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To
BSE Limited
PJ Towers,
Dalal Street,
Mumbai- 400001

REF: REGULATION 30 OF SEBI (LODR) REGULATIONS, 2015

Dear Sir,

With reference to above, enclosed herewith is a Transcript of Q4-FY26 Earnings Conference Call of the Company held on May 19, 2026.

Thanking you.

Yours Faithfully,

FOR WPIL LIMITED

**[K.K. GANERIWALA]
EXECUTIVE DIRECTOR**





“WPIL Limited
Q4 FY26 Earnings Conference Call”
May 19, 2026



**MANAGEMENT: MR. PRAKASH AGARWAL – MANAGING DIRECTOR –
WPIL LIMITED
MR. KRISHNA KUMAR GANERIWALA – EXECUTIVE
DIRECTOR – WPIL LIMITED**

**MODERATOR: MR. ABHISHEK TAPARIA – EMKAY GLOBAL
FINANCIAL SERVICES LIMITED**

Moderator: Ladies and gentlemen, good day and welcome to the WPIL Limited Conference Call hosted by Emkay Global Financial Services Limited. 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 touchtone phone. I will now hand the conference over to Mr. Abhishek Taparia from Emkay Global Financial Services Limited. Thank you, and over to you, sir.

Abhishek Taparia: Good evening, everyone. I would like to welcome the management and thank them for this opportunity. We have with us today, Mr. Prakash Agarwal, Managing Director and Mr. Krishna Kumar Ganeriwala, Executive Director. I shall now hand over the call to the management for the opening remarks. Over to you, gentlemen.

Prakash Agarwal: Welcome to the earnings call for the fourth quarter and the financial year 2026. FY26 was a year of resilient overall performance for WPIL, marked by steady consolidated growth despite some near-term pressures in the domestic project business. On a consolidated basis, the company delivered revenue growth of 3% to INR1,855 crores with EBITDA rising 9% and margins improving to 17.16%.

Reflecting strong operational execution and a stable profitability profile. While the standalone business remained impacted by subdued demand and execution in the Project division, the Products division continued to demonstrate strength with healthy order inflows and an improved backlog, supported by robust demand from power, industrial and water sectors.

The international business emerged as a key growth driver during the year, witnessing strong momentum across Europe, MENA, Australia, Southeast Asia and Africa, led by robust execution, rising infrastructure investments and healthy order inflows across subsidiaries. With improving demand visibility, a strong order book and renewed momentum under Jal Jeevan Mission Phase 2.

The company enters FY27 with a positive outlook across both domestic and international markets. With that summary, let me brief you on the financial performance of the company, followed by the detailed operational highlights. On a consolidated basis, revenue from operations for the quarter under review stood at INR511 crores, reflecting a decline of 11% year-on-year. PBT was at INR67 crores versus INR65 crores last year.

PAT from continuing operations stood at INR47 crores, which was flat, with PAT margins at 9.11%. For the financial year 2026, revenue from operations was INR1,855 crores, registering a growth of 3%. EBITDA was INR318 crores, increasing by 9% year-on-year with EBITDA margins at 17.16%.

PAT from continuing operations amounted to INR200 crores, marking a growth of 2%, while PAT margin stood at 10.77%. On a standalone basis though, revenue for the quarter stood at INR201 crores, down by 44% year-on-year, while EBITDA margins -- EBITDA stood at INR50 crores, down by 22%. EBITDA margins were reported at 25.03%.

Net profit stood at INR40 crores, reflecting a decline of 13% Y-on-Y with PAT margins at 19.98%. For the financial year, revenue stood at INR763 crores, declining by 34% year-on-year, while EBITDA stood at INR163 crores, down by 19% year-on-year. EBITDA margins were at 21.3%. Net profit stood at INR17 crores, while PAT margin stood at 15.33%.

For the domestic business, the product division delivered a steady performance during the quarter with revenues at INR109 crores versus INR108 crores in the corresponding period last year. Order booking momentum remained healthy with order backlog improving too -- sorry, we'll come back to that.

Recently, we secured large cooling water pump contracts from DVC and Deepak Chemicals, further strengthening our presence in the Power and Industrial segments. We continued to witness healthy traction in both revenues and order inflows across key end user sectors, reflecting sustained demand momentum and strong market positioning.

Looking ahead, we expect strong demand from the power sector, along with the rollout of Jal Jeevan Mission Phase 2, which should both support the product growth. The project business continued to remain subdued during the quarter with revenues at INR92 crores compared to INR253 crores last year as the company remained focused on project commissioning and commencement of O&M activities.

However, following the cabinet clearance for Jal Jeevan Mission Phase 2 in March, we are witnessing renewed momentum in the sector as funds are being released and hopefully new projects will be tendered soon. International revenues rose sharply to INR1,136 crores in '26 compared to INR668 crores in the previous year, driven by strong execution and robust overseas demand.

The order backlog for the product division stood at INR5,796 million at the end of FY '26, providing healthy revenue visibility going forward. Gruppo Aturia continued to witness strong order inflows from the MENA region, driven by rising investments across the oil and gas and water space. Demand remains particularly strong for high-performance pump solutions and gas turbines, supported by ongoing capacity additions and energy infrastructure expansion across the regions.

