

# JNK India Limited

(Formerly known as JNK India Private Limited)

CIN: L29268MH2010PLC204223

203 to 206, Centrum, Plot No. C-3, S.G. Barve Road, Wagle Estate,

Thane (W) – 400604, Maharashtra, INDIA Tel : 91-22-68858000

Email: admin@jnkindia.com Website: www.jnkindia.com



Date: May 27, 2026

To, <b>BSE Limited,</b> <b>The General Manager,</b> Department of Listing Operations, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001	To, <b>National Stock Exchange of India Limited,</b> <b>The Manager, Listing Department</b> Exchange Plaza, C-1, Block-G, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051
Scrip code: <b>544167</b>	Security Symbol: <b>JNKINDIA</b>

Dear Sir/Madam,

**Sub: Q4 and FY26 Earnings Call Transcript**

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed transcript of Q4 and FY26 Earnings Call held on Thursday, May 21, 2026, at 12.00 PM

The transcript is also available on the website of the Company at <https://www.jnkindia.com/>

Kindly take the same on your records.

Thanking you,

Yours faithfully,

**For JNK India Limited**

**Ashish Soni**

**Company Secretary and Compliance Officer**

Encl: a/a



“JNK India Limited  
Q4 & FY2026 Earnings Conference Call”

May 21, 2026



**MANAGEMENT:** **MR. ARVIND KAMATH – CHAIRPERSON AND WHOLE-TIME DIRECTOR**  
**MR. ANAND AGARWAL – INTERIM CHIEF FINANCIAL OFFICER**  
**MS. ANNIE VARGHESE – SENIOR MANAGER, INVESTOR RELATIONS**

**MODERATOR:** **MR. ABHINAV NALAWADE – ICICI SECURITIES LIMITED**

**Moderator:** Ladies and gentlemen, good day, and welcome to the JNK India Q4 FY26 Earnings Conference Call, hosted by ICICI Securities 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 touch-tone phone.

I now hand the conference over to Mr. Abhinav Nalawade from ICICI Securities Limited. Thank you, and over to you, sir.

**Abhinav Nalawade:** Thank you, Rutuja. Good afternoon, everyone. On behalf of ICICI Securities, I welcome everyone to the JNK India's Q4 FY26 Earnings Call. From the management team, we have Mr. Arvind Kamath, Chairperson and Whole-Time Director; Mr. Anand Agarwal, Interim CFO; and Ms. Annie Varghese, Senior Manager, Investor Relations.

Without further delay, I will now hand over the call to the management for the opening remarks, which will be followed by Q&A. Thank you, and over to you, sir.

**Arvind Kamath:** Good afternoon and thank you for joining JNK India's Q4 and FY26 Earnings Call. I'm Arvind Kamath, Chairperson and Whole-Time Director, and I'm happy to report a set of strong numbers since our listing, reflecting the effectiveness of our business model and disciplined execution. These results underscore the progress of our strategic initiatives and our continued focus on creating sustainable value for all the stakeholders. We appreciate your ongoing engagement and trust as we move forward in the next phase of growth.

For Q4 FY26, the company delivered a strong quarter, the total revenue of Rs. 344.6 crores, representing a 69.2% year-on-year increase. Operating profit is Rs. 86.6 crores, up 80.9% compared to Q4 FY25, with the operating margin expanding by 162 basis points to 25.1%, and EBITDA stood at Rs. 52.3 crores, reflecting an 89.9% year-on-year increase with the margin improving by 165 basis points to 15.2%. Profit after tax amounted to Rs. 33 crores, making an exceptional 149.5% increase with the PAT margin rising by 309 basis points to 9.6%.

Building on this quarterly momentum, the company delivered strong results for the full fiscal year. Total revenue for FY26 reached to Rs. 838 crores, up 68.0% over FY25, supported by continued demand across the company's key business verticals and disciplined execution alongside focused strategic initiatives.

From a profitability perspective, operating profit reached to Rs. 212.3 crores, reflecting a 45.3% year-on-year increase. EBITDA increased to Rs. 111.3 crores, up 71.6% compared to FY25 with the EBITDA margin improving to 13.3%. Profit after tax amounted to Rs. 64.8 crores, marking a remarkable 114.6% year-on-year increase with the PAT margin expanding by 163 basis points to 7.7%. The company also reported order inflows of Rs. 1,694.4 crores during the year, contributing to a total order book of Rs. 1,961.4 crores as of 31 March, 2026.

The company's improved financial performance was further reflected in key efficiency metrics. Return on equity increased to 12.1%, while return on capital employed improved to 19.1% in FY26 compared with the previous year.

As part of its strategic initiatives in FY26, JNK India also advanced its long-term growth strategy through the formation of a joint venture focused on green hydrogen and sustainable chemical and fuel technologies, enhancing its capabilities and positioning JNK India to capitalize on emerging opportunities in the clean energy sector.

I'm pleased to share that in its first year of operation, JNK Chemdist Technologies contributed approximately 7% to the group's revenue, making an important step in building the company's presence in clean energy and sustainable technologies with about six months of operations only.

Looking ahead from FY26, JNK India is focused on executing its project pipeline and strengthening its presence in key sectors, including refining, petrochemicals, fertilizers and renewable energy. The company will continue to advance its strategic initiatives, including the green hydrogen and sustainable chemicals joint venture to expand technological capabilities and participating in emerging clean energy opportunities.

