SEC/48/2017-63 **September 18, 2026**

The Manager **Compliance Department** **BSE Limited** **Phiroze Jeejeebhoy Tower** **Dalal Street** **Mumbai – 400 001**	**The Manager** **Compliance Department** **The National Stock Exchange of India Ltd.** **Exchange Plaza** **Bandra – Kurla Complex, Bandra (East)** **Mumbai – 400 051**
Scrip Code/Symbol: 540678/COCHINSHIP	

Dear Sir/ Madam,

Subject: Transcript of Investor/ Analyst Conference Call to discuss the Performance and Business Updates

1. Further to our communication with respect to the investor/ analyst conference call to discuss the Company's performance and business updates, please find attached herewith the transcript of the said conference call conducted on Thursday, September 10, 2026 at 02:00 P.M.

2. The above is for your information and record please.

Thanking You,

For Cochin Shipyard Limited

श्यामकमल एन
SYAMKAMAL N
कंपनी सचिव
Company Secretary
कोचीन शिपयार्ड लिमिटेड
Cochin Shipyard Ltd.
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"Cochin Shipyard Limited Investor Conference Call"

September 10, 2026

MANAGEMENT: **MR. JOSE V J – CHAIRMAN AND MANAGING DIRECTOR, AND DIRECTOR FINANCE – COCHIN SHIPYARD LIMITED**
DR. HARIKRISHNAN S – DIRECTOR (OPERATIONS) – COCHIN SHIPYARD LIMITED
MR. RAJESH GOPALAKRISHNAN – DIRECTOR (TECHNICAL) – COCHIN SHIPYARD LIMITED
MR. SHIRAZ V P – EXECUTIVE DIRECTOR (SHIP BUILDING) – COCHIN SHIPYARD LIMITED
MR. SHIBU JOHN – CHIEF GENERAL MANAGER, FINANCE – COCHIN SHIPYARD LIMITED
MR. SYAMKAMAL N – COMPANY SECRETARY – COCHIN SHIPYARD LIMITED

MODERATOR: **MS. SAKHI PANJIYARA – KIRIN ADVISORS**

Moderator: Ladies and gentlemen, good day, and welcome to Cochin Shipyard Limited Investor Conference Call hosted by Kirin Advisors Private Limited. 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 this conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Ms. Sakhi Panjiyara from Kirin Advisors. Thank you, and over to you, ma'am.

Sakhi Panjiyara: Good day, everyone. On behalf of Kirin Advisors, I welcome you all to the investor conference call of Cochin Shipyard Limited. From management team, we have Shri Jose V J, Chairman and Managing Director, and Director (Finance); Dr. Harikrishnan S, Director (Operations); Shri Rajesh Gopalakrishnan, Director (Technical); Shri Shiraz V P, Executive Director (Ship Building); Shri Shibu John, Chief General Manager (Finance); Shri Syamkamal N, Company Secretary.

Now, I hand over the call to Shri Jose V J for opening remarks. Over to you, sir.

Jose V J: Yes. Good afternoon, everyone, and welcome to the Cochin Shipyard Limited investor con-call. I'm Jose V J, CMD, Cochin Shipyard Limited, and I'm joining today by Dr. Harikrishnan, Director (Operations); Shri Rajesh Gopalakrishnan, Director (Technical); Shri Shiraz V P, Executive Director (Ship Building); Shri Shibu John, Chief General Manager (Finance); and Shri Syamkamal, Company Secretary.

Let me start by giving you a brief overview of our operational performance during FY27 so far. During the period, CSL delivered three vessels, including the third vessel in the series of eight Anti-Submarine Warfare Shallow Water Crafts being built for the Indian Navy; the second multipurpose vessel under the export order for our German client; the double-ended Ro-Ro ferry to Kochi Municipal Corporation.

Our wholly owned subsidiary, Udupi Cochin Shipyard, also delivered three vessels during the period, including two 3,800 TDW general cargo vessels to Wilson Group, Norway, and a 70-tonne bollard pull tug to M/s. Polestar Maritime, an Adani Group company.

Over to financial performance, let me now briefly touch upon the details. For the first quarter, our turnover stood at INR 1,094.21 crores, compared with INR 1,068.59 crores in the corresponding period last year. PBT was INR 202.49 crores, compared to INR 249.54 crores last year, while PAT stood at INR 151.45 crores, compared with INR 187.82 crores in the corresponding quarter. Our EBITDA margin for the quarter was around 24%, while PAT margin stood at around 14%.

Joint venture, details about the joint venture with Drydocks World, Dubai. Coming to future strategic initiatives, I would first like to update you on an important decision taken by Board of Directors at the meeting held yesterday. It has also been intimated to the stock exchanges. The Board has approved the proposal to form a joint venture with Drydocks World, Dubai, a DP World company, for owning, operating, and managing CSL's International Ship Repair Facility, ISRF, at Willingdon Island, Kochi.

As you are aware, ISRF is a state-of-the-art ship repair facility developed by CSL over an area of around 30 hectares of land. The facility has a 6,000-ton ship lift and transfer system, six workstations, and around 1,400 meters of berthing space. It can handle vessels of up to 130 meters and has an annual throughput capacity of up to 82 ships. The proposed joint venture will have equal shareholding, with CSL and DDW holding 50% each. The JV will not only operate the existing ISRF, but also undertake capacity augmentation through the addition of 10 more workstations.