The outlook for FY '27 has improved significantly, backed by fresh opportunities emerging across the MENA market. Sterling and United are benefiting from sustained momentum in the Australian market with healthy demand emerging from LNG and mining sectors. The subsidiaries continue to strengthen their position in specialized pumping applications catering to critical industrial operations.

Our JV WPIL Thailand delivered a standout performance during FY '26, surpassing INR300 crores in revenue for the first time. On the international project side, MISA Italy has successfully completed all legacy projects and is witnessing a healthy pipeline of new irrigation and drainage-related opportunities.

Eigenbau South Africa had a record performance during the year in terms of both revenue and profitability. PCI Africa continued to secure sizable contracts within the South African water sector supported by -- which is supported by sustained infrastructure investments and an improving project execution environment. During the period, the company secured large contracts from City of Cape Town for Maccasar project and the Lower Umkhomazi project recently, providing healthy revenue visibility over the medium term. With this, I'd like to take questions.

Moderator: Thank you very much. Your first question comes from the line of Ravi Naredi with Naredi Investment. Please go ahead.

Ravi Naredi: Okay, sir. Thank you very much to give me an opportunity. Sir, 4405 order received in from South Africa, this is not showing in investor presentation. Any specific reason, Prakash ji?

Prakash Agarwal: It's come after -- this is for 31st March. It has come this month, which we report now...

Ravi Naredi: But it is a big order, so you must mention in the investor presentation this. So now what is the position? How much order book now, including the South Africa?

Prakash Agarwal: Including South Africa, our order book is right now about ZAR4 billion.

Ravi Naredi: ZAR4 billion, and the total? Can you describe that?

Prakash Agarwal: Yes. So, if you see this project order book. You are asking for the total order book?

Ravi Naredi: Yes, yes, yes. Company as a whole.

Prakash Agarwal: Our company as a whole is about INR6,000 crores.

Ravi Naredi: INR6,000 crores. And in how many years it will be executed?

Prakash Agarwal: There is different time cycles. For example, we have -- the biggest sector right now is the South African order book, which we have, which is tentatively from 3 to 4 years, 36 to 48 months. Yes.

Ravi Naredi: 3 to 4 years. And what expecting we have revenue the from current year?

Prakash Agarwal: We are expecting good growth based on the execution profile of these contracts. However, the biggest areas we find are 2, which are the product business, as we have said, is a good growth trajectory it has got with this backlog. The second is we expect the Jal Jeevan Mission Phase 2 to now give fresh momentum as the funds are being released, and I think project execution will be speeded up. So, we see a good thrust there for revenue growth. And thirdly, the South African projects will now move into engineering and execution phase.

Ravi Naredi: So, can we describe in the percentage term, how much we are expecting INR2,000 crores, INR2,500 crores for whole year?

Prakash Agarwal: No, we would not like to do that, but we will be updating, but you can see that the growth profile is well established because we have clear signals. Earlier, like, for example, in the Jal Jeevan, it was stuck for the cabinet approval. Now the JJM is very clearly fund allotted. So that is a good thrust. The South African orders, as I had mentioned earlier, we have been expecting them for some time.

They are now received. So that is a very big positive. And the product backlog is improving. So, the trend is there, and we will keep updating you.

Ravi Naredi: So, can you describe in JJM 2, how much order we may receive this year or how much work we can do?

Prakash Agarwal: I think it is better we have to wait and watch. There are 2 good positives. One is you saw the approval through and recently, we have fresh funds were allotted to Bengal, fresh funds were allotted to UP and other states. So, I think the process is restarted in a very positive way. It is going to move a bit slow. And I expect that by the second quarter of this year, it will gain momentum. So, I think a better time by second quarter.

Ravi Naredi: Can I ask in JJM 1, how much was the order book from the government and how much they are predicting in JJM 2?

Prakash Agarwal: For us, the order backlog in Q1 is approximately INR1,100 crores from JJM. Total order backlog is about INR1,400. We have INR50 crores in O&M, so that is also, so we see a good move.

Ravi Naredi: One last question...

Moderator: Sorry to interrupt. Ravi sir, may we request you to return to the queue for further follow-up questions? Thank you so much, sir. The next question comes from the line of Deepak Purswani from Swan Investments. Please go ahead.

Deepak Purswani: Yes. Hi. Good evening, sir. Sir, firstly wanted to check it out on the South African operation. I mean, if I were to look from the order book point of view, at this point of time, we have the INR5,000-odd crores kind of thing order book. Eventually, from the project business point of view, does it also mean next year, there would be a significant ramp-up on the overall Consol project business? Or how should we see?

Prakash Agarwal: We can clearly see the South African business ramping up. And I expect the -- as we have said, the JJM also to be released. I'm a bit cautious on JJM because of the last years' experience, but the timing may differ, but the momentum will surely be very positive for JJM also. And South Africa, as we have these contracts in hand, this works in 2 ways. One is the visibility of revenues is there.

