come, I will give you further RFP is expected to come out in April, then the bid submission time and all. Akin to NGC, we expect the contract for P-17 Bravo to be signed maybe February, March 2027. This is where it stands.

**Divyesh Shah:** Sir, first of all, thanks for meeting, as usual every year, and as usual increasing the order except this year. Sir, some time back we had a MoU with Swan Defence. And we don't know anything about what is the, so kindly elaborate on that Swan Defence? And recently few days back you have a tied up with Hindustan Shipyard. So, what is the position for these two entities?

**P. R. Hari:** So, you said except this time order book, but I can assure you by end of the financial year, we will surpass last 3 years we will be able to touch that. Having said that, yes, we have live MOU with Swan Defence. The intent of this MOU was for bidding and executing large platforms, the platforms which we cannot handle at our premises. So, we are in discussion with couple of foreign owners for vessels above 250 meters length.

Like as you fully would appreciate, some of these negotiations take as long as one year. The contact discussion, some of the contractual conditions, something which we don't agree. We are in discussions within the contract. I mean, the MOU is very much live. We expect this to see light of the day, I mean, translating into an order in the next financial year. So, it is live.

Coming to HSL we have signed a consortium agreement with them and MOU with them very recently. This is with an intent to put our hat in the ring for the LPD project, because we as GRSE purely because of the dock size, we would not have been able to bid for that. So, with this MOU, we will be able to bid. Because you may be aware from the media reports that Swan had an MOU signed with MDL for this project.

So, the moment we realized that we didn't want to miss the bus, so we caught hold of HSL and with HSL we have signed an MOU. It is a good, let us say, way ahead for both the shipyards. Our expertise and their infrastructure availability, it will benefit both the shipyards for the LPD project. That is the intent why we went in for that.

**Divyesh Shah:** And sir, regarding the platforms we are moving from 24 platforms to about 32 within next one year. Sir, any outlook for next three years where we would like to be to fructify all the orders?

**P. R. Hari:** As far as these platforms are concerned, yes, by the end of this calendar year, we will be able to get it to 32 ships concurrent construction within our own premises. And I had mentioned in

passing that two of the facilities, brownfield facilities in Kolkata, we already started the revitalization process. We expect that to be put to operation from end of this calendar year. So, I am keeping a conservative figure. As far as the shipbuilding capacity is concerned, we should be able to get to around 35 ships by 2026, end of 2026. That means this year by end. But the order book, I think, did you want to know about this or the order book?

**Divyesh Shah:** No, platform and order book.

**P. R. Hari:** Order book. So, now this year if you are ending with ₹50,000 crores and with next year likely to be, next financial likely to be one of our peak years with respect to revenue. You consider drop plus the P-17 Bravo. P-17 Bravo also I would like to go conservative at this stage, that, hypothetically, if GRSE becomes L2 shipyard, the order book, order value is likely to be to the tune of around ₹30,000 crores. So, if things go on well, we would like to look at ending FY '27 with an order book plus around ₹70,000 crores. I would like to go only up to there, sir. Then we will see. Next year you can ask me, sir.

**Divyesh Shah:** And sir, what about margins? Orders are not at the cost of margin, I assume.

**P. R. Hari:** None of these, what I just discussed, none of them. Yes, we have taken a few orders at very low margins. That was for sustenance and entry, like I will give you an example. There was a point of time when we were not sure about the NGC project. So, we had to take a couple of orders to sustain. So, we had taken them at low margins.

I don't know whether you remember or not, the first ferry project that we took, the electric ferry project that we took, very small project, but we took it at, actually we subsidized the project. It was to make an entry. But right now, having consolidated our position in both the different shipbuilding as well as to an extent in commercial shipbuilding, margins will be, let us say, healthy. Order book enhancement will not be at the cost of margins. I think that answers your question.

**Divyesh Shah:** And sir, regarding next two years, Financial Year '27, then '28, is landmark ₹10,000 crore executable? '28, ₹10,000 crore?

**P. R. Hari:** Last five years we have been able to provide a CAGR of around 25% plus. This year, I think in my opening statement, I had mentioned that in nine months, we have touched ₹4,883 crores. And this quarter is also going to be healthy. So, with that, again, we will be able to provide a CAGR between 25% to 30% in this financial year. Next financial year, that is FY '27, is going to be a peak year because that is when one piece of an Alpha would have just come out now, I mean, maybe in another, by April means we will get a substantial amount there, but the last one will definitely come out during FY '27. So, '27 is going to be the peak year. I am putting in a roundabout fashion.

