John Cockerill

Ref.: JCIL/BSE/2026
Date: August 20, 2026

To,
The Secretary,
BSE Limited,
P J Towers, Dalal Street,
Mumbai - 400 001.

Scrip Code: 500147

Dear Sir/Madam,

Sub.: Transcript of Earnings Conference Call for the quarter and half year ended June 30, 2026

Pursuant to the provisions of Regulations 30 and 46(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and in continuation to our letter dated August 10 & 13, 2026, regarding the audio recording of the earnings conference call held on August 13, 2026, on the un-audited Financial Results (Standalone & Consolidated) for the quarter and half year ended June 30, 2026, we hereby enclose the Transcript of the audio call recording of the Earnings Conference Call for the quarter and half year ended June 30, 2026.

The transcript is also available on the Company's website at www.johncockerillindia.com.

We request you to kindly take the same on your record.

Thanking you,

Yours faithfully,
For John Cockerill India Limited

Nidhi Narayan Salampuria
Digitally signed by Nidhi Narayan Salampuria
Date: 2026.08.20 20:48:15 +05'30'

Nidhi Salampuria
Company Secretary & Compliance Officer
(FCS: 10448)

Encl: As above

"John Cockerill India Limited

Q2 CY26 Earnings Conference Call"

August 13, 2026

E&OE - This transcript is edited for factual errors. In case of discrepancy, the audio recording uploaded on the stock exchange on August 13, 2026 will prevail.

MANAGEMENT:	**MR. FRANCOIS DAVID MARTINO – CHAIRMAN – JOHN COCKERILL INDIA LIMITED** **MR. FRED MARTIN – MANAGING DIRECTOR – JOHN COCKERILL INDIA LIMITED** **MR. DEEPAK CHINDARKAR – DEPUTY CHIEF FINANCIAL OFFICER – JOHN COCKERILL INDIA LIMITED** **MS. NIDHI SALAMPURIA – COMPANY SECRETARY – JOHN COCKERILL INDIA LIMITED** **SGA – INVESTOR RELATIONS PARTNER – JOHN COCKERILL INDIA LIMITED**

Moderator: Ladies and gentlemen, good day and welcome to Q2 CY26 Earnings Conference Call of John Cockerill India Limited. Before we begin, this conference call may contain forward-looking statements about the company, which are based on the beliefs, opinions and expectations of the company as on date of this call. These statements are not the guarantees of future performance and involve risks and uncertainties that are difficult to predict.

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. Please note that this conference is being recorded.

I would now hand the conference over to Mr. Francois David Martino, Chairman of John Cockerill India Limited. Thank you and over to you, sir.

Francois-David Martino: Thank you, and good evening and a warm welcome to everyone joining us today for our quarter 2 calendar year 2026 earnings call. I would like to start by apologizing for the delay taken for the call and this is due to the meeting of Board of Director which has been longer than expected.

So, I am joined today by our; Managing Director, Mr. Fred Martin; our Deputy CFO; Mr. Deepak Chindarkar; Company Secretary, Ms. Nidhi Salampuria; and SGA, our Investor Relations Partner. We have uploaded, as you may have seen, our financial results and investor presentation on the stock exchanges and on our company website. I hope you have had an opportunity to go through them.

Let me begin with a brief overview of the steel industry and the current market environment. The global steel market remains mixed across regions, with different market facing different opportunities and challenges.

Let's start with Europe. Europe continues to face a challenging environment. High energy costs and weak industrial sentiment are affecting investment decisions. In July 2026, the European Union introduced a new tariff-quota regime covering 18.3 million tons across 26 steel product categories.

Imports beyond the quota are now subjected to a 15% duty, while the new melt and pour requirements calls for proof of the steel's true origin. Slabs remain exempt from the quota and duty, and this is an important information because these changes the driving forces and increase the interest for investors in implementing hot rolling solutions, cold rolling solutions and processing lines based on duty-free imported slabs. They are also supporting the localization of steelmaking through electric arc furnaces.