From a strategic perspective, we believe this partnership brings together the complementary strengths of both the companies. CSL brings its established presence in the Indian maritime sector and its existing ISRF infrastructure, while DDW brings significant international experience, operational expertise, and a global customer network in ship repair.

The partnership is expected to help us improve operational efficiency, adopt global best practices and advanced technologies, reduce turnaround time, and importantly, attract international customers to Kochi. We believe this will provide a strong platform for sailing up the ship repair business in Kochi.

I would also like to highlight the transaction structure. The ISRF undertaking is proposed to be transferred to the JV company on a slump sale basis, as a going concern, for a consideration of INR 1,800 crores. CSL will receive 50% of the consideration in cash, while the balance 50% will be received in the form of equity in the shares of JV company. The valuation of INR 1,800 crores is based on an independent third party valuation.

The definitive agreements, including the joint venture agreement, shareholders agreement, and business transfer agreement, and license agreement, have been finalized. The JV agreement will be signed tomorrow on the sidelines of the BRICS Summit at New Delhi, while other agreements will be signed after incorporation of JV and receipt of requisite approvals.

There are certain regulatory and shareholder approvals required before the transaction can be completed. These include approval from the Ministry of Ports, Shipping and Waterways, DIPAM concurrence, and shareholders of CSL. In particular, shareholder approval is required for the proposed transfer of the ISRF undertaking. We will, therefore, be coming out with a postal ballot to seek the requisite approval of our shareholders. Subject to receipt of the necessary approvals, the transaction is targeted to be implemented before the end of the current financial year.

Another important update I would like to share with investors is regarding the proposed Block Fabrication Facility at Kochi. As you may recall, CSL has signed an MoU with HD KSOE of

Korea for exploring various areas of cooperation, including setting up a Block Fabrication Facility at Vallarpadam, Kochi for utilization for the new drydock and the joint shipbuilding activities.

Since then, CSL and HD KSOE have had series of discussions and engagements. However, we have not been able to arrive at a mutually agreed definitive terms for establishing BF facility through a joint venture. CSL now will proceed with the development of the facility independently at a smaller scale, while we will continue to keep the option of a suitable strategic partnership open, if such an opportunity provides value to the company in future.

I would also like to clarify that this decision is specific to the Block Fabrication Facility only. Both CSL and HD KSOE remain positive about the relationship, and have expressed their willingness to continue exploring opportunities for collaboration in other areas of mutual interest.

Another important project is our proposed ship repair facility at Vadinar, Gujarat, which CSL is developing jointly with Deendayal Port Authority. The project has already received CCEA approval in May this year. The facility will have two floating drydocks, capable of handling large vessels of around 250 meters in length. We expect the environmental clearance shortly.

And once the required clearances are in place, we are targeting to operationalize the facility within 36 months from the receipt of environmental clearance. Now that our joint venture with Drydocks World Dubai have been finalized, we may also explore the possibility of collaborating with them for the operation of this facility also at Vadinar.

Another important update we would like to share is regarding our proposed facility at V.O. Chidambaranar Port in Tuticorin. CSL participated in an e-auction conducted by the port for a 30-year lease of land and a waterfront to establish a hybrid shipbuilding and ship repair facility, and we emerged as a successful bidder.

Under this arrangement, against a one-time payment of INR 305.76 crores, CSL will get access to around 110 acres of land and 17.29 acres of waterfront area for a period of 30 years. We believe this provides an excellent opportunity for CSL to expand its presence and develop a hybrid shipyard in that location.

The facility will enable us to participate in the growing midsize and niche shipbuilding segments, including European short sea vessels and wind energy vessels. It can also provide additional capacity to our subsidiary, Udupi Cochin Shipyard, which is currently constrained by availability of the land, and as a result, has limited scope of taking up new orders.

We are currently working out the modalities of developing the facility, with shipbuilding, ship repair, and offshore fabrication activities being planned at that location. For all this strategic project, government support and policy initiatives will be very important, and CSL has already applied for financial support under the Government of India Shipbuilding Development Scheme for our greenfield and brownfield expansion project, which will help reduce the overall funding requirement and actual cash outflow for these investments.

We also plan to fund these projects through a combination of debt and equity. In this context, Maritime Development Fund's Interest Incentivisation Fund, which provides interest subvention up to 3% on the loans extended to the shipyards and shipping companies, will also be very helpful supporting the financing of this strategic initiative.

Finally, coming to our order book, our current unexecuted order book stands at around INR 22,000 crores, which continues to provide us with good revenue visibility. We have also declared as L1 for five number of next-generation survey vessels for the Indian Navy, valued approximately INR 5,000 crores. Once this contract concludes, the order book will be around INR 27,000 crores.

With that, I will conclude my opening remarks. We would now be happy to take your questions. Thank you everyone for joining us today.

Moderator: Thank you very much. We will now begin the question-and-answer session. First question is from the line of Mohit Chaurasiya, Individual Investor. Please go ahead. Mohit, may I request you to unmute your line and proceed with your question?