Hence, we expect a revenue growth of around 25% to 30% in FY27. With operational efficiency, project execution expertise and an expanding presence in both Indian and select international markets, JNK India is well-positioned to meet evolving industry demands. The company remains committed to leveraging its engineering strength and strategic partnerships to drive sustainable growth, enhance market presence and deliver long-term value to stakeholders. Thank you.

**Anand Agarwal:**

Thank you, Arvind Sir, and good afternoon, everyone. I'm pleased to take you through the detailed financial and operational performance for quarter four and financial year 2026. During Q4 FY26, the company recorded total revenue of Rs. 344.6 crores, a 69.2% increase over Rs. 203.6 crores in the same quarter of FY25.

On the profitability front, operating profit for quarter four FY26 was Rs. 86.6 crores, reflecting a growth of 80.9% year-on-year with an operating margin of 25.1%. EBITDA for the quarter stood at Rs. 52.3 crores, showing a remarkable 89.9% year-on-year increase with an EBITDA margin of 15.2%. Profit after tax for Q4 FY26 was Rs. 33 crores, reflecting an exceptional 149.5% year-on-year growth with a PAT margin of 9.6%.

During FY26, the company recorded total revenue of Rs. 838 crores, a 68% increase over Rs. 498.7 crores in FY25. For FY26, heating equipment contributed 72.7% of the revenue. Process plant contributed 17.4% of the revenue and special fabricated equipment contributed 3.1% and flares, incinerator and other segments contributed 6.3% of the revenue.

As of 31 March, 2026, our order book remains strong, standing at Rs. 1,961.4 crores with a well-diversified composition. Geographically, 97.5% of our current order book is driven by Indian customer requirements, and 2.5% of the orders come from international market.

In terms of the vertical, heating equipment remains the largest contributor to our order book, accounting for approximately 94% of the total order value. The process plant sector follows with a contribution of 3.5%, while our new segment, Special Fabricated Equipment contributes 1.3%. Flare and incinerator account for around 1.2% of the total order book.

JNK India's financial performance in FY26 reflects strong capital efficiency and disciplined management. Company delivered a return on equity of 12.1% and a return on capital employed of 19.1%, underscoring effective utilization of equity and overall capital to drive profitability.

Looking ahead, JNK India will continue to emphasize financial discipline and capital efficiency in FY27, as well, the company is focused on sustaining profitability, enhancing operating margins and generating strong cash flow to support its ongoing operations and strategic priorities.

With continued emphasis on cost management and efficient utilization of capital, JNK India is well-positioned to deliver consistent returns and create long-term value for its shareholders. Thank you.

**Moderator:** Thank you very much. We will now begin the question and answer session. The first question is from the line of Palash Jain from ICICI Securities. Please go ahead.

**Palash Jain:** Yes. Thank you for the opportunity, and congratulations on a great set of numbers. So, my first question is on the margin front, the EBITDA margin has been expanding sharply both sequentially as well as Y-o-Y. How much of this was driven by the project mix shift when we compare higher service component versus supply? And what is the new normalized run rate for EBITDA? That is my first question.

**Arvind Kamath:** Yes. Hi, Palash, and thanks. Basically, yes, as you've seen quarter-on-quarter, I think we're doing better in terms of EBITDA in the last year. And we have also projected this during our earlier calls as well. In the Q1, the EBITDA was about 7%, Q2 was 12%, Q3 was about 14%, and Q4, we have clocked more than 15%.

So, I would say more than the service and the goods mix, it's more to do with the project mix, because the old projects, which we had to execute, which did most of the part in the Q1 and Q2 would be completed, and Q3 onwards more onwards the new project, which we had also on the input accounting method, which we are accounting on. So that has been coming to the picture. So, 14% to 15% is what basically is the normal EBITDA, what going forward also, we should expect in this range.

**Palash Jain:** Okay. So, basically, it was attributable to closure of legacy orders and pursuing of higher margin orders, right?

**Arvind Kamath:** Yes. Correct.

**Palash Jain:** Okay. My second question is on the Dangote Phase 2 refinery opportunity, which was mentioned in Q3 when you expected inquiries within one or two quarters and order finalization around Q3, if I'm not wrong. So, has EIL issued any RFQs? And are you prequalified for both fired heaters, as well as reformer packages?

**Arvind Kamath:** Yes. Basically, we have received both the inquiries, and we have basically prequalified for both, and also for some more like a flare as well. And the fired heater requirement is expected to get finalized in this Q1 of FY27 and reformer maybe Q2 or Q3.