**Harshit Kapadia:** Hi, sir, this is Harshit from Elara. Could you please give us an order book break up in terms of the ship-wise order book break up?

**P. R. Hari:** I had mentioned, our total order book is at ₹18,482 crores, and of this, still P-17 Alpha takes the major chunk. It is around 46% at ₹8,236 crores. Survey Vessel Large ₹343 crores, Anti-Submarine Shallow Water Crafts ₹2,559 crores, the OPV project ₹3,136 crores. So, from the defense segment, it is ₹14,276 crores. That comes to around 77% of our total order book.

The non-defense segment, the Ocean Research Vessel, Acoustic Research Ship, the Coastal Research Ship and the West Bengal ferries, put together, it comes to about ₹ 897 crores. The export, both the projects put together, come to around ₹1,481 crores.

So, the defense segment is contributing about 77%, the non-defense segment around 18%, and the balance 5% is from the other smaller verticals, like the portable steel bridges, the Diesel Engine Plant, the Naval Surface Guns as well as the ship repair.

Ship repair we started with point something percentage when we started. Now we have crossed 1%, and it will keep increasing, because we were initially testing waters with ship repairs, but now we are good to go. So, this is our order book break down.

**Harshit Kapadia:** Thanks for sharing, sir. Sir, just an added question here. Just in the order book which you mentioned at the yearend that you want to reach ₹70,000 crores, are you assuming…

**P. R. Hari:** 50, this year end, 50.

**Harshit Kapadia:** But next year will be 70.

**P. R. Hari:** Next year is based on an assumption that we are getting the P-17 Bravo at least as the L2 shipyard, and if we get that, then that is a figure which would automatically arrive at.

**Harshit Kapadia:** Right, but in history, sir, we haven't seen any tender in shipping which has come out and got execute as in got awarded in a year's time frame. Look at the NGC order. So, is that something that you can tell us that progress has been very good or extension of the earlier order, so the timelines are much lesser?

**P. R. Hari:** I will explain. See, you are absolutely right. There was a time when the tender used to come, then it used to take 1.5 years. We also experienced similar, like the OPV tender. From the time L1 declaration to contract signing, it took one year. We got declared in somewhere 2022. '23 we signed, but you see the P-17 Alpha project, sorry, NGC project, the tender was out in August, the L1 was declared in October, and now we are almost good to go.

So, definitely there is an improvement because there has been a total change in the way, at least my ministry is pushing the cases. So, again, I would like to reiterate, if the RFP comes out in April 2026, then the contract signing would happen in the next financial year.

**Harshit Kapadia:** Okay, that is good news. And sir, third question is just on the tie ups which you have done, one on with Swan and the other with HSL, Hindustan shipyard. Now, who will get the technology, sir, as in, we have to look at foreign companies for a tie up for getting technology either on the commercial side or on the LPD side, because who will be getting the technology? So, that remains the key. You got the depth, now you got the capacity, but where will the technology come from?

**P. R. Hari:** See, as far as the medium size platforms or less complex platforms, like what we are doing, or what is being currently executed by the Indian shipyards, there is no need for a technology partner, but like Kochi is building certain hybrid vessels, they don't need a technology partner for that. My vessels what I am building or what MDS is building, we don't need a technology partner. We are fully good to go.

But for LPD project or the VLGC project, the VLGC EOI conditions itself stipulate that an experienced and proven VLGC manufacturer. So, we got to collaborate with perhaps a Korean company who has built. So, there would definitely be a need to collaborate for the design of a VLGC. And there again, the positive aspect is that, naturally, it cannot go on forever. That could be for the first project. For the next project, the Indian company, Indian shipyard, whoever is doing it will have competency.

Similarly, for the LPD project, because it is a complex project. There would be a need for a design partner, which we have identified together along with our partners.

**Harshit:** Thanks for answering all the questions.

**Ashok Shah:** Sir, Ashok Shah from Eklavya. Sir, we have done two tie ups with Hindustan Shipyard and Swan. So, are we through the requirement of next five years with two ties up or still we are prospecting much bigger than this?

**P. R. Hari:** See, these tie ups are with specific intent. The intent of having a tie up with Swan is because it is still active, is to handle large size commercial vessels, which we cannot physically handle purely because of infrastructure constraints. I mentioned that a couple of foreign projects are still in liquid form, discussions are in progress.