Due to no response, we move on to the next participant. Next question is from the line of Garvit Goyal from Serene Alpha. Please go ahead.

Garvit Goyal: Hello. Am I audible?

Moderator: Yes, go ahead.

Garvit Goyal: Hi. Good afternoon. My question is on Green Maritime Propulsion JV. I wanted to understand more on the product basket which will be catered by this JV and also, what is the ball-park scale that this JV is targeting over the next 3 years within that product basket? And lastly, when can we expect some meaningful contribution coming out of that JV?

Harikrishnan S: The company was incorporated in June '26. And we are targeting a product range of energy storage systems, especially for the marine sector. Then, electrical power management systems and all. And we are targeting a revenue as per our business plan, we are targeting a revenue of INR 640 crores by 5th year. This is our plan.

Garvit Goyal: And what kind of competitive landscape do you see for these product baskets which you mentioned? How do you see -- how many competitors are already there or maybe coming in the upcoming years? I'm just trying to understand what kind of margins we can have in this product?

Harikrishnan S: We expect an EBITDA margin of around 20%. And as per our green tug transition program and other various initiatives in the green sector, we expect a lot of orders for the battery in India in the coming years. So, the prospects are very high.

Jose V J: See, the basic purpose of constituting that JV is that see, now HBL is a number one battery manufacturer, but they are not in the marine sector. And we have our expertise in the marine sector. So this company will marinize that battery requirement for the marine usage. Now all the batteries and battery systems are being imported for the marine operations.

So already we are building four green tugs. The battery system for that tugs are being routed through that JV. So CSL has already given an order for that JV company. But we are not expecting much revenue or top line from that company in the immediate future.

Harikrishnan S: So, progressively, we are aiming a target of around INR 640 crores in the 5th year.

Garvit Goyal: Okay. And this 20% margin which you mentioned, is it a PAT margin you are speaking about, or EBITDA margin?

Jose V J: It is on a ballpark figure only because there are a lot of R&Ds also involved, but he was mentioning about EBITDA margin.

Harikrishnan S: Yes, the business plan is yet to be evolved. We are on the process of making a business plan.

Garvit Goyal: Okay, okay, okay. And your partner HBL has mentioned that this JV has placed orders for batteries for two electrical tugs, right? So, I wanted to understand with respect to this particular product category, what is the size of -- what is the market size do you people feel maybe in next three years for electrical tugs? What is the bid pipeline there, and how many competitors are currently bidding in along with ourselves?

Rajesh Gopalakrishnan: See, actually, this electric propelled propulsion on the tug segment is just evolving. And this is because the Government of India has also recently declared the GTTP or the Green Tug Transition Program, wherein they're trying to push the major ports to start off with electric-propelled tugs.

We feel it will take a little time for a mass movement on this one, purely because the electric-propelled tugs would cost almost twice that of a conventional diesel-propelled tug. But having said that, with environmental requirements becoming more and more stringent, there is definitely no other way to go, but move on this front.

So, Government of India is also wanting to see 50% of our tugs go green by around 2035 to '40. So, there are going to be volumes that will come up, but I think the real movement will probably happen maybe 3, 4 years down the line.

Harikrishnan S: So, to add more to that, so as per this program, that all the conventional diesel-powered harbor tugs will be replaced with zero-emission vessels. So, this is implemented across various phases. And by 2040, for we are targeting a 50% green tug by year 2035. So, the total investment in this sector is around INR 1,000 crores in the next 10 years, and major pie is for the battery. So, we foresee a good scope for this batteries in the coming years.

Jose V J: And in this JV, 60% is held by HBL, and 40% is CSL. So we have only 40% stake in that company.

Garvit Goyal: Okay. And ultimately, whatever the tugs order we are getting in this JV, batteries will be supplied by HBL, right?

Jose V J: Yes. Yes.

Garvit Goyal: Understood. Understood. And what kind of capital we are looking to deploy in this JV, sir, over the next 3, 4 years?

Jose V J: Not much. Because see, it is a technology-driven business, the manufacturing will be done by the HBL. So, we are not setting up a manufacturing facility at all. We'll be doing marketing and R&D. And the total capital is only INR 50 crores.

Garvit Goyal: Okay. This tug will be manufactured by HBL or you? Because you people are having that skill, isn't it?

Jose V J: No, no the ship or tug will be manufactured by us, the battery will be manufactured by the JV through the existing facility of HBL.

Garvit Goyal: Okay.

Jose V J: Some kind of contract manufacturing.

Garvit Goyal: Understood. And this entire revenue thing, for example, this tug, that will be splitted between 60/40, right? HBL 60 and 40 you.

Jose V J: Not the turnover of tug. Only the turnover of battery system.

Garvit Goyal: Can you explain a bit more, like, I'm just confused over here. Means how the revenue will be split? Because what I am understanding is if you people are selling the tug, right? The JV is selling the tug, right? So, battery is the internal component, which you are purchasing from HBL as a stand-alone entity.

Jose V J: See, the order for the tug will be taken by Cochin Shipyard. And the order for supplying the battery system will be given to the JV. So the JV will have the turnover of only the battery system.

Garvit Goyal: Okay. And that would be manufactured by HBL?

Jose V J: Yes.