- Palash Jain:** Okay, sir. That's very helpful. I'll join back the queue. Thank you.
- Arvind Kamath:** Thank you.
- Moderator:** Thank you. The next question is from the line of Aman Vij from Astute Investment Management. Please go ahead.
- Aman Vij:** Good afternoon, sir. First question is, can you give an update on the waste handling package, which we were expecting to get close to Rs. 200 crores to Rs. 250 crores and also on the clean fuel project, similar value?
- Arvind Kamath:** Yes. Hi, Aman. Basically, the waste gas handling opportunity at the export, it should get finalized any time, and we are almost in the final commercial discussions, etc. And it's, kind of, maybe a week or two, that's what we're expecting to get closed. I think you're talking of the clean aviation fuel project, the price bid has been opened and we have lost that opportunity. We are not the lowest one.
- Aman Vij:** Okay, sir. Second question is a couple of domestic projects are coming online where feasibility study is starting or almost started. BPCL is the big one and Haldia, MRPL, IOCL. So, could you give some timeline roughly when do you see the bid pipeline opening up for these three, four projects?
- Arvind Kamath:** Yes. Basically, as far as the domestic market is concerned, there are certain opportunities in terms of the green initiatives as of now, which certain inquiries are already out. So, we expect to bid for that soon.
- On the energy market or in terms of the petchem and the oil and gas, what you're mentioning about the BPCL Andhra, all the other IOCL Paradip and Haldia, etcetera. I think, it would take some time because considering the current situations, and also the crude oil pricing, which is affecting the Indian refiners a bit. So, we expect it would take a bit of a time for these projects to come online, maybe something like six months to a year or so.
- But I think that's good for us, because we have a lot of export opportunities now, mainly in Africa and Middle East and also Russia. So, I think we, kind of, have export opportunities to the tune of about Rs. 4,000 crores or so, which we would be bidding, and which would get finalized in about maybe two to three quarters or so.
- Aman Vij:** Sure, sir. My next question is in terms of our execution capability. So, if we have orders for, say, Rs. 2,000 crores, Rs. 2,500 crores to execute in a year, do we have that capability?
- Arvind Kamath:** Basically, year-on-year, we're building the capabilities, because our order backlog itself currently stands at Rs. 1,961 crores, which itself is almost Rs. 2,000 crores, which we have executed over a period of two years. But, yes, most of these projects, whichever we bid or in case we get as well, because the execution period generally is about two years or so.
- So, we do have a gestation period of time in terms of the engineering, procurement and the construction at site. So, basically, as the projects unfold and we are already doing that for last

two years or so, and we have also reached to a pretty decent stage, that's why we are forecasting a growth of around 25%, 30% in this year itself.

**Aman Vij:** So, my question was, say, for example, we have to execute Bina project, which is quite big this year and say, we get some big portion in Dangote also. So, FY28, can we do Rs. 1,500 crores, Rs. 2,000 crores sales, if we get the orders, obviously?

**Arvind Kamath:** Yes. Basically, we will have to, in the sense, we also have to balance between our capabilities and what the market opportunities are there and a uniform growth, which basically to take care mainly from a perspective of the handling capability and also the working capital in terms of the requirements, we will also have to look into that aspect, so that what growth is possible to achieve. But as we are looking, around 25% to 30% year-on-year increase looks quite feasible.

**Aman Vij:** Sure, sir. Final question from my side. Any major play we have in coal gasification project, because a lot of things are about to happen in the next one, two years. And I believe, we don't have any play in boiler, but any other process heaters, which is required in coal gasification or any other big offer products?

**Arvind Kamath:** From the product perspective, in coal gasification, there is not really much in terms of heaters requirement is there. But, however, in case of technology-based project execution or those aspects we can look into. And one more thing is even after coal gasification, basically downstream; people are looking at ammonia and urea, because once you have gas, they also have to look at what other options they can do with carbon dioxide and gas. So, they are also looking at producing ammonia where we will have a play in terms of reformer or also building the complete plant.

**Aman Vij:** Sure, sir. These were my questions. Thank you.

**Moderator:** Thank you. The next question is from the line of Shobhit Tiwari from DSP Mutual Fund. Please go ahead.

**Shobhit Tiwari:** Yes. Hi, sir. Sir, one question. Sir, operating cash flow in the last three years has been negative. This year, although that has improved significantly. Any guidance when can we see that turning positive?

**Anand Agarwal:** Yes. Hi, Shobhit. I mean, if you see from the last year, we have improved a lot in terms of the operating cash flow. So, I think this improvement will continue further we are working on the working capital improvements on a day-to-day basis to improve this overall cash flow positions from the operations.

**Arvind Kamath:** It also depends on the project actually, Shobhit, because earlier, we had more orders, majority from the PSUs where the payment terms are quite skewed, most of the payments are towards the end, whereas, now the projects are more with the private customers. And if it is from exports, then basically the better payment terms in terms of the down payment and things like that. So, that helps in improving our cash flows. And yes, we are consciously trying to achieve.