As far as HSL is concerned, it is with an intent to qualify us and use our expertise, their facilities for the LPD project. There would be a time. I had more or less stated our expansion plan though I had not given the capacity in terms of size of dock and all this stuff, but with once we develop this capacity, which will take a finite amount of time, let us say, 3 years, for a full-fledged

operational readiness, 5 years, then we would use these partnerships only to supplement them.

We may not need them because of capacity constraints, but if we get excess load, we can utilize spare capacity of other shipyards. Right now, these are specific to one for Swan for large size commercial vessels and with HSL for LPD and similar platforms.

**Ashok Shah:** Are we looking at still some tie up?

**P. R. Hari:** At this juncture, no.

**Ashok Shah:** Not bigger size.

**P. R. Hari:** At this juncture, no. I am talking about bigger size only. See, in India, there are shipyards which infrastructure capacity, one, Swan has got the biggest dry dock available, is around 650 meters, L&T has got certain capacity, which is slightly more than us, with respect to size of ships, not number of platforms. I am only speaking about size. And of course, HSL. So, we already have tie up, one active with L&T, which we have not tapped so far, one with Swan, and of course with HSL what we mentioned.

**Ashok Shah:** So, nothing NCLT, Bharati Shipyard or something, nothing like that, NCLT, any projects, nothing like that.

**P. R. Hari:** No, because what is available in the yards which have either undergone NCLT or which is still, see, they are just not adequate to meet the expectations or the requirements. No, absolutely no.

**Amit Anwani:** Hi, sir, here Amit Anwani from PL Capital. So, first question on the capacities which you said from 24 to 28 and 32 and by end of this CY…

**P. R. Hari:** 36.

**Amit Anwani:** 35 plus the two capacities you said probably in Gujarat. So, first question is, will the Gujarat capacities will be jointly developed and with those capacities plus 35, what would be the number of vessels we will be able to produce? And you said 3 years, I think, for Gujarat at least.

**P. R. Hari:** Three years, it is a very optimistic figure in, again, for creating a ship building facility, one is putting it to operation. We can start manufacturing, but for a full-fledged facility, which has got end-to-end capability, which means starting from plate cutting to ship launching to delivery, I am talking about large size platforms, it takes 3 to 5 years. I have gone this side of the 3 to 5 years band so that the production can commence there.

So, if you take a mid-path of 4 years, let us say, 4 years for both these facilities to come up, then, in that case, we would be having a capacity to build around 12 ships in these facilities, large size ships. That is the aim. Ultimate aim is large size ship, VLGC or above. I mean, 300 meters, around 300 meters length vessels, 12 of them between these two facilities, while utilizing the existing facilities for the weapon, that is the defense platforms and the smaller multipurpose vessels and so on.

So, 12 vessels is what we are targeting in these two facilities large size vessels in a span of, I put a band of 3 to 5 years. That is all I can say at this moment because the DPR is still not confirmed. I mean, it is not yet out. So, we don't know the real timelines, but based on our experience, it could be between 3 to 5 years.

**Amit Anwani:** So, in terms of pipeline which you highlighted, 1.5 lakh for defense and about 1 lakh for non-defense, what is the number you are looking for yourself in line with the capacities you are creating? So, cumulatively, what is broad number or conversions you are looking for in next 2-3 years?

**P. R. Hari:** See, this mix of 7 projects what I don't think I mentioned the 7 projects. I just highlighted 3 of them, big ticket items. These 7 projects alone come to ₹1,55,000 crores to be exact, 52.5 or something. So, these comprise large platforms like P-17 Bravo, the LPD and the main counter measure vessels plus smaller platforms like interceptor boats and in fast interceptor boart, FICs, fast interceptor crafts and water jet FICs. They are very small platforms, maybe 50 meters, 35 meters and so on. So, these can easily be handled with the existing facilities or through a partnership yard.

In a nutshell, with the current capacity what we have or what we are going to have by end of this year, the projects which I am only speaking about this ₹1,55,000 of defense alone, we will be able to handle if we get P-17 Alpha and around 20% only of the balance projects.

Coming to the other segment that non-defense segment, which I mentioned, approximately about ₹ 1 lakh plus crores, they contain large size platforms. For that, at this juncture, we may not be able to handle them within our premises. It is with that intent that we are getting into partnership with a couple of shipyards.

When our facilities come up, let us say, in 3 to 5 years, again, around 15% because here the pool of competitors is large, unlike defense manufacturing, here the pool of competitors, it could range from the public sector shipyards to 3 or 4 private shipyards. So, considering that, I am keeping a very conservative figure of around 15% of these orders at this stage directly and working through the collaboration with others.