Garvit Goyal: So, this INR 640 crores which you are speaking about, this will be the JV's revenue, right?

Jose V J: JV's revenue and that will be consolidated by HBL only, because they are holding 60% share.

Harikrishnan S: That is by the 5th year, progressively INR 640 by 2031.

Garvit Goyal: Okay. And just last thing, then I will join back the queue. This 20% number which you mentioned, is it EBITDA margin or the net margin, sir?

Jose V J: It is an EBITDA level, but the business plan is yet to be finalized. We are discussing that only, but it's only the ballpark figure of 20%.

Garvit Goyal: Got it. Thank you very much, sir. Thank you. All the best for the future.

Moderator: Thank you. Next question is from the line of Dipen Vakil from PhillipCapital. Please go ahead.

Dipen Vakil: Hi, sir. Congratulations on the joint venture, sir. My first question is on the lines of, sir, you mentioned about the Drydocks World JV. So, what I wanted to understand over here is that, now will this -- so, while the complete operation lies with DDW. So what kind of orders -- so will you be involved in terms of ordering or anything? Or will this facility just cater to DP World's vessels? As to how about – how will be the operations going on? So, is it just an entity covering for DP World or it will be still cater to the domestic demand as well?

Rajesh Gopalakrishnan: Yes. So, it's like this. The reason for bringing in DDW is to bring in global scale, global efficiencies, and connects into the global market. Having said that, CSL today commands a significant captive market in India for this size of vessel. The ISRF facility can handle vessels up to 130-meter long and 6,000 tons in weight, and we have a fairly good captive market for this.

We also have a lot of defense and other government vessels, which fall under this size and category, which will continue to be routed through CSL. These orders will be taken by CSL, and will be executed by the JV, it's a sort of an execution JV, if we may call it so, with the freedom for DDW to bring in their clients, and it will become an add-on sort of a -- add-on to the capacity which we currently or the market that we currently target. So, it is seen from that perspective. So, the business being held by CSL currently will continue to be available for the facility.

Dipen Vakil: And how about the opportunity which is there, which is addressable by both? So, considering that yours is a -- so DDW will be a JV, and you also have an active ship repair presence in India. So, for the orders where both of them are qualified, as to how the split will happen? Whether there will be any market share loss? Or whether any such thing which can happen, which can be detrimental for CSL?

Rajesh Gopalakrishnan: No. See, actually, the ISRF can handle vessels only up to 130-meter long and 6,000 tons in weight. Even today, all the larger vessels are being handled across the main CSL yard and across all our units. So, we have, between the 2 of us, have a very clear understanding that there will be no ingress into that market by DDW, and the current market share of CSL in the other segments will continue to be held by CSL.

The JV will also continue to do the jobs that I told earlier, but we are expecting more, global vessels to be brought in by the JV, by DDW, because they will now want to tap into their global clientele as well. So, otherwise, there will be no impact on the business that we hold.

Dipen Vakil: Got it, sir. That's very encouraging. Sir, second question on the lines of your order book and order pipeline, so you mentioned that your order pipeline, currently, you are L1 in towards defense order for Next Generation Survey Vessel. Beyond that, what is the order pipeline maybe in a year or two that you're looking at, either in defense or in the commercial side of it, or even in the export side of it, which one gives us a visibility on the order inflow and the order book for the company?

Jose V J: See, actually, in the defense, there are lot of programs are running in the order pipeline like the LPD and...

Harikrishnan S: Minesweeper etc.

Jose V J: LPD from defense side, the major order which we are expecting soon is around LPD four numbers, that will be approximately INR 32,000 crores. Then, 12 numbers MCMV, approximately INR 36,000 crores. Then, P-17 Bravo, seven numbers, that will be approximately INR 49,000 crores. So, these are the major orders which we are expecting from the defense side.

Rajesh Gopalakrishnan: RFPs.

Jose V J: RFPs, because there are other competitors also. So, we will also be participating in the bids. And from the Indian commercial side also, because of the demand aggregation being run by the Government of India, there's a requirement of around 432 vessels over a period of 10 years. So, already SCI and the newly formed joint venture company, BCSL, have come out with three or four tenders already. We are participating in that, and other companies are also participating in that. So, the pipeline is good for all shipyards in India.

Dipen Vakil: Got it, sir. Sir, any contract finalization expected in this year amongst in the commercial side?

Jose V J: In the commercial segment, we are actively negotiating with one more dredger because, as you're aware, we are building one 12,000 m^3 dredger for Dredging Corporation of India. They want a repeat one for that. So, that negotiation is going on. It's on a nomination basis to CSL. Then, other we are also discussing with Andaman for a four numbers 500-passenger vessels. That is also on a nomination basis. Then, we have also participated various tenders of SCI, with the MR tankers etc, but that result of that has yet to be published.

Dipen Vakil: Got it, sir. Sir, last question. Sir, you mentioned about the block fabrication unit that you are coming up with that at Kochi facility, and now you are going solo into it, and maybe it will be at a smaller size than first envisaged. So, can you help us with what is the current block fabrication capacity, and what could be the block fabrication capacity once the new facility comes in?