It will obviously take some time. The engineering site establishments will happen now. But I think from the second half, we will see momentum, revenue momentum. And JJM also -- and also South Africa, this is positioning us very well for future because with these large contracts, we are now at a different qualification and profile -- execution profile level.

- Deepak Purswani:** I mean, this year, on the African international project side, we did a INR388 crores. And based on the current order book, would it be fair to say we will do -- I mean, assuming a 3-to-4-year kind of time frame you mentioned. So INR1,200 crores kind of run rate from the international business itself, would that be a fair assumption?
- Prakash Agarwal:** I think it will take some -- as I said, we will see more visibility on the revenue conversion. But there is no -- we have to -- this entire order book in the project order book in South Africa has to be executed in the next 3 to 4 years. So, I think the starting second half, we will see momentum. Next year will be higher momentum. So typically, that's the general profile of these projects.
- Deepak Purswani:** Okay. And on the domestic part of the business, again, if I were to look from the order book point of view now since as you mentioned, I mean, on the JJM front, there is some kind of improvement looking at the previous quarters and previous year. How should we see the execution on the domestic side of business in this year?
- And secondly, if I were to look into trade receivable as a whole for the year, despite the flattish revenue growth, there seems to be a little bit of increase in this year. So just wanted to get, is it mainly because of the JJM still there are some receivables which are yet to be received or we have received all the payment at this point of time? If you can give a broader sense on that...
- Prakash Agarwal:** Well, we haven't received most of it. So, the funds for JJM are yet to be released. I mean we are hearing of the process. The process is well established. You see without the -- according to my understanding, without the cabinet approval, the fund sanction was not there.
- First, the fund sanction happened. Then because of the JJM 2 procedure, the state signed MoUs with the Jal Shakti Ministry. And third step is fund release, where the first lots of funds have been allocated, some have been released. So, I think you will see -- we are confident that we will have a -- we should see very good fund release in the next couple of months, but maybe starting this month, increasing next month, sort of.
- Moderator:** Deepak sir, we request you to return to the queue for follow-up waiting for that. Thank you. The next question comes from the line of Nikunj Sutriya with Carnelian Capital Asset Management. Please go ahead.
- Nikunj Sutriya:** Yes. Also, we have seen in the Consol balance sheet that the trade receivable has increased from INR820 crores in March '25 to INR1,184 crores in March '26. So, is there any particular reason for that because the revenue has largely remained stable this year?
- Prakash Agarwal:** The major reason as outlined is the Jal Jeevan Mission funds in India, which were not released and which we expect to be released shortly.
- Nikunj Sutriya:** So out of total trade receivables, how much pertains to Jal Jeevan Mission?

- Prakash Agarwal:** I think approximately, I would say, the total clear receivables overdue to us is roughly about INR350 crores. And the others are invoiced and in the process. So, it's a major area which is stuck with dead --no movement on this for some time.
- Nikunj Sutriya:** Okay. And one more question. So, in our Consol P&L, EBITDA margin has decreased from 20% to 14.9% in Q4, whereas in our stand-alone, it's still at 25%. So, is there any strain to any particular subsidiary or something like that?
- Prakash Agarwal:** No, no, I don't think so. Our main mandate has always been to add the EBITDA margins between 15% to 20% on a whole. Like this year -- just to give you an example, this product division has been higher performance. So, they have been doing very good performance. So that has increased the EBITDA margin in India. But on a normalized level, we are looking at 15% to 20%, and we are at about 17% now.
- Nikunj Sutriya:** Okay, understood. Thank you.
- Moderator:** Thank you. The next question comes from the line of Disha from Sapphire Capital. Please go ahead.
- Disha:** Yes. So currently, our order book is at INR6,000 crores. Can you give me the split between the project business and the product out of this order book?
- Prakash Agarwal:** Yes. So, the project business would be about INR1,000 crores and INR5,000 crores, INR1,000 crores and INR5,000 crores projects.
- Disha:** Okay. And how do you see, sir, the overall pipeline? Where do we expect major projects from? Will it be international? Will it be domestic? Just a little bit more color on that?
- Prakash Agarwal:** I want to just clarify one thing that point we are trying to make is that we -- what we did in this financial year, which is very critical, is that the international revenues are roughly at 65%, and domestic revenues are 35%. And we have now divided this equally between the sort of -- we have got a good project business internationally and a good project business in India. And we've got a good product business internationally and a product business here.
- So, the -- what we've done is diversified well. And the point we're trying to highlight on the Jal Jeevan is that there is a positive news in the Jal Jeevan, which supports the outlook for the future. Similarly, South Africa, the orders, which we expected have come and it strengthens our outlook for the future.
- But all our businesses are performing. So, we should not -- and we are not going to be very much totally project focused, but we have strong project businesses and strong product businesses. So, the project is just needed for higher revenue visibility over a period of time.
- Disha:** So, what is the pipeline that you currently -- what sort of projects are we currently bidding for? How much inflow are we expecting this year?