While in China, the country remains the world's largest steel producer but the market is changing. The country is moving towards what can be described as a green steel pivot. In April 2026, finished steel exports declined by 9.2%, while sector value added increased by 1.8%. This points to a gradual shift towards higher value and more specialized steel products.

Chinese producers are increasingly looking for downstream lines such as galvanizing, annealing and finishing to support these products. At the same time, there is a significant investment in electric arc furnace and hydrogen-based metallurgy to reduce emission.

Customers are also becoming more selective about capital investment. There is a stronger focus on advanced technologies, productivity, energy efficiency and decarbonization. We are responding to these changes by strengthening our presence and capabilities in China.

The United States steel industry is seeing a revival. Capacity utilization reached 82% in July 2026, the highest level since 2018. Producers are expected to invest more than USD14 billion this year, including major projects such as Nucor's new sheet mill in Arizona. We are also seeing strong growth in the localization of spare parts and maintenance services. This is further strengthening domestic industrial ecosystem.

India continues to be one of the strongest growth market for steel. Steel production is expected to reach this year 161.7 million tons with a unchanged target of 300 million tons by 2030. Major infrastructure programs and production linked incentives for specialty steel are supporting more than USD25 billion in investment.

At the same time, per capita consumption in India is around 93 kilogram only, compared with a global average of approximately 230 kilogram per person. There is a huge gap which needs to be closed in the future. This highlights the significant potential for further growth. Infrastructure spending remains strong, manufacturing capacity is expanding, automotive demand continues to be healthy. These factors are creating a favorable environment for further investment in steel.

Other emerging markets like Africa and South America are also showing healthy growth, with steel demand expected to grow by around 5.5% in 2026. Brazil and Argentina remain key market in South America, while East and North Africa are benefiting from increased infrastructure development. These regions are becoming increasingly important to the future growth of global steel demand.

Beyond the regional development, there are several common trends shaping the steel industry. Steel producers are moving towards higher value and more advanced product. This is increasing the need for advanced processing technologies.

We are seeing growing demand for galvanizing and cold rolling lines, along with strong interest in electrical steel processing. At the same time, customers are looking at plant modernization, energy efficiency and life cycle services.

Decarbonization is also becoming an increasingly important part of investment decisions. Geopolitical tensions, particularly in the Middle East, continue to affect energy market, logistics and global commodity flows. This is creating some volatility across industrial markets and making flexibility and local support increasingly important for our customers.

These industry trends are closely aligned with our capabilities and with the technology portfolio of the John Cockerill Group. Our focus is therefore on strengthening our presence in key markets, supporting customers with advanced technologies and increasing our ability to provide local support and life cycle services.

Overall, while the steel market remains challenging in some regions, we see significant opportunities driven by capacity expansion, higher value products, de-carbonization, plant modernization and the need for greater efficiency. This gives us confidence in the opportunities ahead. The previous quarter marked the beginning of a new chapter for John Cockerill Industry India.

We consolidated our Chinese, German and Belgian entities under John Cockerill India Limited and this is an important step for our strategy. The objective is to create a more integrated and agile organization. We are bringing together technology expertise, manufacturing capabilities and execution strengths.

We are also creating better access to the Chinese market. This integrated platform will help us work more efficiently. It will also help us respond faster to customer. Most importantly, it will allow us to offer our global technology capabilities through a stronger and more coordinated organization. We believe this will support our growth in the coming years.

Coming to our performance during the quarter, we delivered another quarter of strong year-on-year growth. Standalone revenue grew by 82% year-on-year and reached approximately INR149 crores in quarter two of the calendar year 2026. Consolidated revenue stood at approximately INR299 crores. This represent a growth of 18% year-on-year also.

Revenue was lower on a sequential basis. This was mainly due to the project cycle and the timing of revenue recognition. In Q1, several of our older projects were close to completion. We were therefore able to recognize the savings and efficiencies achieved on this project during the quarter. This supported the margin in Q1.