Jose V J: Presently, our block fabrication facility is around 12,000 tons per year in CSL main facility. But because having commissioned the new drydock, we need more steel throughput. So, what we are expecting is that with the Hyundai, we were planning to have a 1 lakh ton capacity block fabrication facility. Since we are going alone now, we are planning to have a reduced capacity of around 60,000 ton per annum.

Dipen Vakil: Got it, sir. Sir, very encouraging.

Jose V J: So, 60,000 tons from the new block fabrication facility plus 12,000 tons from our existing facility. So, it will be around for the throughput will be around 72,000 tons.

Dipen Vakil: Got it. Got it. Thank you so much, sir, and all the very best.

Jose V J: Thank you.

Moderator: Thank you. Next question is from the line of Mohit Chaurasiya, Individual Investor. Please go ahead.

Mohit Chaurasiya: Hi, sir. Thanks for taking my question. Just wanted to understand the cash flow side of the business a little better. Despite the strong PAT in FY26, operating cash flow was negative, mainly because of that increase in inventory and receivables. And now you're entering another investment cycle in ship repair, including the Vadinar project. So, from normalized perspective, what kind of cash conversion should we expect from the business? And now on new ship repair investments, what sort of ROC or a return threshold are you targeting?

Jose V J: Can you can you repeat the question once again, please?

Mohit Chaurasiya: Even the FY26 PAT was very strong, the operating…

Moderator: Mohit, sorry to interrupt you. Can you speak through the handset directly, please?

Mohit Chaurasiya: Okay. Hello?

Moderator: Go ahead.

Mohit Chaurasiya: Am I audible?

Moderator: Yes.

Jose V J: Yes.

Mohit Chaurasiya: So, I was asking that even the FY26 PAT was strong, the operating cash flow was negative, mainly because of receivable and inventory. And now we are entering the -- another investment cycle. So, from normalized perspective, what kind of cash flow should we expect from the business? And this new investment, what sort of ROC we are targeting here?

Jose V J: See, why that operating cash flow is negative, mainly because in the order book, we have commercial orders from the export also, from the European customers. In the European export market the cash flow is tail-ended.

Like, during the construction period, they will say pay around 30% during construction period and 70% on delivery. Like, on signing, they will pay 10%, then keel laying 10%, launching 10%, and delivery, maybe 70%.

So, now, that the vessel delivery the orders which has been taken during the period of '23 and '24 and all, they have all slated to be delivered in current and next financial year. So, we have already completed the construction of around 80% to 85% to 90%, but whereas we have received the money up to 30% only.

We are targeting delivery of around 10 vessels during the -- this current financial year. As mentioned in my opening remarks, we have already delivered three. So, once we start delivering the vessels, we get the 70% or 60% money from the owners, so the cash flow will become positive.

Mohit Chaurasiya: Okay. So, we can expect that cash flow will become positive in FY27, right?

Jose V J: Yes. FY27, the cash flow will be positive.

Mohit Chaurasiya: Okay. And what kind of ROC we are looking with new investments?

Jose V J: Around 14, the ROC will be around 14% to 15%.

Mohit Chaurasiya: Okay, sir. Thank you.

Moderator: Thank you. Next question is from the line of Garvit Goyal from Serene Alpha. Please go ahead.

Garvit Goyal: Hello. Thanks for the follow-up. Sir, again, the question is on Green Maritime. I understood that HBL will be playing the manufacturing partner role for the component, right? What will be the role of CSL here across the product basket that we will be catering to?

Jose V J: See, the…

Harikrishnan S: I think this is a synergy between our shipbuilding skills and the experience of HBL in the manufacture of energy storage systems. So, this is actually a synergy between the two companies.

Garvit Goyal: No, that I understood.

Rajesh Gopalakrishnan: Our inputs will actually…

Garvit Goyal: Yes.

Rajesh Gopalakrishnan: Our inputs will actually come in in helping HBL to marinize the systems.

Garvit Goyal: Yes.

Rajesh Gopalakrishnan: See, the thing is our battery companies are all catering currently to the landside segments, automobiles or, you know, the landside segments. So, marinizing requires a little bit of expertise and knowledge to come in from the marine sector, and that is what we will come in with.

Jose V J: And now in India, all this marine batteries are being imported presently. So, once we develop such a technology, this JV company can supply that marine batteries to CSL and to other shipyards also.

Garvit Goyal: Okay.

Jose V J: This is a prospect which we are.

Rajesh Gopalakrishnan: So, maybe if I can just explain that a little for you. Recently, we have delivered the India's first indigenous hydrogen fuel cell vessel, which is now operational in Varanasi. So, here also, fuel cells, India does not have marine fuel cells.

So, we teamed up with KPIT Pune, who had developed fuel cells for automobiles, and this was marinized and used on a ship or a vessel for the first time. So, this is something similar that we will do with HBL.

Garvit Goyal: Okay. And sir, on that side also, this hydrogen marine fuel cell vessel, how much scale are we targeting there? And what kind of arrangement do we have for our technology partner, which is KPIT Pune, as you mentioned?

How do you see this business, this venture, to scale up over the years? And what kind of commercial arrangements do we have with them? Are we going to share some royalty? Or how exactly is it going to take place?