- Prakash Agarwal:** So right now, say, for example, in South Africa, obviously, we will try to now work on revenue increase and consolidate on this order backlog. In India, the project business, we are hoping that new tenders are announced. The water sector has been very subdued for the last 1 year. So, we expect the pent-up demand to be released in the form of new tenders.
- And once they are out, we will be able to update you better on the pipeline. But presently it is quite low, the pipeline. And the product businesses are doing excellently across both the businesses. Therefore, we are seeing record order books across the sector.
- Disha:** So, this water sector that you mentioned that we're seeing the orders, any sort of time line of when you're expecting these bids to come up?
- Prakash Agarwal:** So just on time line, let me just give one is the South -- sorry, the Jal Jeevan 2. The Jal Jeevan 2 was announced now with an end date of 28 December. If you take that, we are looking at two and half years, 30 months. So, to finish the Jal Jeevan, which is -- I think the balance investment they are talking of is close to INR5 lakh crores, which was because 3.6 has been spent and 8.6 is the total outlay. So, within the next 30 months, will lead to a huge amount of pump requirements.
- Disha:** Correct. Okay. And sir, in terms of gross...
- Prakash Agarwal:** You said 30 months. I see by the second half of this year, a big requirement.
- Disha:** And then just on the gross margin front, we've seen the gross margins declining from around 76% to 71% in Q4 on a consol basis. So, what led to that?
- Prakash Agarwal:** It's -- our margins are fluctuating because they are fluctuating between, say, products, projects and different countries. So overall, as you can see at the end of the year, we are working on between 15% to 20%, and we were at 17% EBITDA. And the last year, we were at 16%. This year, we had very strong EBITDA in the domestic operation, but the revenue was lower. And internationally, we had 13%. India, we had 21%. So, I think best to look at between 15% to 20% on EBITDA.
- Disha:** Understood. That is it from side. Thank you.
- Moderator:** Thank you. The next question comes from Saket Kapoor with Kapoor Company. Please go ahead.
- Saket Kapoor:** Sir, when we look at our South African pie sir, if you look at our subsidiary PCI contribution, that is total amounting to INR1,800 crores out of the 2 projects that we have been sanctioned. So INR1,172 crores was the earlier one and INR1,172 crores is the current one and INR630 crores. So INR1,800 crores worth of business will be routed through the subsidiary PCI over a period of 4 years.
- Prakash Agarwal:** Yes. There is -- these are the 2 orders. We have balance orders also.

- Saket Kapoor:** Balance orders are in pipeline, I'm talking. Please explain, sir I didn't get it?
- Prakash Agarwal:** The total order book in PCI is roughly INR3,100 crores. Sorry, in South Africa Sorry, South Africa. You're right. PCI would be approximately that much.
- Saket Kapoor:** INR1,800 crores. So, in our revenue profile, this INR1,800 crores will flow through post the execution?
- Prakash Agarwal:** Correct.
- Saket Kapoor:** Okay. Sir, when we look at our quarter 4 performance and just give me a time to explain what I'm trying to express is that, generally, Q4 generally works as a very good quarter in terms of execution scale. But for I think so this quarter, we have seen a dip in revenue, especially from the project business. So how do we explain this lower revenue profile for us? And going ahead, for the next fiscal, how will the mix now be towards the product and the project business since the order booking and everything is now evenly skewed, how should this profile look forward?
- Prakash Agarwal:** I think first is that we should be looking at our this year's performance and seeing the growth, we see good growth going forward. But the mix and the profile would be very similar. So, as I said, one is that I think 60% to 65% international would be there. That is one key. The second key is, I think this fourth quarter is more applicable for India, and Indian revenues were lower in project. In South Africa, the third quarter is better because their financial years are different.
- Saket Kapoor:** Sir, only what I'm trying to make sense is that when we look at our P&L for the consolidated part, we find the employee cost at INR78 crores, which is not in line with the revenue. Last year, with revenue mix of INR572 crores, the employee cost was INR60 crores. Now with the revenue profile of INR511 crores, the employee cost is INR79 crores, INR78 crores. So here comes the first aspect that has lowered our EBITDA margin, which all participants have been questioning about that on a Q-on-Q basis also on a year-on-year basis also.
- The quarter 4 is not appearing to be the normal business quarter for us. So, we are trying to make a sense or understand what are the factors? On the execution in the Indian operations have led to this decline in the margins, and this will get even out going ahead? Or what should we conclude?
- Prakash Agarwal:** You should conclude, as I said, that you cannot take 1 quarter and one area because as a benchmark and extrapolate because it's quite fluctuating depending on revenues. So, for example, in projects work, you can have higher cost because sites have to be manned and managed, whereas revenue recognition may not happen. So, I do not think we are a business which you can take on a straight-line multiplication basis.
- So basically, you have to look at the overall profile and the overall EBITDA margins. You will have great quarters. Suppose you have a great aftermarket execution or some good contracts are executed, but it's a balance mix which will happen. So, it should not be -- we are -- you will have certain -- and it's not predictable also to understand that.