**Amit Anwani:** So, you mentioned about the outsourcing models. Just wanted to understand in terms of capability building for you and the volumes of orders you are looking for, what is the indigenous

component now and with the new book massive orders coming in, will it require some imports or you can highlight on all this aspect in terms of capability building for the upcoming book?

**P. R. Hari:** See, as shipbuilders, we are primarily platform integrators. The customer, be it a private customer, domestic, abroad, or a defense customer, in 90% of the cases, 95% of the cases, they indicate, they say, "I need a platform, let us say, a frigate." Or if you go to the commercial shipbuilding segment, they say, "A multipurpose vessel." They indicate the equipment to the extent private players, they say, I want so and so engine from so and so manufacturer. In case of defense thing, they say, I want so and so engine from 1, 2, 3 manufacturers, one of the three manufacturers, a weapon system from so and so, so and so. Therefore, as platform integrators, our responsibility is to get the best commercially beneficial for us and also meeting the customer requirements, one.

But the government thrust is very much on indigenization. So, we play a major role in promoting Indian entities who are into indigenous manufacturing. Having said all this, the indigenous content of the 3 projects that we have completed in the last 5 years completed, completed means done and dusted, it is plus 85%.

The balance 50% so far is coming, it is comprising mostly of the propulsion package where India still does not have the technological maturity yet to do a fully indigenously developed marine diesel engine, marine gas turbine and weapon systems to an extent. So, this is where that 15% gap is coming.

Now again, on a positive note, the government is very serious about indigenization. Already you must be aware of the schemes called Make-I, Make-II, Make-III and so on. So, Make-I means the government funded the project to incentivize the indigenous manufacturers. The propulsion engines are getting indigenous, but we as a nation must have patience because it takes a finite time. It doesn't come like a switch on. It will take three to five years for a product to get developed. When that gets developed, naturally, the indigenous content will increase.

As far as weapons systems are concerned, there is a tremendous improvement in the indigenous content in the weapons systems. I will just give you an example, like when we got into this naval surface guns, we got into the naval surface gun project about an year and a half back, we had to collaborate with a foreign partner, that is to make entry into the market and an Indian firm, around 10 Indian companies are involved in the component manufacturing as of now. It is a success, 60% plus indigenization has been achieved. But we had the patience and so had our customer that the Navy had the patience. So, that is where we stand today.

**Amit Anwani:** So, lastly, on the recently released draft DAP 2026, what is your understanding in terms of implication for GRSE and the shipbuilding industry versus DAP 2020?

**P. R. Hari:** DAP 2026, as it would be called, yes, they have, after a lot of consultative discussions over the last one year, finally the draft is now open for all of us. They have sought comments from all of us, including the general public. And it focuses definitely, just carrying this point what you mentioned on indigenization. Indigenization and indigenization incentivization would be a major part of this DAP, and little more flexibility for public-private industry entry into defense manufacturing, and also for public-private partnership. So, let us see how it finally pans out, because now that it is open for everybody to comment. So, India being a democratic country, it will take a finite time for it to get finalized.

**Vikas:** Hello Sir, Vikas from ISEC. So, just one question. Do we run a risk of commodity price inflation eating up our margins?

**P. R. Hari:** Commodity price increase has got minimal impact on our margins, because in our case, in a project, if you take 100% as a project cost, around 65% come out of equipment. Most of this equipment being customer-nominated, or in a pool of customer-nominated band. So, fluctuations really don't affect, because they all would have been finalized at the commencement of the contract.

Then comes the yard material like steel. So, in case of steel, which is a major component of our shipbuilding industry, so we have tie-ups with most of the major steel manufacturers, including MOUs with the biggest manufacturer in India, SAIL. So, the impact is minimal. Yes, there is an impact, but the impact is very minimal. And logically, it should not have any impact on the margins.

**Raj Shah:** This is Raj Shah from ENAM Asset Management. Sir, my question is, a few months ago, we disclosed an MOU with Andhra Pradesh Maritime Board for another greenfield facility. So, can you please help?

**P. R. Hari:** We are fishing. We were fishing. What I meant, we were fishing at the point of time. We were touching base with Gujarat; we were touching base with Andhra Pradesh. So, finally we home, the first action was to show our intent. That is why we concluded, it was only to show intent, yes, we are there. Then we backtracked because we found it was not required, having identified two other locations. That is the reason.