Rajesh Gopalakrishnan: See, this was actually a technology demonstrator. We had actually done it as a pilot project. Worldwide, hydrogen fuel cell is just in the initiation stage. People are just starting off, you know. So, it's more--it has a lot of factors that will come into play. One is, of course, the development of hydrogen fuel cell-propelled vessels, but again, the landside infrastructure, the hydrogen availability, the bunkering facilities, a lot of systems have to come into play.

The ecosystem will take time to develop. So, we were just wanting to be onboard the technology and see how it goes, so that we have that front-runner advantage, and we have the technical and the technological capabilities, which is what we proved. So, converting that into a business and returns may will take a little time, but what I can assure you is we will be up there when the time comes.

Garvit Goyal: Got it. Got it. And from the JV, have we delivered some Can we expect some revenue to kick in in FY27?

Jose V J: FY27, not much turnover. But it will not come to our top line.

Garvit Goyal: Okay. But at least, bottom line will be there, right? Because if it's a JV, 40% should be there.

Jose V J: Yes, yes but negligible.

Garvit Goyal: Okay. Thank you, sir. Thank you very much.

Moderator: Thank you. Next question is from the line of Bhavya Gandhi from Bajaj Alternate. Please go ahead.

Bhavya Gandhi: Yes, hi. Thanks for the opportunity. Just wanted to understand basis the order book INR 22,000 crores that we have, how much of revenue booking can we expect over the next two years? And also on the margin front, if you can throw some light on the EBITDA margin, how much of the EBITDA margin can one expect over the next two years?

Jose V J: See, the revenue booking, last year, we did a consolidated turnover of INR 5,022 crores. Normally, we guide around 12% every year to the investors. So, we are still sticking on to that, because normally we guide around 12%, but finally, we may end up between something around 12% to 15% every year. That's what, but conservatively, we guide around 12%. EBITDA margin will be around 14%, blended on a very conservative basis.

Bhavya Gandhi: Okay. And also basis the order pipeline, you said you are already L1 for the next-generation survey vessels. When can we expect the order contract signing for this? And also, for any other contracts bid pipeline that which is there in the bid pipeline, when can we expect the contract signing for them? When can we see the order book rising hereon? Yes.

Jose V J: That NGSV, the Indian Navy, the procedures are bit longer. We expect that the order to be inked around November this year. And DCI, the repeat order for the next dredger, it can happen within two months. That's what we expect.

Bhavya Gandhi: Hello?

Moderator: Bhavya, do you have any follow-up question?

Bhavya Gandhi: Yes, I just missed out the second one. Which order did you mention, sir?

Jose V J: Dredging Corporation of India. We are building a dredger currently. They require a sister vessel for that, second vessel. So, that we will be we will be getting on a nomination basis. So, discussions are going on. So, that contract may be concluded within two months.

Bhavya Gandhi: And what will be the order value, sir?

Jose V J: That is around INR 1,300 crores, one ship.

Bhavya Gandhi: Okay. Okay. So, basically, this year, we can expect INR 5,000 crores and INR 1,300 crores order wins, that is the right understanding?

Jose V J: Yes, these are expected orders for this financial year, but there are other tenders also we are participating, and the export orders also we are negotiating. That will we will take as and when it comes. We cannot tell a definitive time for that.

Bhavya Gandhi: Okay. Fair enough. Thank you so much. That's it from my end.

Moderator: Thank you. Next question is from the line of Abhishek Poddar from Citadel. Please go ahead.

Abhishek Poddar: Hi. Thanks for taking my question, sir. First regarding the margins, so if you look at the last three years, the margins were stronger than…

Moderator: Abhishek, sorry to interrupt. Can you please speak through the handset?

Abhishek Poddar: Is it better now? My voice is clearer?

Moderator: Can you speak a little louder, please?

Abhishek Poddar: Okay, I'll try to, Yes. Sir, regarding the margins, if I look at last 3 years, EBITDA margins were much higher than 14%. How to think about the margin from here? You have guided for 14% this year. This is mainly because of the lower margin in the ship repair, and how would we should we think about next 2 years?

Jose V J: See, the higher margin for the last 3 years is mainly because we had some the nominated orders like in aircraft carrier for the shipbuilding, Indian the indigenous aircraft carrier. In ship repair also, there were two aircraft carrier refit. So, there the margins are higher. But going forward, we cannot expect such margins from the commercial orders or the defense order, because now all the tenders from the defense is also on a tender basis.

And also, now that the higher EBITDA margin was also on account of we were having a cash surplus of around INR 2,000 to INR 3,000 crores always, that interest was also a steady income for every year. So, having capitalized or commissioned the two capex projects of ISRF and Drydock, which where we have spent around INR 3,000 crores without any loan, that cash surplus is also not there now. So, these are the reasons for reduced EBITDA margin compared to previous years.

Abhishek Poddar: Understood. So, this EBITDA margin includes the interest income that we earn on cash reserves?

Jose V J: EBITDA margin, normally we include the interest income also, because it is certain element for every year. If you take last 10 years, this interest income was a normal interest income every year. So we used to include that.

Abhishek Poddar: Understood. So, because I was looking at the first quarter, what you have reported, and that was like more than 17. So, we should assume that the remaining quarters and all, it will be little lower than 17% to kind of reach an average of 14% for the year?