- Saket Kapoor:** Yes sir. Only to conclude and join the queue. Sir, you. You are using the adjective good growth. So, in that adjective, what should good amplify in financial terms? Sir, our growth has been flat this year and last fiscal year. INR1,854 versus INR1,806 crore. So, if you take order booking and the current setup into account, then how should you extrapolate that to good growth??
- Prakash Agarwal:** In that one thing is that good growth, because different moving parts, like some of our other growth, project business in India went low. If you had -- if that had not stayed normal which -- and it was a circumstance which was beyond our control. So, if that went down, if that had been normalized, you would have seen the growth.
- Saket Kapoor:** No question about that. Yes.
- Prakash Agarwal:** There a lot of moving parts. It's a lot of moving parts. But however, we enter FY '27 with positive on all fronts. That's what we want to highlight, and that's why we are confident of growth.
- Saket Kapoor:** I got your point, sir. But give us some color, sir, what should good indicate, 10% percent, 15%, 5% what is good according to the roadmap for us?
- Prakash Agarwal:** As I said, I think we should be looking at a longer-term picture. I think the best point here, which we would like to highlight, is to see how sustainable and the businesses are. If you can see if the weakest part of this business over the last year was the Indian project business dependent on Jal Jeevan 2 -- sorry, Jal Jeevan and where Jal Jeevan 2 with an enhanced outlay has been announced, then it shows the strength of the business going forward. I think that is a key area, and we will keep you updated as things happen.
- Saket Kapoor:** Okay, sir. I'll join the queue for other participants also -- all the best sir. Hope to get an opportunity again.
- Prakash Agarwal:** Thank you.
- Moderator:** Thank you. Your next question comes from Jainam Doshi with KRIIS PMS. Please go ahead.
- Jainam Doshi:** So, like can you please guide us with respect to the contractual terms pertaining to the orders received by PCI Africa? Like how is the general advances, the milestone payment and the retention money? And how does it pan out like this?
- Prakash Agarwal:** So, I think the commercial terms in South Africa are excellent. Margins are excellent and contractual periods are very good 4 years, 3 years, they get. So, I think it's completely -- it's a very big positive and learning for us, and we are very excited about how it will play out. But it's much -- I mean, there are -- they get advanced and the payments are within 7 days' time and very good terms.
- Jainam Doshi:** Understood. And sir, as you mentioned...
- Prakash Agarwal:** They are cash positive. Most of the business -- sorry, these businesses, they are mostly running cash positive.

- Jainam Doshi:** That's great to know. And sir, one more thing is on the order, as you mentioned, goes into the engineering stage, like how is the execution of such orders pan out in terms of like 2, 3 years in terms of percentage, like if 10%, 20% in a year 1 or 50%, the peak revenues will come in year 2 of the execution? Or how is it like?
- Prakash Agarwal:** As a thumb rule, the peak revenues will come in year 2, as you have correctly pointed out. But we have a mix of projects. So different ones are running different time schedules.
- Jainam Doshi:** Understood. Understood. And with the amount of cash which we have, so like are we evaluating the inorganic opportunities? Or where are we currently in terms of utilization or...?
- Prakash Agarwal:** Yes. I think one of the key areas for us has been our focus on key acquisitions in the product space now. We did some acquisitions in the project business, which has played out very well. So, these opportunities are being actively explored, and we hope to have some results soon.
- Jainam Doshi:** Got it. Thank you for the update. Thank you sir.
- Prakash Agarwal:** Thank you.
- Moderator:** Thank you. The next question comes from the line of Balu from Parami Financial Services Private Limited. Please go ahead.
- Balu:** Good evening Mr. Agarwal. What is the -- in the last call, you had said approximately INR300 crores are outstanding on the Jal Jeevan Mission. So, has any money received in last quarter and 1.5 months in this financial year?
- Prakash Agarwal:** No, I think we haven't received money, and that is expected now. So, we hope to receive it this quarter, start receiving it this quarter onwards.
- Balu:** Okay. I have one question. We sold this Rutschi business, okay, a couple of years ago. And we had received the proceeds from the sales. I remember you mentioning that there was some tax provisioning you people had made for the same as per the orders from those tax authorities basically.
- Prakash Agarwal:** Correct, correct.
- Balu:** And your tax advisers has guided you for that you will get a refund from this. And you have made those provisions basically made those decisions. So, what is the status on that now?
- Prakash Agarwal:** Yes. So, we have filed the appeals necessary, and we are pursuing the process. It will take some time, but it's litigation, it's a long, medium -- sorry, medium style litigation there. It will be appealed at various forums. But our advisers are very confident of getting a positive result.
- Balu:** And when can we expect that money to flow in?
- Prakash Agarwal:** I think we will update you, but maybe in 18 months, if the result is, we will have a result in 18 months. I cannot assure the money will flow in.