**Dipen Vakil:** Dipen Vakil here from Phillip Capital. Sir, my question is, we spoke about that FY '27 could likely be a peak revenue recognition year for us. So, what are we looking at? So, do we think that FY '28 would more likely be a plateau year and then growth can continue when NGC comes in as to how we can look, or there are chances that revenue can come down a little bit before we start accelerating again?

**P. R. Hari:** It is an interesting question. Yes, with '27 being a good year, a peak year. See, somebody had asked about the order book balance position. So, like for example, P-17 Alpha, I had mentioned

that the order book balance is ₹8,200 odd crores. In this ₹8,200 odd crores, a X percentage, a small percentage, not so small, it is 10 plus percentages for the base and depot spares, which are required for sustenance of the ship through the life cycle. And similar figure is factored in every project.

So, when we complete a project, the revenue accrual would be limited to the amount balance order book minus the base and depot. Base and depot run independently. Independently as in we have concluded contracts with most of them. But these deliveries could be after the delivery is completed, which means the revenue accrual from a particular project would continue beyond the delivery date.

That will give us some cushion in FY '28. Plus, all these platforms like, that is why we decided to take one-off projects. We had no reason because when we had the big projects in hand, it was with a strategic intent that we went in for one-off project. They are technically very challenging, and it gives us a lot of international hype, by the way, these research vessels.

Why we took them is with an intent that all these guys will come for delivery during FY '28. Most of them are coming up for delivery. Multipurpose vessels, a series of them will get delivered. At least three of them should get delivered there.

And yes, we need to pull back the revenue accrual of NGC. There was a question which was asked to me, when will the NGC start giving us revenue? What stops us from moving faster? So, we will try and avoid a plateauing out in FY '27, but FY '28, that is the intent of the management. Maybe I will be able to give you better clarity on this next time when we meet. I think that would be the right thing.

**Dipen Vakil:** Sir, second question is on our exports. So, considering the geopolitical situation evolving now, and we are looking at a lot more procurement happening globally, so what kind of opportunities that you foresee coming in and some opportunities that may currently be under discussion or in pipeline? If you can throw some light on that.

**P. R. Hari:** See, in national business, you can just segregate into two buckets. One is defense and one is non-defense. In defense, it is mostly government-driven. It will be either through a line of credit or a G2G grant. So, I am just keeping that aside and say, if it comes, it is a bonus.

Coming to the non-defense segments, today the opportunities are phenomenal. We are not able to take the orders because of collective capacity constraint. If I did not have the capacity, if somebody else had the capacity, I would have pushed it to him and partnered. The potential is huge.

Most of the European countries, be it Netherlands, be it Germany, be it Sweden, be it Norway, they are actually looking at India. Most of the customers who approached us and Belgium, most

of whom we are engaging are all European customers. They were going to China, Korea. They are no longer taking orders for the kind of platforms which they approached us. The numbers are large. The order value is good. I see huge potential in this. Not only for me, not only for GRSE, but for all the Indian shipyards. And certain Middle East countries are also approached, though we have not been able to break the ice so far. But once that break is made, I feel we will, but right now we are focusing on Europe.

**Parimal Mithani:** Sir, I just wanted to know, when you start the Next Generation Corvette signing, will you get an advance payment for that? Or how do we figure this out because in the past, we had advance payments?

**P. R. Hari:** You know, very interesting, this thing. Whenever we interact with the finance people in various ministries, they ask advance. I say, "I don't want any advance. Don't give me any advance. I want a stage payment." It is as per the DAP. There is a stage payment. I don't get any advance. I get a stage payment. So, to answer your question, yes, we will get a stage payment as soon as we sign the contract. That is the first stage payment with an intent to facilitate the pre-production activities, which involves design commitment, certain OEM commitment and so on.

**Sunil Shah:** So, just on the numbers I am talking about here. So, current order book, ₹18,000 crores plus. Next Generation Corvette, ₹33,000 crores, which is there in front of us. Going forward, next financial year, the potential opportunity, the P-17 Bravo, which is maybe at least 30,000 or 40,000, either which way. Then we are talking about ₹1,00,000 crores of potential order book from the non-defense. Of which may be a possibility of a 20%, which translates to about ₹20,000 crores.

Then again, if we take the defense order, which is 1,55,000 minus the P-17 Bravo, which is the ₹70,000 crores, which keeps about ₹85,000 crores. And again, a 20% possibility over there gives me another additional ₹17,000 crores. If I add all these numbers, it gives a potential of about 1,15,000 plus kind of an order book over a period of time, purely for GRSE. Is the thought process in the right direction?