Jose V J: In shipbuilding margin is around 10% to 12%, and in ship repair, we get around 20% to 22%. And shipbuilding constitutes around 70% and ship repair constitutes around 30%. So, blended will be around 14%, 15%, something like that on a very conservative basis.

Abhishek Poddar: Okay, that makes sense. Thank you for that, sir. Second question is regarding this inquiry pipeline that you mentioned, LPD and MCMV and P-17 Bravo. What should we expect to get ordered in next '27, '28? Next 12, 18 months?

Jose V J: See, Navy is yet to come out with the RFP for the LPD, but I understand P-17 Bravo is already they have issued the RFP. So, even if they Now, I think the three months or four months time for submitting the bid. After that, the normally Navy, the procedure is to finalize the bid, it takes time, because the NGSV is also after emerging as L1, it has become almost one year almost. So, they have a CCS approval, then they do a PNC and all. So, we can't expect the timeline for that, but we are actively participating in all these bids. Since that timeline is not in our control, we cannot say anything.

Abhishek Poddar: Understood. Because last time P-17 Bravo was built by other shipyards, Garden Reach and -- Yes. So do we have capability we have to bid for it or…

Shiraz V P: We are a category A shipyard and we are qualified.

Jose V J: We are a category A shipyard, and we are qualified to bid for that, and we are submitting the bid also.

Abhishek Poddar: Understood. So, this will be financial L1 bid and L2 bid, who will get the contract here?

Jose V J: Yes.

Abhishek Poddar: Okay. Understood, sir. Thank you and all the best.

Moderator: Thank you. Next follow-up question is from the line of Dipen Vakil from PhillipCapital. Please go ahead.

Dipen Vakil: Yes. Thank you for the follow-up opportunity, sir. Sir, you mentioned about the 10 vessels that are to be delivered in FY '27, out of which three are delivered. So, can you tell us about your schedule as to which vessels are you planning on delivering, whether those are anti-submarine warfare, so multipurpose vessels, NGM, and what would be the status on NGMV?

Harikrishnan S: NGMV, Yes. We are planning to deliver 10 vessels in this financial year. So among the three submarines we are planned this year, we have already delivered one, and the balance will be delivered by December 2026.

Jose V J: That's two more ASW.

Harikrishnan S: Two more ASWs. Regarding the multipurpose vessel, we have already delivered one. We are planning to deliver two more in this financial year. We will be delivering that trailing suction hopper dredger by next month. So, it is under the fag end of construction, and trials we are planning to start by the end of this month.

Then, we have got an order for two commissioning service vessels for a Cyprus client, and we will be delivering the one by October '26 and the other one by end February or early March. Then, we are building two zero-emission container vessels for Samskip, Netherlands, and we are planning to deliver one number by end February. And this is our planned schedule for this year, financial year.

Dipen Vakil: Got it, sir. Yes. So, that's it from my side, sir. Thank you so much.

Moderator: Thank you. Next follow-up question is from the line of Garvit Goyal from Serene Alpha. Please go ahead.

Garvit Goyal: Hi. Thanks for the follow-up again. I wanted to understand the kind of differentiation we are trying to make in the terms of the marinized batteries that we will be manufacturing in the JV. You mentioned currently all these batteries are getting imported into India. So, against those batteries, what kind of differentiation we will be bringing in, is it in the terms of cost? Or is it in the terms of quality? How we should look at that?

Harikrishnan S: This marine batteries has to undergo more strenuous conditions like salt, vibration, etcetera. So and being in the electric mobility sector, HBL has got expertise and technology in this area. So, we want to leverage those advantages.

Garvit Goyal: Okay. But how we should look at the cost differentiation against the imported batteries? Because ultimately, why those buyers will shift to this JV, instead of keep on importing the batteries?

Harikrishnan S: Yes. See, there will be, they have got multiple advantages. One is the cost reduction. Local production significantly will reduce the transportation cost and import duties. So, this will obviously aid to decrease cost. Then, there will be a supply chain resilience in the especially in this period of crisis and all, it will improve the supply chain resilience if we it is indigenously manufactured. So, disruptions can be addressed evenly.

Then, delivery. There will be faster delivery if we are producing these batteries in India. And moreover, being since we are focused on sustainability goals, obviously, this venturing into an electric battery production is of most significant, especially in this transition period to electric mobility and all. These are the four advantages. So, for informatively, major shipyards in the world are now having strategic alliances with this battery manufacturer for their supply chain resilience and all. So, we are also moving in the same path.

Moderator: Thank you. Garvit, I will request to come back for a follow-up. Next question is from the line of Deepak Krishnan from Kotak Institutional Equities. Please go ahead.

Deepak Krishnan: Hi, sir. Am I audible?

Jose V J: Yes, go ahead.

Deepak Krishnan: Yes. Just wanted to understand these the various capex plans that you have. So today with say INR 1,800 crores ISRF, what is sort of the revenue potential we are looking at? Maybe 3 years, 5 years? Similarly, by when does Phase 2 capex get done, and what is the revenue potential post that?