- Balu:** Sure. And my last question on the orders which we have won on the South Africa region through your subsidiary. So, the EBITDA margins are similar to what you always guide for, or they are low margin orders?
- Prakash Agarwal:** No, no. We are much higher margin, much better margin we have got there. So, we are very, very excited about how it will play out.
- Balu:** Okay. Thank you, Mr. Agarwal and best wishes.
- Prakash Agarwal:** Thank you, thank you.
- Moderator:** Thank you. The next question comes from the line of Tanya Kothari with AUM Capital Markets. Please go ahead.
- Tanya Kothari:** Yes, sir. Good afternoon and congratulations on delivering another strong year growth. I just have a couple of questions. Just now you mentioned the project order is INR5,000 crores and of which INR3,000 crores are from South Africa. Sir, can you give me a breakup of order book outstanding for Australia, India and other international markets, product and project-wise?
- Prakash Agarwal:** Yes, I can. In Italy, we have approximately total order book of about INR330 crores. And in Australia, approximately INR80 crores. In India, we have about INR2,000 crores of project order with about INR500 crores of O&Ms, so INR1,450 crores of EPC. These are all of 31st March.
- Tanya Kothari:** Okay, sir. And the Board has increased the authorized capital. Does this signal a forthcoming major fundraising or a kind of potential acquisition?
- Prakash Agarwal:** Yes, that is something we are pursuing. We are pursuing for some time. And I think the environment is now very positive because we are not wanting to pay expensive valuations. So, we think we can get good strategic assets at a reasonable valuation now. So that's why we have taken this enabling resolution.
- Tanya Kothari:** Okay, sir. And sir, are there any kind of forex gain and loss because we are dealing with so many international markets in Q4 as well as current financial year?
- Prakash Agarwal:** Sorry, can you repeat?
- Tanya Kothari:** Forex gain and losses. Forex gain and losses, sir, because we deal with so many international markets, and we just saw rupee depreciating more than 11%. So are there any...
- Prakash Agarwal:** It's a big gain for us. Yes, it's a big gain for us. I think it's one of the reasons we are liking this diversified basis. If you were very much India exposed, we could have had a lot of tremendous margin pressures.
- Tanya Kothari:** Yes, because considering your South Africa...
- Prakash Agarwal:** This is playing out very well for us, this international blend, which we have. You can see in our balance sheet also the consolidated results, you have got INR139 crores of exchange difference.

- Tanya Kothari:** Yes, yes. And sir, given the strong international order pipeline, do we see -- foresee any execution bottlenecks in procurement or labor availability or logistics in next 2 to 3 years concerning this geopolitical scenario?
- Prakash Agarwal:** So, I think one more point I'd like to highlight here that the international projects which we are doing are high-end process-related businesses. So, they are not similar to the Indian environment. Most of these are very sophisticated plants and there is less pipeline or low-end civil work. So, this is very high-end technology projects which they are doing. For example, they are doing water reuse projects and wastewater projects, very complex wastewater projects.
- That is the strength of our South African businesses. So, we see good margin and they are very stable. There is no margin risk or pressures. And the time frame is internationally, fortunately, is given according to the requirements. So, 3 to 4 years is a significant time, and they are well planned out. Very much pleased this is a 100-year-old company with very strong systems. So, we are very, very confident of the performance going forward.
- Tanya Kothari:** Okay, sir. Thank you, sir. That was very helpful. Wishing the team all the best for the upcoming results. Thank you.
- Prakash Agarwal:** Thank you.
- Moderator:** Thank you. The next follow-up question comes from the line of Ravi Naredi with Naredi Investment. Please go ahead.
- Ravi Naredi:** Yes, sir. I would like to ask this one question. What margin do we expect for financial year '27?
- Prakash Agarwal:** I think we...
- Ravi Naredi:** Definitely due to high order -- such as due to high order, definitely margin will expand. Sir, can you quantify in terms of percentage?
- Prakash Agarwal:** I think we will see on the higher side, as we have said, the bandwidth we look at is 15% to 20%. But on -- as you can see this year in domestic operations, we have got 21% EBITDA. So, I think you are correctly pointing out, going forward, this should lead to margin enhancement also surely.
- Ravi Naredi:** Okay, okay. Congratulation again for a good order from South Africa, and all the best, sir.
- Prakash Agarwal:** Thank you, thank you.
- Moderator:** Thank you. The next question comes from the line of Vinay Nadkarni with Hathway Investments Private Limited. Please go ahead.
- Vinay Nadkarni:** Yes. Thanks for the opportunity and congratulations for the international business expansion that you've always wanted. Just one thing which I wanted to check out with you is, is it possible for you to share the -- because since now internationally also you have diversified over such new

geographies, whether it will be possible for you to share the revenue and EBITDA in these 4 geographies?

Prakash Agarwal: The international, as we have said, on a yearly basis, the revenues jumped up from INR668 crores to INR1,133 crores. And the EBITDA went from INR88 crores to INR152 crores. So more or less double both or just less than double for both.

Vinay Nadkarni: Can we get a split? Or is it not possible between South Africa?

Prakash Agarwal: Yes, I don't have the exact split one-on-one, but I would like to qualify this and say that PCI Africa, we bought in the middle of last year itself, financial year. So, we got only, I think, 9- or 10-months performance in PCI Africa. The order booking has been great, but the revenue, we did not get that much benefit of it last year because we just acquired it. So, some of them are in the process like that. And I think this year is the full year we should see the revenue now.