**P. R. Hari:** Sir, how I wish, what is, I will also play in the same lines. No, but on a serious note, sir. See, there was a time when, before we were listed, of course, we used to take the system for granted that orders used to come aplenty on nomination. Now every order, every, I repeat, every order is on competition, except what we work and get from the foreign clients. All these, what you talked about, they are all on competition.

And today, the field has expanded. So, we are there, plus, along with us, my four sisters, it is MDL, GSL, Cochin Shipyard, and HSL, plus comes Larsen & Toubro Shipyard. Now they have matured and Swan, fledgling, I mean, they are coming up, plus a couple of small shipyards like Shoft, Chowgule. Chowgule, of course, may be too limited action. Plus, there is a shipyard in this place, in my city, Kolkata, Titagarh Shipyard. So, the field has expanded.

Theoretically, what you are telling us, perfect, sir. Like, if, out of `1,55,000 crores, and if Navy gives the RFPs as what we understand that they should be giving, because their intent is very much there. `1,55,000 crores, minus `70,000 crores. The other, of the balance, `85,000 crores, there are two major projects, LPD project, plus the Mine Countermeasure Vessel project. In the Mine Countermeasure Vessel project, it is 8 and 4.

So, theoretically, what you are telling is correct. It is purely dependent on our bid strategy at that time. I can only assure you that we would be bidding to win the P-17 Bravo, because that is what will keep the company moving for another 10 years, 8 years. So, that is a project which we will go all over to win, without compromising at all on the margins. So, it is a big project, and with our experience in P-17 Alpha, I feel we are good to go in that.

Commercial shipbuilding, this ₹ 1 lakh crores, again, it is a very conservative estimate, because we actually do not have the cost of some of these platforms, which are going to be built in India for the first time. There, I suggest we just wait and watch for maybe another six months. The stocks on RFPs coming out has been going on for the last one year. So far, only 2 RFPs have come out in the last one year, plus one EOI. So, let us just wait a bit and watch for the non-defense. Defense segment is more or less streamlined. Non-defense segment, I suggest just wait and watch. Maybe six months, we will have better clarity.

**Sunil Shah:** Sir, again, the numbers on the other side, in terms of the capacity, 35 is what we are targeting by the end of the current calendar year, 35, from 32, since we are refurbishing the other two locations there. Apart from that, once after a four-year period, maybe when Bhavnagar and Kandla comes into play, that will give us another capacity of another 12. Yes. Then we are looking at HSL, which is for perhaps the 2 LPD plus the very large gas carriers. Now, that is nine in number, which is there from Shipping Corporation. So, there, nine is what is also the potential capacity at HSL also, apart from the LPD. Is the understanding correct?

**P. R. Hari:** I would like to clarify this, because HSL, if you are aware, they are already building the fleet support ships, large ships. Though they have, like us, they have partnered a shipyard. Three of these vessels are being constructed at HSL.

Again, I would like to go back to my previous statement that as far as this, not regarding the capacity. Capacity, what we have said, we will meet. But as far as the inflow is concerned, for the non-defense segment, we should just wait and watch for a while.

**Sunil Shah:** Sir, I think waiting and watching is right from the IPO days that we are all here. So, that is not a problem. It is just about the conversion of all this potential into numbers. Waiting is something which maybe majority of us can easily wait.

**P. R. Hari:** So, as you rightly said, from the IPO days, you have been waiting, but you are seeing the results today.

**Sunil Shah:** Undoubtedly. That is not the point. The point is about the patience.

**P. R. Hari:** I cannot comment on what comes from the non-defense segment at this juncture, sir. It will take a finite amount of time. Defense segment, I can tell you straight away because their system is streamlined. As far as non-defense segment, sir, I would wait. You can advice.

**Sunil Shah:** Thank you so much for all this.

**Harshit Kapadia:** Sir, Harshit from Elara again. Thanks for the opportunity. Just on the margin front, since you now have the NGC order which will be given in March, I know you don't like to discuss on margin, but just wanted to just check. So, would the margin of NGC will be similar to P-17 Alpha? That is the first question.

**P. R. Hari:** So, P-17 Alpha was a nominated project. NGC is a competitive project, but what sir had asked earlier that we are not compromised on the margins. Similar again is a perspective term. Yes, it will be similar if you take it in.

**Harshit Kapadia:** And assuming that you bid for and win the LPD and the MIMCV order, since it is in collaboration mode, so their margins will be similar to what we are right now having? Would that be correct?

**P. R. Hari:** If it is a collaboration mode, naturally the overall margin will be good. But when we share the profit, there would definitely be an impact. P-17 Bravo, definitely we are not partnering anybody. We are going independent. I thought you asked about P-17. P-17 Bravo, we are going independent. We will look after the margins.