**Anand Agarwal:** So, can we see that number turning positive in FY27?

- Annie Varghese:** It is a positive number.
- Anand Agarwal:** Yes, operating cash flow you're talking?
- Shobhit Tiwari:** Yes, sir.
- Anand Agarwal:** Yes, it is positive. I mean not in a larger scale, but yes, it is positive at least.
- Shobhit Tiwari:** Got it. Thanks, sir.
- Moderator:** Thank you. The next question is from the line of Darshil Jhaveri from Crown Capital. Please go ahead.
- Darshil Jhaveri:** Hello. Good afternoon, sir. Thank you for taking my question, sir. Firstly, congratulations on a really great performance in Q4, sir. Sir, just wanted to understand, what is the seasonality in our business, is Q4 the heaviest? Or how does that work, sir?
- Arvind Kamath:** Hi, Darshil, yes, generally, the Q4 has been the heaviest, because of various reasons also the supplies from the suppliers, and generally how it turns out in the industries. But we are trying to iron out to the extent possible. But, yes, I think ideally, Q1 would be, I would say, the revenue would be lower, and Q4 would be the highest and Q2 and Q3 would be moderate.
- Darshil Jhaveri:** Okay. So, Q1 would be ideally the lowest, sir. And sir, I just wanted to understand with the war and the geopolitical situation, has that impacted the higher cost of goods for us? Or how is that? Do we have the ability to pass it on, sir? How would that factor into our EBITDA margin, sir?
- Arvind Kamath:** Yes. Basically, see, Darshil, in terms of last quarter, it has not impacted us much, except maybe in terms of a few delays, in terms of the export shipment or the import shipment. Other than that, it didn't impact. But yes, there could be a little bit of issues in terms of the commodity pricing basically. And that's how we also don't want to do too much of a positive side on the EBITDA margin. So, we are doing a bit conservative approach as well.
- Darshil Jhaveri:** No, no, that's really fair, sir. And, sir, just when we have I think we were talking about Rs. 4,000 crores order book, order bidding. So, ideally, for the year, what is the inflow we are targeting, sir? And will any of that new inflow get converted to revenue in current year itself, because whereas we've given a guidance of around Rs. 2,000 crores, but if we get new orders, we can over perform, I think, right? So, about 20% growth. So, we can over perform that if we get new orders, or how would that ramp-up be of new orders, sir?
- Arvind Kamath:** Yes. Basically, we have projected a 25% to 30% revenue growth for the next year. But in case of any new orders do come, however, new orders, they do take some time. Generally, for the first two quarters, there is revenue booking will not be there, or will be very, very minimal. Q3 onwards any of the large orders, the revenues do start booking.
- So, yes, if we do get any sizable order in the Q1, we could see some visible revenue in Q4 or so. So, there is a chance to outperform the expected revenues in the next year as well in case we get some good orders in the Q1.

- Darshil Jhaveri:** Okay, okay. Fair enough, sir. So, what is the order inflow target for this year? What do you feel out of the bid rate, what would be a win rate, sir? How much could we convert, sir?
- Arvind Kamath:** See, generally, our conversion rate has been 25% to 30% of whatever the bid pipeline we bid. So, from that perspective, we are able to get somewhere around Rs. 1,300 crores to Rs. 1,500 crores of order book that also would be good enough for the growth what we are anticipating for next, say, two years or so.
- Darshil Jhaveri:** Okay. And for this, will we need any more capex, sir, how is our utilization in that term?
- Arvind Kamath:** 34\* to achieve this expected revenue growth for next year, that way, we don't really need much of a capex. But, yes, we are trying to establish maybe a comparatively smaller facility, domestically as well just to do some critical work, whichever is the more critical fabrication, and have some critical items storage kind of a thing. So, we are looking at that option because currently, our facility is mainly meant for the export.
- Darshil Jhaveri:** Okay, okay. So how much would that capex entail, sir? And just going a bit beyond that by FY28, we would be near full utilization, right? So, any plans like either organically or inorganic type of growth that we would want to do in terms of capex?
- Arvind Kamath:** No. I mean, it will not be a much amount per se, comparatively, it will be just a smaller amount even if we do a certain investment per se.
- Darshil Jhaveri:** Okay, okay. Fair enough. I'll get back in the queue.
- Arvind Kamath:** Rs. 10 crores, Rs. 15 crores.
- Darshil Jhaveri:** Okay, okay. Fair enough. Thank you.
- Moderator:** Thank you. The next question is from the line of Kamlesh Bagmar from Lotus Asset Managers. Please go ahead.
- Kamlesh Bagmar:** Yes. Thanks for the opportunity, and strong set of numbers. Sir, just one question on the part of Dangote. I know that entire Street is excited about that only. So, with regard to that, how is the competition there? Say, earlier, we used to hear the name of Heurtey only. Now, we are hearing that Técnicas and various other bidders are also there this time around. So how is the competition there? And you have highlighted the timelines for that, but can you brief just about the competition there?
- Arvind Kamath:** Yes. Hi, Kamlesh. Thanks. See, basically, what we have seen is Dangote, obviously, EIL being a consultant, so EIL approval list also is there. So, generally, they do go as per the EIL acceptance, though Dangote is a price-conscious customer. So, what we have seen is they do accept only very reputed suppliers and this being very critical equipment. So, though there are some bidders from, say, China or not so reputed bidders from Europe. So, we don't think that Dangote would consider them.
- But in terms of your specific question about Heurtey. Heurtey do not quote for EPC projects nowadays, because they do not, and mainly in a country like Nigeria. And that is the reason

there are a couple of other reputed European players in competition with us at Dangote this time. But we are quite sure the way things are, the competition will be very fair and only with very reputed players only.

**Kamlesh Bagmar:** And sir, apart from that, this fertilizer project is also there. So, what timeline do we see there, sir?

**Arvind Kamath:** Yes, that is exactly I mentioned about the Reformers. Reformers is for the fertilizer project, which they are coming up, where we have already received the inquiry. And the bid submission would happen in the Q1, and we expect the finalization either in Q2 or Q3.

**Kamlesh Bagmar:** Okay. And with the refinery part, like say, the bids have been put in. It's just a matter of time who is the winner there?

**Arvind Kamath:** Yes. There, I think the, kind of, refinery part, the way situation is, I think it would get finalized in Q1, apparently it looks like that or maybe a few weeks here and there. June, July.