While in Q2, the situation was different. We have started execution of a number of new orders that we secured very recently. These projects are still in their early stages and at this stage we incur several initial project cost.

However, revenue and margin contribution build up progressively as the projects move forward and this has resulted in lower revenue volume and lower margins in Q2 compared with Q1. This is therefore largely a matter of project timing and mix rather than a change in the underlying business momentum.

We continue to see healthy customer inquiries. More importantly, we are seeing a strong pace of order wins. Our customers are investing not only in additional capacity, they are also investing in better technologies. We are seeing demand for advanced processing technologies and electrical steel, as well as investment in downstream quality improvement and plant modernization. The reasons are clear.

Customer want to improve productivity and reduce energy consumption. They want better product quality and they want to meet their sustainability and de-carbonization objective. These are long-term trends, they are not limited to one quarter or one market. These trends are closely aligned with the strengths of John Cockerill.

Our order book continues to grow strongly during the quarter. We secured order worth approximately INR1,200 crores. With these wins, our total order book as of June 2026 stands at approximately INR4,500 crores. I have to say this is a strong position for the company. It gives us good visibility for the coming years and our focus now is very clear. We need to convert the strong pipeline into further orders and at the same time we need to execute the existing order book well.

Good execution will be critical. As these new projects progress through their execution cycle, we expect the revenue and margin contribution to build progressively. We believe our strong order pipeline combined with our technology portfolio and execution capability gives us a solid foundation for the next phase of growth and let me now come to the profitability.

Profitability during the quarter was affected by the project mix and the earlier stage of execution of the new order as I previously mentioned. Several new projects are currently at the beginning of their execution cycle. This means that some costs are incurred upfront while the corresponding revenue and margin are recognized progressively as the project advanced.

We also incurred certain upfront costs to build the organization and capabilities required for the next phase of growth. In addition, we have some one-time cost related to the consolidation and integration of our operations following the group restructuring.

These factors affected our profitability during the quarter. However, we see these factors largely as transitional. The changes we are making are aimed at building a stronger and more scalable organization. They will improve coordination, improve execution and help us serve our customers better.

As the new projects progress and the benefits of these organizational changes start to come through, we expect profitability to improve over the medium term. Our priority is therefore not only growth, it is profitable and sustainable growth

and if we look beyond our current order book, we continue to invest in new technologies. One important area is Jet Vapor Deposition. We are continuing to develop this technology and build market opportunities around it. We see this as an important part of our long-term technology strategy.

More broadly, we believe the next phase of growth in the steel industry will not be driven only by capacity addition. It will also be driven by technology, productivity, energy efficiency and the need for more advanced products. This is where we believe John Cockerill has an important role to play.

We are also strengthening our capabilities closer to our customer and recently, we inaugurated our Advanced Coating facility at Taloja in India. This is an important addition to our value services. It will allow us to support customers with advanced coating solution and further strengthen our position in the services and energy efficiency business.

In China, we have also opened a new office in Shanghai. This is an important step in strengthening our local presence and bringing our technology and expertise closer to customer in the region.

The Shanghai office will also support our broader expansion in China. We are now preparing to open a workshop in China in the third quarter for the assembly of special machines and equipment. This will give us additional local capabilities and help us respond faster to customer requirements.

These investments are part of the same strategy. We want to be closer to our customer. We want to strengthen our local capabilities and we want to combine these capabilities with the technology and expertise of the John Cockerill Group.

To conclude, I would say that the direction of the business is clear. Our order book is stronger, as you have seen and we have a robust pipeline. We have enhanced our execution capabilities and now have a more integrated global operating platform. We are also investing in technology, local capabilities and customer proximity.

Be assured that India continues to offer significant opportunities for the steel industry. At the same time, we see important opportunities in China as well, in the US and other international markets.

We believe the medium and long-term opportunity for JCL remain substantial. There will be always challenges and execution and some quarter-to-quarter volatility. This is part of the business model. But our focus remain unchanged. We want to grow the business, execute well the project and improve profitability and create sustainable value for our customers and shareholders.