**Krishna Doshi:** Sir, I'm Krishna Doshi from Ashika Institutional Equities. I am so sorry, but my question again happens to be with respect to the margins. So, between the P-17 Alpha completion in FY '27 and meaningful NGC revenue, which flows in from Q4 FY '28 onwards, which will also, so there is also a risk of execution tapering, while we do say that there will be some sort of a cushion which will be provided by the other orders. But then what about the margins in those times?

**P. R. Hari:** In FY '28, I partially answered a question based on an earlier query, that all the projects what we had indicated as cushion for this financial year would have adequate margin to maintain, I mean, to sustain the margins we are giving now. The NGC, our endeavor would be to pull ahead the revenue accrual. That is all I can promise.

And we also have other verticals, like ship repair, to be frank, we are not gone all out. We have taken facilities. We tested waters for a couple of years where the margins are high. So, we have not yet executed a very big order on ship repair. So, we have time. We will take on ship repair orders also in a bigger way than what we are currently doing to push up our margins and revenue.

**Krishna Doshi:** Sir, my second question happens to be with regards to the 30mm guns that we are doing. Can you give us some outlook on the same with regards to the manufacturing capacity, margins, and how is the segment supposed to grow in the next three to five years?

**P. R. Hari:** 30mm gun project started about a year and a half. We had a collaborator from abroad and an Indian partner and, as I mentioned earlier, 10 local manufacturers getting various components made. Here the margins are good. Margins are, let us say, healthy margins are there. Currently we got order for 17 guns and all from the Indian Navy. And of these 17 guns, 4 guns have already been installed on board the various platforms and the sea trials and so on and so have been completed. As far as the execution of these 17 guns are concerned, we intend completing this project by mid of 2027, when all the 17 guns will be supplied.

In addition, Coast Guard has shown interest. We are having a discussion with Coast Guard for 49 more naval surface guns. We expect the contract to be concluded by mid of this year. That means in the 1st Quarter of FY '27, we intend concluding the contract. In addition, these guns effectively are used as primary guns on board small platforms and secondary guns on board the larger platforms.

So, opportunities are huge. And we also got an agreement with our partner that we can export these guns. So, what we intend doing is once the naval product stabilizes, once they run in operation for more, once they run at sea for more than six months, then we will start our export process. The potential is huge here. And so far, there is no competition in the Indian, so far. So far, in this segment, there is no competition. So, we see this business picking up in the coming years.

**Shweta:** Hello, sir. This is Shweta from Equilon. I wanted to know about the non-defense platforms that we are making, or we make. How long it takes to get the order, means the to and fro, till the final order we get. And how means other, is the time, like because there is no flow in that. So, is there more time given in the to and fro with the clients? If you can explain that process.

**P. R. Hari:** Okay, ma'am. Non-defense orders, again, I will put it in two buckets. One is the non-defense orders coming from government entities, like the research vessels. They are all coming from government entities. And second is the orders which are coming from non-government entities, like the German client.

**Shweta:** Yes, I am talking of non-government.

**P. R. Hari:** Non-government. So, the overall non-defense order book composition, contribution, is about 20%, that is 18%. In this, the export content is almost about 8%. So here, it takes time. Time is not taken for the contract conclusion. Time is actually taken for establishing a relationship. We took nearly six months to get into the, more than six months, to get into the first contract for

the four vessels of the German client. Then the next four and the next four came almost back-to-back. So, it is just a question of making the break.

And I mentioned that one project where we wanted a collaboration with another shipyard, because of the size of the ship. The discussions have been going on for almost one year. One year. But when it happens, then the flow becomes more.

**Shweta:** So, after that one year, the approvals again and again, we have to go...

**P. R. Hari:** There is no approval involved, ma'am. It is the owner and the shipyard. They are the ones who are giving the approval. The one year, I am exaggerating, but let us say in the first project of MPV, it took six months. The six months was not for any, it was only for the negotiations to close, because some of the conditions, what they demand and expect, are not acceptable to us. So, we reached a mid-path, which is financially viable for both the parties. So, once that relationship and the contractual terms are established, then it is a question of concluding the contract.

So, as I said, it is a question of the first break. We already got it. And now, one, we are not able to handle because of the capacity constraints. Second thing is, in the major project what I discussed, it is a question of concluding the negotiations. Approval is between us and them. There is no government involved in this.