**Kamlesh Bagmar:** Okay. Great, sir. Thanks a lot.

**Moderator:** Thank you. The next question is from the line of Anshul Jethi from LKP Securities Limited. Please go ahead.

**Anshul Jethi:** Hello, sir. First of all, congratulations on the great set of numbers. Just one question to add on to the cash flow and operating cash flow. So, we have seen a good set of growth in revenues and profit, but cash from operations are still negative. A major attributable reason could be an increase in unbilled revenue this time, and if yes, what's the conversion period of this unbilled revenue into cash flow?

**Anand Agarwal:** See, conversion period for this unbilled is basically mainly the new projects, which we are doing at this point of time, I mean, in the cracker furnace and process plants, okay. So, these are expected to convert in another three months' time, these are expected to convert in the cash.

**Anshul Jethi:** Okay. And these are private label contracts only, right?

**Anand Agarwal:** Sorry?

**Anshul Jethi:** These are not from PSU. That's what I mean.

**Anand Agarwal:** These are primarily from the private customer only.

**Anshul Jethi:** Okay. And other question is what's the current exposure of JNK Global in our order book of Rs. 1,960 crores as of now?

**Arvind Kamath:** As of now, it is about Rs. 1,600 crores or so, Anshul. That's mainly because of BPCL Bina, which is India project.

**Anshul Jethi:** Yes. Sir, just one last question on the margins front. So, we saw big compression of margins last year due to change in accounting policies, etc and due to execution of old legacy orders as

well. So, can we pretty much assume these are the normal margin levels that will be continued, and any guidance for the margins going ahead in FY27?

**Arvind Kamath:** Yes, Anshul, I think our endeavour is to keep the margin around similar lines what we have achieved in Q3 and Q4. So that is about 14% and 15%. So, I think we're quite hopeful that we should be able to achieve that.

**Anshul Jethi:** Okay, sir, all the best. Thank you.

**Arvind Kamath:** Yes. Thank you, Anshul.

**Moderator:** Thank you. The next question is from the line of Jainam Doshi from Kriis PMS. Please go ahead.

**Jainam Doshi:** Congratulations on a great set of numbers, sir. Just wanted to ask about the Chemdist opportunity going ahead. And as it currently contributes around 7% of the total turnover of the company in just six months of operations. So, how do we see it inching up going ahead? And also, if you could highlight how is the order book shaping up there and bid pipeline? So, just a qualitative color on this.

**Arvind Kamath:** Yes, yes. So, things are, I think we definitely feel it's a good JV startup for us, and we are quite bullish and quite confident about the way things are going. And for your information, they've already received a green hydrogen project from Hydrogen Valley Pune in the last financial year, which will be executed in this financial year.

And yes, as you said, the revenue was about 7% by six months of operation. And this year onwards, for first couple of years, we are kind of confident of adding about 10% to 15% of revenue to our books from Chemdist. But more than that, I think we could see some technological good opportunities in terms of green hydrogen or clean fuels, because they have a different kind of technology, not a typical electrolyzer or the normal technologies, which are there in the market, so which we feel could add value as we go ahead more and more.

**Jainam Doshi:** Got it, got it. Thank you for the detailed explanation. That was it from my side.

**Arvind Kamath:** Thank you.

**Moderator:** Thank you. The next question is from the line of Maitri Shah from Sapphire Capital. Please go ahead.

**Maitri Shah:** Yes. Hello. Am I audible?

**Arvind Kamath:** Yes, yes.

**Maitri Shah:** Sorry for the basic question. I'm new to the company. Firstly, on the capacity side. So, you said our current capacity is only executing export orders and the order book has close to 2.5% of export orders. So, most of our domestic orders have been done outsourced? Are we manufacturing them with outsourcing facilities? How is the capacity working?

**Arvind Kamath:** Yes, Maitri. I mean, basically, the products what we have as a strong design and engineering background. So, the more focus is on the thermal engineering and mechanical engineering, which is completely done in-house. We have about 120 engineers who are into the engineering aspect of it. So, that's the core technological advantage what we have.

And as far as the manufacturing is concerned, the fabrication can always be done outside because it's pretty complex and large structure. So, it's easier if you are able to do it closer to the site considering the logistic issues in India. So that's how depending on the projects where the orders where we have, we select a suitable or approved fabrication shop, or we could also do the certain work at site as well. So, this is how we execute the project. And also, there are a lot of specialized bought out components, which we buy from approved suppliers from India.

**Maitri Shah:** Okay. That is great. Secondly, on the JV that we have, you mentioned that we want to grow to a 10% to 15% revenue contribution from there. Do you have a specific order book for that? Or is it currently included in our Rs. 1,900 crores backlog?

**Arvind Kamath:** Currently, the order backlog from there is about Rs. 70 crores or so. So that's included in the consolidated order book what we have.

**Maitri Shah:** And are we bidding for more out there, and what sort of bids do we have right now on the site?

**Arvind Kamath:** In the JV, or in the main company, Maitri?

**Maitri Shah:** In the JV.

**Arvind Kamath:** Yes. In the JV, there are many opportunities, and they do have a bid pipeline of almost something like Rs. 200 crores, mainly in chemical, pharma and water-related projects for the equipment and technological projects.