We are now happy to take your questions of course and as a closing remark, I would like to thank you very much for joining us today. We are very pleased to have that opportunity to speak with you again. We appreciate your questions and your continued interest in the company.

As mentioned, we remain available for further discussions with our investors. The management team will be happy to continue these discussions offline as well. Thank you once again, have a good day.

Moderator: Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Milandeep Jain from Green Portfolio. Please go ahead.

Milandeep Jain: Thank you for the opportunity. My first question is around the mentioned aspiration of INR8,000 crores of top line, which was mentioned in the Q3 2025 call, driven by new technologies like JVD, Volteron and external growth. So I want to understand is the INR8,000 crores top line target by CY30 is still the internal integral target?

Management: Great, thank you for your question and we are happy to respond to these questions. The INR8,000 crores target, it's not only a target for the complete organization and the management team, but this is the north stars we are following every night to find our way to success. This

INR8,000 crores are going to come from different streams and we have identified two main and major streams. One is our organic grow and as you rightly have underlined this growth will be largely supported by JVD and we believe also Volteron.

The second revenue stream will be based on external acquisitions and currently the management is investigating several external acquisitions as well. So these are the two revenue streams that we want to integrate together to build a very comprehensive and logical group.

Now coming back to JVD and Volteron, as we several times mentioned JVD is already commercializable, and we have very advanced discussion to close one project hopefully this year for JVD in Asia. I cannot mention more precisely where and with which customer. While Volteron is a technology which has been developed by our headquarter in Belgium and the IP is belonging to John Cockerill SA today and not John Cockerill India Limited.

Nevertheless, the management team is in discussion with our headquarter so that the full business case integration of Volteron can be done effectively. We are not at the commercialization stage for Volteron, since we have some R&D tests to finalize before we can bring that up to the market.

Between the IP we have today and the full industrialization of Volteron technology, there will be several milestone steps in order to have pilot plants validation and clear customer demonstration modular projects to show the efficiency and the ROI of the technology. Hopefully, this answers your question.

Milandeep Jain: Thank you, sir for the detailed explanation. My second question was about the guiding by area pro forma consolidated calendar year ‘25 revenue would be closer to around INR2,000 crores and Q1 calendar year ‘26 filing restated consolidated revenue as INR960 crores. So, which is a gap of roughly around INR1000 crores.

So, I want to understand my question here is that the US entity is not yet consolidated, but that alone does not bridge the full gap, I believe because you also mentioned on the call that the US contribution would be relatively small. Could you please help me reconcile the difference?

Management: Can we ask you to clarify your question please on the INR1,000 crores?

Management: We cannot hear you very clearly if you can speak a little bit closer and yes.

Milandeep Jain: Yes, so my question was that the consolidated calendar year ‘25 revenue was guided to be close to around INR2000 crores and actual order reported number was around INR960 crores. So, the gap of this INR1,040 crores, I want to understand will it be bridged by the U.S. entity alone? Because as per my knowledge, the U.S. contribution would be relatively small, so, can you just help me how this gap will be bridged that's my question? I hope I am clear now.

Management: So, I think the INR2,000 crores was kind of a guideline or a target. You are right that U.S. is not a very large contributor to that, though it is not insignificant but the most of our turnover is related to how we progress our projects. One is when we get the orders and then how we progress on our projects.

So, I think you will see a significant improvement in the revenue generation. In the second half and I think, okay, we may not be at 2,000, but I think we should not be very far if at all we include the U.S. in that.

Milinddeep Jain: Okay, thank you sir.

Management: Yes.

Milinddeep Jain: Also, one last thing, I want to understand that the John Cockerill SA reduced its holding from 75% to around 70% in Q4 calendar year '25. So, I want to understand what the reason behind it. Was it drove by SEBI disclosures or some group level liquidity needs or something else?

Management: Sorry, we could not. Hello?

Moderator: Hello, sir?