Vinay Nadkarni: Will it be possible for you to respond if I send the mail requesting for this data?

Prakash Agarwal: I think we will come back. This is a good point you are making next quarter. We will come back with year-on-year for the subsidiaries also.

Vinay Nadkarni: Thank you very much.

Prakash Agarwal: Thank you.

Moderator: Thank you. The next question comes from Deepak Purswani with Svan Investments. Please go ahead.

Deepak Purswani: Yes. Thank you for the follow-up opportunity. Sir, just wanted to check it out. If I were to look into your product business, I mean, this year, we have grown at 10%. The Indian business is growing at 15% and international business is growing at a 5%. If you can give just from next 2 to 3-year perspective, how should this product business evolving for us in both the region?

And also, which are the key promising products and vertical where you see there would be significant scope for the growth? And thirdly, in terms of the particular gaps which you have evaluated in your product portfolio and where you are looking out for the inorganic growth, that would be -- if you can share your perspective on this product portfolio as a whole, that would be really helpful.

Prakash Agarwal: I think our product portfolio this year, as the domestic has improved and the backlog has improved, I think what we are doing is positioning ourselves well and all our markets, be it Europe, I think we are very well-positioned now to see this growth, as we have just mentioned a few lines.

A lot of things have been postponed because you see from the time of -- there are a lot of geopolitical issues. Today, let us face one thing. We are in one of the worst climates right now.

For example, India has fiscal challenges. The Europe has been struggling with this gas pressures. The entire Middle East, MENA region, it's inaccessible right now.

So, these are geopolitical issues playing out, which lead to postponement of some of the demand. So, Europe, in our European operation, a lot of demand have been postponed and concretized, which we expect now. So, I think time frame is the only challenge.

But as far as businesses are concerned, we see all our product businesses growing, be it in -- like Thailand, we mentioned, this is a joint venture, but the business has in last become 3x to 5x. I think we were at INR50 crores during COVID, and it has grown to INR300 crores. So, we had a big jump in Thailand.

Similarly, Australia, we are one of the strongest or the strongest player in Australia now. So -- and the mining sector and the LNG because LNG has become in big demand, huge investments are planned there. So, all our product businesses, we see good growth. And I don't see niche -- we're looking for geographical reach.

As you can see, we are concentrated in Africa, Europe and Australia. We want to go to the U.S. is one, clearly. And other areas in, say, for example, Saudi Arabia, market reach is something we are looking for. But only market reach, no products are -- we have a very strong product profile.

Deepak Purswani:

Okay. So, sir, just continuing on that part, let's say, if we are looking to enter into the U.S. market. So, our inorganic strategy would be aligned towards getting the front end in the U.S. market and supplying the product from other subsidiary? Or how should we perceive that inorganic route?

Prakash Agarwal:

I think that's what -- it's a mix. I mean, first is that getting presence there is critical, the front end there and what we can do, how we can support the businesses, surely, all the businesses, we find that our core strength lies in supporting them with our engineering and manufacturing resources. So, it will surely be a lot of support from all our other subsidiaries.

Deepak Purswani:

Okay. Sir, finally, on the project business front, if I were to look from the South African market, if you can give some sense in terms of the -- since this is relatively a new market for us, how should we see from the supply chain management point of view and labor issue and not exactly the labor issue, but ramping up of the labor and everything there for executing the project. And then what is the kind of the margin profile is there for the South African business versus the Indian project business?

Prakash Agarwal:

As I mentioned, South Africa is a process and electromechanical more than civil. So, there is small amount of civil, less amount of -- very less compared to India and no pipeline at all. So, it's very high-end projects. And therefore, labor involvement is not very high. It's more engineering, more supply, more process, etc.

- So, you can imagine that -- you can imagine how valuable that is relative to a project in India. So, if you take the project order book of INR3,000 crores -- sorry, the total order book of INR3,000 crores in South Africa, it translates into a much higher order book in India because in India, you would have a lot of pipeline and civil works.
- Deepak Purswani:** Okay. And sir, would it be fair to say our South African business margin profile would be aligned with the Indian project business margin?
- Prakash Agarwal:** It will be better.
- Deepak Purswani:** And sir, finally, on the capex front, how should we see capex as a whole in both domestic and international projects for the next two years' perspective?
- Prakash Agarwal:** We don't see much capex demand requirement, but we do see some small brownfield addition needed to take care of the excess -- the capacity required for Indian growth, product growth.
- Deepak Purswani:** Okay. Thank you and wish you all the best. Thank you.
- Prakash Agarwal:** Thank you.
- Moderator:** Thank you. The next follow-up question comes from the line of Saket Kapoor from Kapoor Company. Please go ahead.
- Saket Kapoor:** Just a bit of clarification only, sir. On the order book front, as per presentation, sir, our pending order book for the product division is closer to INR984 crores, and the project one is at INR3,900 crores, so...
- Prakash Agarwal:** Correct. And plus, if you add what that other gentleman had asked that whether if you -- this is up to 31st March and...
- Saket Kapoor:** 31st March.
- Prakash Agarwal:** And this is added to this, yes.
- Saket Kapoor:** Pertaining to also, sir, the NSE listing part, are we listed under the permitted category or this is a permanent listing that we have gone through? Earlier NSE would have done a permitted category for ensuing period. And then again, the delisting happened. So, can you confirm that this is -- we have followed the procedure and this is a permanent listing on NSE now?
- Prakash Agarwal:** We haven't applied yet. There is some particular condition, which we are unable to -- as far as capital is concerned, which we are unable to comply until we raise funds. So, it's -- we have taken the resolution; we hope to apply soon.
- Saket Kapoor:** Okay. So, this NSE is under permitted category and they may again revise it. So, this is not a final listing for us as of now. We have not applied for it, yes? Yes.
- Prakash Agarwal:** We are yet to be listed there.