**Maitri Shah:** And since these are, you said with unique technologies, do you get a better margin on these, like, upwards of 15%, 17%? How do the margin scale up happen on here? And also, for the JV, the 10 to 15% revenue?

**Arvind Kamath:** Basically, currently, the technologies are not yet commercially, it's completely proven. So, we just have one first project from Hydrogen Valley, Pune, which will be implemented this year. So, it will take maybe a couple of years more where the technologies, what they have in the R&D and in the certain TR stage will get approval, and commercialized. Only after that, we could see a margin improvement with Chemdist. So, as of now, we are doing more projects on a competitive basis.

**Maitri Shah:** Okay. Any capex number you would mention for the specific you said you're going to put some smaller capex plan?

**Arvind Kamath:** Yes, yes, correct. That's the only plan what we have as of now.

**Maitri Shah:** Any contribution, how much you're investing?

**Arvind Kamath:** That could be about Rs. 10 crores to Rs. 15 crores or so.

- Maitri Shah:** INR10 crores to INR15 crores? Okay. And for FY28 as well, we are expecting a 25%, 30% growth. Is this just being on the conservative side? Or are we seeing the order inflows coming in on the latter half of this year, so them being executed in FY29?
- Arvind Kamath:** Yes. I mean, considering the current order book and the bid pipeline what we have, so the growth of around 25%, 30% for the next two years is what looks quite practical and achievable, Maitri.
- Maitri Shah:** Okay. Yes, that is it. Thank you, and all the best.
- Arvind Kamath:** Yes. Thank you.
- Moderator:** Thank you. The next question is from the line of Amitabh Vatsya from Southern Ventures LLP. Please go ahead.
- Amitabh Vatsya:** Congratulations on a great set of numbers, sir. My question is with respect to the Dangote where we are bidding for the project. So, is it a combined bid with JNK Global or it is a stand-alone bid in both the packages?
- Arvind Kamath:** Hi, Amitabh. It will be a combined bid because basically, the first project of refinery phase one was executed through JNK Korea. I mean, they were the prime bidder at that time. That was about eight to nine years back, and we were quite small at that time. So, it could be a combined bid. I mean, JNK Global would be the main bidder.
- Amitabh Vatsya:** Okay. But most of the project management will be done at our end?
- Arvind Kamath:** As of now, yes, that's the plan. So, most of the execution, engineering management, everything will be handled from India.
- Amitabh Vatsya:** Okay. I have one small question with respect to green hydrogen. So, when we are talking about green hydrogen this time, so do we have any pipeline? Can you just share some contour of, kind of, projects which we are looking at, although it would be a very small fall, but can we draw where our equipment, Chemdist equipment would be used? And are we seeing some action on solar EPC side also because in past, we have referred to that?
- Arvind Kamath:** Yes, Amitabh. In terms of the green hydrogen, what basically Chemdist has a couple of the different technologies towards green hydrogen. So, they don't traditionally have the electrolyzer or such technology. So, what they do is from green ethanol, they would produce ethyl acetate and hydrogen. So, where hydrogen is a byproduct, so that's where basically cost optimization happens. So, the cost of producing hydrogen works out much less. So that is what Hydrogen Valley was impressed, and they awarded that contract to Chemdist.
- So, this is the kind of a technology they use, which is more based on they have a special catalyst, wherein, the advantage is you don't have to go through a traditional route of acetic acid for manufacturing ethyl acetate from ethanol to ethyl acetate plus you get a hydrogen as a byproduct at a lower cost.

So, there is no, kind of, a defined market as of now for this because the technology has to be proven on a commercial scale. With this plant, we're putting up in this year, it would be hopefully to ensure that we prove it and run it in next year. So, after that, there could be larger opportunities for that.

**Amitabh Vatsya:** Okay. And about any solar work we are planning?

**Arvind Kamath:** Solar work, I mean, the intention of doing solar work was for putting up the green hydrogen project. We do get qualified for the green hydrogen projects, even for an electrolyzer basis, because of the reformer technology, we handle the grey hydrogen. So, based on that, we do get approved for green hydrogen projects as well.

So, when we had initially quoted for a couple of projects, we just wanted to have a solar EPC along with that. But as on stand-alone, we are not keen to do on a solar EPC, because we don't see much of technological value addition and value creation in that area.

**Amitabh Vatsya:** Okay, wonderful. Thank you for the answer.

**Arvind Kamath:** Yes. Thanks.

**Moderator:** Thank you. The next question is from the line of Kumar Saurabh from Scientific Investing. Please go ahead.

**Kumar Saurabh:** Hello. Am I audible?

**Arvind Kamath:** Yes, Saurabh, you are.

**Kumar Saurabh:** Congrats for a great set of numbers, sir. My question is more on the contract and raw material pricing. So, some of these contracts are executed over two-year-plus period. So, if the raw material prices increase, do we have clauses to pass it to the client, or how does it work?

**Arvind Kamath:** Hi, Saurabh. Generally, we do not have the clauses to pass it on to the customer. Yes, there are some PSU customers where those clauses are there, but it's to a very, very lesser extent. However, the direct commodity exposure is not so much. It's quite limited for us. However, what we do is whatever the exposure is there, we try to place the order immediately within, say, first month or one or two months of receiving the large contract, so that we've done the pricing according, and we also close those contracts immediately.