Milinddeep Jain: Yes. Am I audible now?

Moderator: Yes sir, you're audible.

Milinddeep Jain: Hello?

Moderator: Yes, Mr. Milinddeep, go with the question please.

Milinddeep Jain: Yes. So I believe I am audible. My question was that the John Cockerill SA reduced its holding from 75% to 70.4% in Q4 calendar year '25 selling around 2 lakh shares. So, I want to understand what's the reason behind it, can you just please elaborate and should we expect any further reduction please?

Management: Yes. So John Cockerill had 75% shares, I think it's a large holding. Obviously, being a global player, they have their priorities, they have their projects. So, once from time to time they may want to do certain operations on their holdings and on their investments.

So, they remain a very large shareholder, at almost 70%. And if as you are aware we will be now issuing the preferential shares to them which are convertible and to that extent they will again go back to 72 plus percentage. So, they are the most interested shareholder of this company and they remain interested in the development of this company. So, I think a small reduction like this should not be a cause for concern. Yes.

Milinddeep Jain: Okay. Thank you so much sir. Just one last question was around the Taloja Rolls Coating Facility. Can you just give me a revised date for the first revenue we should expect from this facility and what's causing the repeated delays?

Management: Okay. It has been put in operation in June.

Management: Yes. The facility is now operational. We are doing some of the testing and we have some trial orders, so we will start exploiting that facility as we go forward, Yes.

Management: Yes. We are initiating production now.

Management: Yes.

Milinddeep Jain: That's all from my side. Thank you so much sir.

Management: Thank you very much. You're welcome.

Moderator: Thank you. The next question is from the line of Prateek Giri from Shubh Labh Research Private Limited. Please go ahead.

Prateek Giri: Hi, greetings. Thank you for the opportunity. I hope I am audible. Sir, my first question is on.

Management: Yes. You are.

Prateek Giri: Thank you. Sir, my first question is on JVD. Sir, given this process brings real economic benefits as per our assessment on zinc coating, what has been the customers' biggest apprehension and feedback in their sharing with you when you are presenting it as a technology for implementation. If you can share few nuggets, any anecdotal example which customers have shared with you?

Management: Alright. So, basically we have different discussions ongoing and we had also different discussion last year for JVD. So, just as a reminder, the technology JVD is different from the classical hot-dip galvanizing process where basically, you deep-dive the steel into a bath of zinc to have a anti-corrosion coating. That's the way we do zinc coating since more than decades.

Jet Vapor Deposition or JVD is a process where you are projecting vapor of zinc on the strip instead of hot-dipping it and this bring a lot of additional advantage. The first one is that you can run high speed with that. At the same time, you can really have a coating which is more precise and with the same thickness having enhanced capabilities of fighting against corrosion.

So, there is a lot of advantage. There is industrial lines running in Belgium which is proving its efficiency and the process of concluding the first contract is longer than expected due to internal validation process at customer side. We are not talking about technical validation, but investment process validation. Be reassured that we have besides this case we are following very closely and we should start soon, other cases under discussion.

Prateek Giri: Got it, sir. No. This is helpful. Sir, just a follow-up on this, if you can help us understand the cost differential between HDP and JVD. So, for example if someone has to put a certain metric ton of HDP and he replaces it with JVD, so what is the initial investment difference between the two processes and how in opex the two processes are different per ton basis? If we specifically do zinc coating via HDP or JVD, what is the cost differential on running basis?

Management: So I cannot give very precise figures because it's really depending on the product mix that the customer is using. So, let's say that the harder the material is, the higher the benefit. The first benefit is because you are running on higher speed than a CGL, you are doing a lot of savings because you can process much more material with the same line.

The second advantage is that you have zinc saving because you need you are more precise in using your zinc than on the hot-dip and there is a savings based on that. But I would say the largest savings comes when you are applying to automotive steel and advanced high strength steels because in these case you can shortcut the whole production process by avoiding batch annealing process which is extremely costly.