**Hardik Rawat**: Hi, sir. This is Hardik Rawat from IIFL Capital. Thank you so much for the opportunity. Sir, my first question would be with regards to the NGC order. I just wanted to understand that we are expecting the order finalization by the end of this financial year. Could you say as to when the orders for the equipment, especially electronic equipment that goes on to that platform, by when, if we are able to receive that order by the end of this financial year, would the order for the equipment be placed right away or could that spill over to the next financial year, that is FY '27?

**P. R. Hari:** The order for the equipment would spill over to the next financial year. The contract signing is the kickoff for the equipment decision, finalization and the decision. But on a proactive note, we have already commenced discussion with most of the major OEMs because now we know who are the OEMs. In some of the cases, the technical requirements have been already frozen because here we need to take the concurrence of the customer also.

This process commenced almost from the time we became; we were known that we were the L1 shipyard. And we expect to sign the contract with our OEMs within the first 6 months of placement of, I mean, receipt of contract which means in the first half of the next financial year, we will be able to place. And that is what is the realistic time. And we also would like to maintain, because we cannot place too early also. We also need to ensure that the deliveries are just in time. I mean, when we need the production scheme. That is the reason.

**Hardik Rawat:** That is helpful, sir. One last question with regards to the NGC execution. Now, we appreciate the fact that you are looking at the fact that '27 is going to be a peak year in terms of revenue. And there is not a lot of plateauing of growth in FY '28, which is why NGC related revenues being booked in 4Q. But since that revenue will only come in 4Q, it would be safe to assume that at least on a nine-month basis for FY '28, growth could slow down on a Y-o-Y basis?

**P. R. Hari:** Not necessarily, not necessarily, because what I had mentioned was that almost 10 to 15 percentage of project cost is from the spares. So, these will start coming and we contractually are supposed to provide them within X period after the ship delivery, last ship delivery completes. So, we will be able to pad up FY '28 with adequate cushion. At this juncture, no concern. That is all I can say.

**Namit Arora:** Good evening, sir. Thank you for your very detailed answers to all the questions. I had a question around people and automation, mechanization. Given that in the next three to five years, the scale is going to be very different, could you tell us about any initiatives you are doing to train people, attract more people, number one? And secondly, investments in mechanization and automation from a perspective that the execution excellence is maintained.

**P. R. Hari:** Very interesting question. Yes, people first. I will cover both the people as well as the, you may be tracking our induction plans. See, ours is a manufacturing company, but as our permanent strength, we intend maintaining a reasonably lean strength, where the non, let us say, the blue-collar force is limited to handling core activities. So, we are maintaining a lean strength, which means the white-collar strength would increase.

So, as recently, there is a live, I think it is concluded, which is concluded as in the window is concluded, we are inducting another 150 executives, 137 executives. And all of them, I can assure you, come from top institutions of the country, the best. That is what we pick up. This is for the, in addition, as the skilled workforce depletes, we are inducting for the core jobs.

We have an excellent vendor base, subcontracted vendor base in Kolkata, some of the best in India, from various companies, handling block fabrication, the welding, specialized welding. So, at this juncture, skilled, the resources wise, not a red flag, as of now.

As far as automation is concerned, yes, this is an imperative, and we already started investing, and should you visit our facilities, we have some of the best in terms of the welding machines, the plasma cutting machines, the robotic welding machines, and so on. And we will continue investing in that. Naturally, it will be need-based, because we don't want to unnecessarily pump in capital, but yes, there is a need, and we are investing. We have seized of this responsibility.

Robotics has also been brought in. We have a robotic welding machine, which is being almost used to a certain capacity, so there is no issue with that.

**Namit Arora** Thank you very much for your detailed thoughts, and all the best to the entire team.

**Gaurav Girdhar:** Thank you, sir. We will take that as the last question, and conclude the conference. I would now like to hand over the floor to Commodore P. R. Hari sir, for his closing remarks. Thank you, sir. Over to you.

**P. R. Hari:** Thank you, ladies and gentlemen, for an interesting session. As I said, personally, I look forward to this particular session, where interesting questions come. Sometimes you answer straight. Sometimes you sidestep it. It is just an occupational hazard. But believe you me, 100% efforts are being put in by the company, and the results are here for you to see. On a positive, proud note, I mentioned that this is the 13th quarter, on a trot, and we would like to maintain it as long as we can. And the visibility is very much there. Thank you.

**Gaurav Girdhar:** Thank you so much, sir. I would request everyone to join us for a group photo, please, and then we can proceed to the High-Tea. Thank you.