**Kumar Saurabh:** Okay, okay. And sir, my second question is on the total addressable market. So, in the oil and gas refinery sector, whatever projects are there, is there a ballpark estimate like 2% to 3% of that project cost is what is our target market, if we want to get a sense of it?

And second-related question is, because bulk of our current revenue is coming from domestic market, are we targeting only domestic? Or do we have plans for export market also once we reach certain order execution size? And what will be the addressable market there, if you can combine the domestic and global addressable market and give some color to it?

**Arvind Kamath:**

Yes. So, basically, to answer your first question, in terms of refineries and petrochem or this kind of projects, so with our traditional products only, which is fired heater, reformers, cracking furnace, and now on flares and incinerators, basically, the percentage of the project value, what we can target is something like maybe 6% to 7% of the total project cost.

So that's the kind of, opportunity what we have. And, however, what we are also doing is that as we are growing, we are trying to have more diversified, but technologically niche product portfolio as well. So that's how we have executed a couple of other opportunities where technology-based process plant and also green fuel projects.

So, we're quoting some of this, kind of, opportunities as well. We do get qualified for such opportunities, and which is pretty niche in nature and has a technology advantage so for us to get into that field as well.

So, in terms of exports and domestic, this is depending on the opportunities what we have and what kind of advantage we can get going over a period of time. That's what we focus on because we've traditionally done a lot of exports as well. So, we've done exports to Nigeria. We've done exports to Mexico, and we've also done exports to Algeria and Middle East as well.

And yes, currently, in the last two, two years, there has been more domestic because a lot of large opportunities came in India. That's why we're focusing on domestic. However, our bid pipeline, as I mentioned earlier, is now more towards exports. So, we're quite confident that next two, three years, the exports also could be scaled up substantially.

**Kumar Saurabh:**

Okay. And sir, margins are similar in exports? Or is it higher or lower compared to domestic?

**Arvind Kamath:**

It generally depends, yes. In a comparison mode, it could be slightly better. But yes, there are also certain issues in terms of whether it is including the construction, without the construction, just the engineering and supply and things like that. Also depending on the competition landscape and the type of projects what we have, whether it's just a product base or from a large complex project.

So, yes, some projects could be slightly better, whereas, if we really want to enter a country or enter into a new market, we may have to give a bit of a more competitive nature to ensure that we get the orders.

**Kumar Saurabh:**

Got it. And sir, last question I have, because we get a lot of IP and parent support from the parent organization. I'm new to the company, I'm still studying, but is there some, kind of, royalty structure? And if so, what is it? And do you see any change in the royalty structure and all for next two, three years if there is one.

**Arvind Kamath:**

I mean, currently arrangement is that any projects they bid outside Korea, basically, they take our support and most of them are subcontracted to us at an agreed price before the pre-bid itself, what price we quote based on that. So, there is no royalty for that as well because it's already subcontracted to us.

In case we quote outside India, if it's within India, there's no royalty as such. However, if we quote outside India, and we take the orders in our name that is on JNK India for the items, which are common with JNK Global, which is fire heaters, reformers and cracking furnace. So, then we do pay technical fees to them up to 2% of the order value. It can also be negotiated.

**Kumar Saurabh:** And what is the share of such projects in the order book?

**Arvind Kamath:** Currently, I don't think it is anything significant in terms of what we have taken the orders directly from the exports is not much, because most of the market, the orders what we have is domestic, either on JNK India's name or through JNK Global, but on JNK India that way. So, there's no royalty per se in these orders.

**Kumar Saurabh:** Got it. Thanks a lot sir, and wish you all the best.

**Arvind Kamath:** Thank you.

**Moderator:** Thank you. The next question is from the line of Priyansh Miri from NGP Family Office.

**Priyansh Miri:** Hi, sir. Great set of numbers. I'm also new to this company, sir. Tracking it. I just want to understand out of our current order book standing around Rs. 1,900 crores, what would be the execution timeline based on our current capacity?

**Arvind Kamath:** Yes, it's about two years is what within, say, next two years, we'll have to execute them, a quarter here and there depending on the project completion stage and things like that.

**Priyansh Miri:** Sir, so, for full year FY26, what was our capacity utilization, sir?

**Arvind Kamath:** See, for us, there is no exactly capacity utilization per se, because as we discussed earlier, it depends, basically, there are two main key factors what we have is, one is the manpower, like, the people who can actually design and do engineering and the procurement and project management in the company. And the other is, obviously, the working capital, which is required to execute the project. So, in terms of actual manufacturing or the site work that we can also do outsourcing.

**Priyansh Miri:** Understood, sir. Sir, one more question on the order book. Can you also let me know what is the split between the JV order book percentage versus our legacy business order book percentage?

**Arvind Kamath:** Out of Rs. 1,961 crores, JV is about Rs. 67 crores or so. So Rs. 1,890 crores is the JNK India order book. And out of Rs. 1,890 crores, the legacy orders would be about Rs. 40 crores, Rs. 50 crores, maybe around Rs. 40 crores or so. Rs. 1,850 crores would be all the new order book.

**Priyansh Miri:** Understood. One last question, sir. Based on our currently bid pipeline for the next year ending, what is the tentative or any range of the order book, if you can share that we could end in after one year?