- Saket Kapoor:** Right, sir. And 2 small points, sir, you mentioned about some allocation of funds under the JJM, especially for Uttar Pradesh and Bengal. So, can you quantify what is -- as per your understanding? And then, sir, how are the RM prices going to impact our product and the project business since raw material prices, whether steel, I think steel or specialized steel, which may be a major component, have also moved up significantly. So how are we going to deal with this RM part of the story?
- Prakash Agarwal:** Yes. Two things. So, this money allocation we have seen in the press. So, we read West Bengal has been allocated INR2,700 crores and the state will also fund. So that is how we are aware of it from the press. And we are receiving positive feedback from the department also that something is coming. So that's how we know.
- And regarding this raw material, yes, it is a challenge, but it's a volatile more than rising curve. And the volatility, as we are aware, is like, for example, stainless steel has become expensive because most of the imports are from the Gulf. So, I think it's volatile. It's a wait and watch. We cannot yet jump to any conclusion here.
- Saket Kapoor:** Okay. Sir, and concluding the O&M part for this year and the current year ensuing year, how much has been the O&M component to the revenues?
- Prakash Agarwal:** The O&M is -- I think all -- quite a few -- sorry, quite a few projects have gone into O&M now and some are in defect liability, O&M transition. This '27, we will see first impact of reasonable amount of O&M. So, we will be updating soon on this. We will make that a part in the presentation.
- Saket Kapoor:** But, as of now, what is the under O&M component of our order book closing, you can quantify that?
- Prakash Agarwal:** So INR550 crores or something, INR530 crores.
- Saket Kapoor:** INR530 crores. And lastly, sir, on the sum reversal we talked about, I think a year ago about some projects and there were some cost overrun or something litigation part. Where are we, sir, any update on the same?
- Prakash Agarwal:** We had a contract termination, which is under litigation. So, we have gone into arbitration for that. But the process is very slow. We are not going through the process right now.
- Saket Kapoor:** Sir, in conclusion, what we can summarize from today's conversation, which has been very exhaustive, taking into account the project -- the order booking profile for both the project business as well as the product business and the type of margins, higher margins, which we will be exhibiting from the South African operation, it seems that there is a good optimism of us gaining higher margin profile in the ensuing years. This understanding for the participant is correct for both the segments?
- Prakash Agarwal:** I think the points I would like to say is that we look at it as a zero-sum game. So, in the zero-sum game, the first is the Jal Jeevan was a weakness for us, which we see as a positive going

forward. So immediately, if you see if our funds are released, our interest costs will come down, that you can see as a margin.

Similarly, South Africa is stabilizing the dependence on Indian project business. So now that the South African revenues will pick up, as you can see a glimpse in the last year, this should further improve our project business. It will be a stable project business and margin profile will be stable and the cash flows will be stable.

So that's how the project business goes. And the product business has grown. And as you can see, the business -- product business when it grows, the margin improves. So, these are all positives going forward.

Saket Kapoor: Yes, sir. Because products business to conclude has done 22% margin on a Consol basis. And now with the improvement that we expect, this is going to be more margin accretive only. I think INR1,036...

Prakash Agarwal: Yes. So yes, it's on a positive trend. The only thing is, as you correctly mentioned just now on the raw material, let's hope that stabilizes. So, on a quarter-to-quarter basis, there could be some challenges, but on a trajectory progress, yes, very positive.

Saket Kapoor: Very positive on that front also that even on 22% the profile we have posted, we have a good chance of improving or definitely improving on the same depending upon -- since we have a good strong closing order book position. That understanding is correct.

Prakash Agarwal: I think the outlook is good and all the -- I think the bigger weakness for us was the project area, which we are happy with. And the product order book and the pipeline looks very strong.

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

Prakash Agarwal: So, thank you all for participating in this earnings conference call. I hope we were able to answer your questions satisfactorily at the same time, offer insights into our business. If you have any further questions or would like to know more about the company, please reach out to our Investor Relations Manager at Valorem Advisors. Thank you.

Moderator: Thank you. On behalf of Emkay Global Financial Services Limited, that concludes this conference. Thank you for joining us, you may now disconnect.