So, I would say in terms of savings for the customer, we are talking about cases where it is at least INR1,000 saving and it can go up to 20x this figure based on the case. So, it's a significant impact.

Prateek Giri: No, this is really helpful. Just one tiny follow-up again, the order which we are supposed to get this year, which probably you mentioned in your opening remark, what can be the typical size of that order, sir, if you don't mind sharing?

Management: The order that we got are two types. One was for cold rolling mill. Hopefully, we will get.. The order that we are looking at is in the range of EUR50 million to EUR100 million.

Prateek Giri: EUR50 million to EUR100 million. No, this is again helpful. Just one last question on the cost side, so this quarter if we try to understand the cost structure, probably we are at INR68 crores employee cost and INR70 crores other expenses. So, should we take this cost base as a quarterly run rate going forward or do you see there can be some escalation in these two costs going ahead?

Management: No, I think the employee cost may go up a bit because we have to expand a lot in terms of our capacity to execue . So, to that extent, yes, we will have to add manpower on the execution side and that will have some impact on the employee cost. On the other expense side, I think we could be less than what it is slightly less than what it is. It won't be more than that, Yes.

Prateek Giri: Chasing on other expenses, it can be lower than the current quarter's number in the next two quarters of the year?

Management: Marginally, marginally. Not a huge shift, Yes.

Prateek Giri: Right, right, right. No, this is very helpful. I joined the queue back. Thanks a lot and good set of numbers in challenging environment, sir. Thanks a lot.

Management: Thank you.

Moderator: Thank you. The next question is from the line of Rabindra Nath Nayak from Nirmal Bang Securities, please go ahead.

Rabindra Nath Nayak: Thank you for the opportunity. Good evening, sir. Hello, am I audible?

Management: Yes, absolutely. Good evening.

Rabindra Nath Nayak: Okay, sir. Regarding this you know what is the order book for FY because you have given that but I have not seen that, can you please give the order book for standalone and also the consolidated entity?

Management: Order backlog. So, the consolidated is around INR4,500 crores and the standalone is half of it. Yes, INR2,200 crores yes.

Rabindra Nath Nayak: Okay and sir what is the service revenue we have booked in this quarter and what was in the previous quarter in the standalone and consolidated entity?

Management: Yes, just one second we are we are looking for the figure. You can ask the next question till I look for the number, if you have any.

Rabindra Nath Nayak: Okay and regarding this top customer in the particularly I am standalone entity I am referring, what is the contribution from the top customer from India, that is one and the other one is out of the INR140 crores of subsidiary revenue, what is the contribution of different regions? If you can specify that.

Management: Okay. You can ask your third question while we are looking for the second part as well.

Rabindra Nath Nayak: Those are the question, sir. One is the service contribution, the other one is you have given the order book, service contribution, the other one is your top customer contribution particularly from India, what is the contribution for top customer and region specific sales if you can provide it, that would be helpful, particularly when China, Europe and India?

Management: So, the service one I think this quarter was significantly lower than the last time. You know we are talking about maybe around almost one-third of the first quarter and even in terms of the ratio to the total sales, the service values services was lower.

This is not because of the lack of orders, but this is because the progress on those projects was less. I think our order backlog in this area also looks very good and our margin remains very strong as far as the value services are concerned. Yes and top I think the top will be our mostly in India.

Management: On the standalone, the top contributors are Tata Steel and JSW and on the consolidated will be adding ArcelorMittal to the top contributors.

Management: Yes and that will come to around no, I mean overall it will be 80%, yes around 80% the top five, yes.

Rabindra Nath Nayak: Okay and sir if you can give the region specific and the another question I want to ask about this among the four competitors in India, who according to you is the main competitor which comes with you in terms of competition in the order booking from the your Indian customers particularly? Some of the top customers?

Management: We focus on our products and our service capabilities rather than focusing on the customer. I think that is.

Management: On the competition.

Management: Yes.

Rabindra Nath Nayak: No, I am asking about the competitor's point of view. Who you consider the most likely competitor from the Indian market?