And if I look at the other capex also 3 years you said Vadinar ship repair facility, and you have INR 1,500 crores, INR 1,600 crores there. What is the vision in terms of maybe after 3 years? So, assuming you get it in 1 year, this [inaudible 0:49:52] and then how much is the revenue potential, say, by 2030, 2032 equivalent?

And similarly, your Block Fabrication Facility, as well as your Tuticorin facility, for all of these four that you are spending -- literally, if I look at it, you're going to spend INR 6,000 crores of capex over the next 5 years, INR 6,500 crores. Broadly, what are the revenue targets from this, and how are you looking at these investments?

Jose V J: See, from the ISRF facility, we are expecting to get around INR 600 crores turnover over a period of next 2 years, to start with. Then, it will scale up to around INR 1,000 crores to INR 1,200 crores over a period of 5 years. And from Vadinar, the revenue will start recognizing only from 36 months from the date of getting environmental clearance.

So, after 3 years, we may get a turnover of around -- to start with around INR 300 crores to around INR 500 crores to INR 600 crores. That is for Vadinar. In Tuticorin, we are in the DPR stage only. But there also, we expect a turnover of around -- should start with around INR 650 crores to INR 700 crores to scale up to around INR 1,800 crores to INR 2,000 crores over a period of next 7 to 8 years.

And as this capex will be spent over a period of next 5 years, and we will be going mostly through a debt-equity ratio of around 80:20. And there is also a Shipbuilding Development Scheme announced by the Government of India, by which we get a 25% capex subsidy for all these projects, and also the Interest Incentivisation Fund of around 3% subvention also, interest subvention also we'll get. So, we want to tap all these benefits while executing this capex.

Deepak Krishnan: Sure, sir. And maybe just wanted to understand, IAC-2 at this point, there is no visibility. Is that understanding correct?

Jose V J: I would say there is no visibility, because as of now, it has not reached the AoN stage, because Navy has a procedure called the Approval of Necessity. Even as per our information, we don't have that authentic information, but it has not reached the AoN stage also. But if it comes, Navy takes a decision, it will come to us. That's what we feel.

Deepak Krishnan: Sure, sir. And maybe, you know, just wanted to sort of understand on the various programs that are there, which ones on the naval side do you think you have a higher probability? Like some of the previous participants asked, P-17 Bravo, there's always someone who's done P-17 Alpha. So, maybe if I look at the potential programs, what are the ones that can come through you?

And this entire, domestic shipbuilding, you know, what kind of order inflow potential over next 2, 3 years or revenue potential you see from SCI and the other entities that sort of created for containerized vessel manufacturing?

Jose V J: See, from the defense order book pipeline, as you rightly said, the P-17 Bravo, because other yards are more competitive because they have the expertise or they have already done the vessels. But if you look into that aspect, then the LPD will be the most suitable for us, and -- the possibility is more on LPD, because we have already done aircraft carrier, and we have a large dock, and the steel heavy platform is LPD. So, the LPD and MCMV will be more suitable for us compared to P-17 Bravo, though we will participate in all the tenders aggressively.

Deepak Krishnan: Sure. And similarly, just on the domestic commercial shipping opportunity we have, what is the sizable realistic orders we are targeting, maybe if not this year, this year, next year, and maybe next couple of years? And then what is the cycle of these orders, and what is the potential revenue that we can get maybe in '28, '29 and '30?

Harikrishnan S: For MR tankers, we have submitted the technical bid, and the indicative cost is around INR 1,700 crores. Similarly, for Aframax tanker, we have responded to the expression of interest, and the indicative cost is around INR 2,600 crores.

Deepak Krishnan: Sure. And what is your order cycle for this, typical execution cycle for this type of orders?

Harikrishnan S: Normally, 36 months for the first one, and six -- and the subsequent vessels, 6 to 8 months.

Deepak Krishnan: Sure. And maybe on your margins, I still didn't get the 14% guidance. Could you just highlight that how much is shipbuilding, and how much is ship repair, and maybe different than commercial, if you're giving that split as well?

Jose V J: The shipbuilding as a whole, it's around 10 percentage to 12 percentage margin, and ship repair, it's around 22 percentage to 24 percentage. So, the blended will be around 14 to 15 percentage conservatively because shipbuilding constitutes around 70 percentage of turnover, and ship repair around 30 percentage of the turnover.

Deepak Krishnan: Sure. Sure, I get that. And excluding other income, how much would be this EBITDA? Like you're seeing 200 basis points is the other income impact, roughly?

Jose V J: I have not considered other income because now we don't have that much other income because going forward.

Deepak Krishnan: Yes, yes. Okay, sure. I get that. Sure, sir. Those were my questions. I'll get back in the queue.

Moderator: Thank you very much. Ladies and gentlemen, we'll take that as a last question. I'll now hand the conference over to Ms. Sakhi Panjiyara for closing comments.

Sakhi Panjiyara: Thank you everyone for joining the investor conference call of Cochin Shipyard Limited. If you have any further queries, please write to us at research@kirinadvisors.com. Once again, thank you everyone for joining the conference. Good day.

Moderator: Thank you very much.

Jose V J: Thank you all for joining the conference.

Moderator: Thank you all. On behalf of Kirin Advisors, that concludes this conference. Thank you for joining us, and you may now disconnect your lines. Thank you.