Management: All the Tier 1 competitors in the steel industry, as we all know them as OEM. So namely, the biggest one that we are dealing with and are well known. So namely SMS, Danieli typical.

Rabindra Nath Nayak: Okay. But in India, your contribution as far as the downstream steel is concerned, is with perhaps with Primetals or with SMS, sir?

Management: On the downstream.

Management: Same.

Management: All of these competitors has a downstream technology portfolio as well.

Management: Same.

Rabindra Nath Nayak: Okay and sir, region-specific sales of the INR140 crores.

Moderator: Sir, I just request you to. Hello. Sir, I just request you to rejoin the queue, please, for the follow-up question.

Rabindra Nath Nayak: Okay. No problem. Thank you.

Moderator: Yes. Thank you. The next question is from the line of Kushgangar from Care PMS. Please go ahead.

Kushgangar: Sir, we recently won an order from JSW, which was an order where our standalone as well as our parent companies also won as a group. We won the INR1,200 crores or INR1,300 crores order. Can you share some qualitative details with respect to what kind of discussions happened and what kind of impact it had post the merger of the Belgium as well as other company? What changed versus, say, what discussion would have been if the merger or the things would not have been there? Any qualitative highlights if you can share regarding that?

Management: Yes, definitely there is an advantage, of course, as being now a complete global organization and our teams in India, our technology teams in India, our sales team, get largely supported by our Belgium experts and senior managers and they were instrumental in the acquisition of these JSW projects. One part, by the way, of the project will be executed outside India, in Europe.

Management: And it will be executed by our subsidiary and not the parent company.

Management: Yes. The parent company is now John Cockerill India Limited.

Kushgangar: Yes, right. Sir, the order book exhibition timeline for the current order book would be?

Management: So currently, at end of June, the order book of the consolidated group is INR4,500 crores.

Kushgangar: Yes. Execution timeline for that, sir?

Management: So the timeline is up to three years, basically.

Kushgangar: Three years. Okay. What kind of, sir, ramp up can we see in H2 with the new orders execution commencing?

Management: So currently, the hydrogen demand is still very weak, and we are really at the beginning of adoption in the steel industry of hydrogen as a reduction factor for iron ore. Currently, most of the customers are not considering green hydrogen.

That means hydrogen coming from electrolyzers, but they are rather pointing hydrogen based on cracking natural gas or by reusing coke oven gas coming from blast furnace or coke oven. So currently, the market is initiating the new process, hydrogen based, but we are not at the stage where it will come from green electricity and electrolyzers.

Kushgangar: Sir, my question was, what kind of execution ramp up can we see in H2, second half of the year, as first half has been quite slow. What kind of execution ramp up can we see for Q3 and Q4 with new orders execution commencing?

Management: So the hydrogen business of John Cockerill is not consolidated in John Cockerill India Limited. This is a separate entity driven out of Europe with several worldwide subsidiaries. So I will make no comment on the hydrogen figures of business since they are not part of our scope of activity.

Kushgangar: No sir, I am asking execution. Can we ramp up our execution in Q3 and Q4?

Management: For the new project?

Management: Yes, absolutely.

Management: Yes, of course. This is planned. Engineering is already in progress. We will see the ramp up based on the development and the engineering and the procurement actions that will be done before the end of the year and that will have an impact on H2.

Kushgangar: Okay. Thank you.

Management: Please, operator.

Moderator: Thank you. The next question is from the line of Bimal Panchal from Bimal Panchal & Associates. Please go ahead.

Bimal Panchal: Hello. Yes. Congratulations for the good set of number. You are now very optimistic guidance amidst a very challenging environment. Lots of questions which I was going to ask have been asked by previous questioners, and you have answered satisfactorily. There is no question from my side. Wish you all the best. Thank you.

Management: Can you please repeat your question?

Bimal Panchal: Yes. My question has already been asked by previous participants, so no question. So, no question from my side.

Management: Happy to have answered it.

Bimal Panchal: Yes. Your answer to this is acceptable. Thank you very much, sir.

Management: Thank you.

Moderator: Thank you. The next question is from the line of Dhawnil Shah from I Wealth Fund. Please go ahead.

Dhawnil Shah: Hi. Good evening, sir, and thank you for the opportunity. Hope I am audible.

Management: Yes. You are.

Dhawnil Shah: Yes. Sir, my question was mainly on the geography side, right? If you can just help us understand on the outlook of new orders. What is your sense in terms of India and international after the current order backlog what you all mentioned, are there more kind of some more order wins that we can expect? What is your sense on that?

Management: Yes. The pipeline for new orders is still very interesting. We have a possibility for new orders in different regions that we are active on. That means that we are still very positive on the Asian regions. We are also positive on the European region and we still see quite interesting development also in the U.S.A. So there are still orders to be booked before the end of the year.

Dhawnil Shah: Sure. And on the India side, sir?

Management: Also on the Indian side, yes.

Dhawnil Shah: Got it. Sir, my second question was to Mr. Deepak sir. Sir, I think as you all mentioned in the opening statement, there were some one-offs cost due to consolidation which got impacted or which got reported. So if you can just mention what was the quantum of those costs and which may not come going ahead?

Management: There are both, I think. There are both one-off as well as certain ongoing costs, because now that we are the headquarter or we are the parent company for this business there are certain costs, basically because of being the parent company, you will have to take care of it in terms of, for example, R&D, the technical development, etc. These costs now we have to share it equally along with others. So I think that is one important thing to remember as we go forward.

I think the basic cost were in terms of, one is the transaction cost and you would have seen the impact on the forex, impact on the notional interest that came because of the transaction itself. Fortunately, the parent company has agreed to go for a share-based payment instead of a cash payment.

To that extent, many of these costs will actually stop incurring. We will stop incurring from the second half of the year. So that will be a significant saving and obviously, we had to do the legal side of the deal, the audit, the compliances.

Dhawnil Shah: Sure.

Management: The due diligences, etc. So those were the costs that were part of this, and these were the costs not only here, but we had to do that in each of those countries, in Belgium, in Germany and in China. Being a listed company, obviously, there are more compliances for these companies there, which are outside of India. Previously, those were not part of their cost and now we had to do those costs there. Yes.

Dhawnil Shah: What would be the quantum of those costs which was recorded in the Q2, if you can help me understand that?

Management: That will be a little difficult to.

Dhawnil Shah: Okay.

Management: Do it. Well, we can come back to you.

Dhawnil Shah: Okay.

Management: We can come back to you on that. We make a note of that.

Dhawnil Shah: Got that. And sir, one last question was, as the execution ramps up, I think earlier we were mentioning that the order execution timeline generally previously used to be two years. I think sir mentioned this time it is closer to three years. So just wanted to understand on that and as the execution ramps up, in terms of margins, sir, if you can help us understand how that will shape up going ahead?

Management: Execution time varies depending on the contracts.

Dhawnil Shah: Yes.

Management: The developments over the time is, normally on every contract is two to three years. The general answer is that, from what we see now, three years seems to be the proper assumptions.

Dhawnil Shah: Got that.

Management: Basically, the service projects, value-added projects, yes, they will be short duration but they also will be small value. So it is more frequently coming, but they are of short value. I think the margins, we have been doing quite well on the margin, and margins are quite consistent or I would say slightly improving. In the quarters where we will have a large contribution of value-added services, obviously we will get a much better product mix and hence the higher margins. So I think we expect.

Dhawnil Shah: H2 should kind of reflect that.

Management: Yes.

Dhawnil Shah: Got it, sir. Thank you.

Moderator: Thank you. Ladies and gentlemen, in the interest of time, we will take that as the last question. On behalf of John Cockerill India Limited, that concludes this conference. Thank you for joining us and you may now disconnect your lines. Thank you.

Management: Thank you very much.

Management: Thank you.

Management: Thank you.