- Arvind Kamath:** We would definitely like the way we're doing, say, last year, our order book was about, say, Rs. 1,000 crores, and this year, it's about Rs. 1,900 crores. So, considering what are the opportunities bid pipeline, what we have and the kind of execution what we are expecting in this year, we hope to cross say, around Rs. 2,000 crores order book next year.
- Priyansh Miri:** Okay. That is, it from my end, sir. Thank you. Thank you for the opportunity.
- Arvind Kamath:** Thank you.
- Moderator:** Thank you. The next question is from the line of Krishna Yoga from Family Fund. Please go ahead.
- Krishna Yoga:** Thank you, sir for the opportunity. And most of my questions have been answered. Sir, actually if you see the order book, majority of the orders actually from JNK Global. In the last call also, you have mentioned that since our execution is very good, we have proven track record. So, are we going to bid on our own, like, a bigger order? Can we expect the individual company orders going ahead.
- Arvind Kamath:** Yes. Hi. Thank you for the question. See, basically, we do already bid on our own for bigger orders as well. The one on the cracking furnace order, which we are executing currently in India has been bid by us directly, and we are executing it on our own, which the total, I mean, there are two orders. The size is about Rs. 650 crores is what we'll be completing the execution this year.
- So, because these are very technically complex and also the commercially the many requirements the customer has to meet the bidding criteria. So, it depends on that, whether we do get qualified sometimes and sometimes we don't, we have to take a support from JNK Global. So, the intention is to get qualified for the critical projects, so that our qualification criteria improves as we go ahead, and we can execute more and do get qualified for more critical projects.
- Krishna Yoga:** Okay. That's good. And sir, in the bidding pipeline, you said roughly around Rs. 4,000 crores order book and the pipeline is there. In that our individual, how much order book is there in the pipeline from individual bidding without JNK Global?
- Arvind Kamath:** I would say in the Rs. 4,000 crores of bid pipeline, there would be about Rs. 1,500 crores on JNK India itself, which we have bid, or which will be bidding, and about Rs. 2,500 crores to Rs. 3,000 crores is what along with JNK Global. And it's not only from say, criticality from a point of view of the PTR or the proven track record of the technicality. It's also from a commercial standpoint, sometimes it does help because in India, because in the large contracts, the bank guarantee requirements are also quite large.
- So, getting the bank guarantees in India is still a bit of a difficult situation, wherein, it is comparatively, I would say, easier in Korea. So, it also makes our life to that extent easier wherein JNK Global is there. So, they can submit the bank guarantee and it's easy for the cash flows and the working capital as well.

- Krishna Yoga:** Got it, got it, sir. And sir, one more question about the margins. You mentioned that 14% to 15% range you are going to continue previously, two years back, we used to really enjoy a very good high margins. So, maybe not immediately after two, three years, are we going to go into that kind of number in the future, like 20-odd EBITDA margins?
- Arvind Kamath:** Actually, 20-odd one was only for a year or so. So basically, I mean, earlier we were executing comparatively much smaller product-based orders, which was just the order value was about Rs. 50 crores, Rs. 100 crores or so. And the technological advantage what we had was easier to get a comparatively better margin. But as we have now increased our scale and also in terms of the quantum of the order values, now the order values are upwards of Rs. 500 crores.
- And the projects are including the site installation and also very critical and complex nature also goes for a period of, say, two years to three years. So, considering all this, we feel the EBITDA margin of 14% to 15% is more sustainable. And it also makes, I think, more practical to achieve them and guide them for future as well.
- Krishna Yoga:** Okay. Got it, sir. And present geopolitical conditions, I mean, I know you're mentioning 14% to 15%. So even with this current situation, this FY27, you are sure about maintaining this margin, 14% to 15%, right?
- Arvind Kamath:** Considering the current order book and the current situation, that is what we feel we should be able to achieve.
- Krishna Yoga:** Okay. And the last question, if I may. Actually, in the backlog of JNK Global around Rs. 1,000 crores were there. So, I mean, what is the number we are going to expect the remaining backlog from the JNK Global order in this current year? Can we expect another Rs. 500 crores to Rs. 600 crores of order inflow from the JNK Global?
- Arvind Kamath:** That depends. It's, kind of, a bit difficult to exactly answer that between JNK Global and direct. But comparatively in the bid pipeline, as I mentioned, the more opportunities are along with JNK Global because these are quite large projects in Nigeria and this thing. So, because of which, yes, the order per se inflow could be more along with JNK Global in this year as well.
- Krishna Yoga:** Thank you. Thank you so much, sir, for answering all the questions. I'll hand it over to you, sir.
- Moderator:** Thank you. The next question is from the line of Aman Vij from Astute Investment Management. Please go ahead.
- Aman Vij:** Yes, sir. My next set of question is on the export business. You talked about Middle East can be an important piece for us. So, could you talk about how big can this business become for us in next one to two years?
- And also, Russia has been stuck for many years. So, is there any change now? And on USA, we had won some initial orders, but we haven't heard any repeat orders. So could you update these two, three things on export business, then I can talk about next question.

**Arvind Kamath:** Yes, Middle East, I mean, as I said, even there's an expected kind of order finalization, which is in Middle East. So, other than that, there are certain investment expected, which I mean, there's already one project, one fertilizer project, which had a large opportunity. However, it just got a bit stuck possibly due to the current situation. So that should also open up.

So, next, say, two, three years, we do feel there could be an opportunity upwards of \$200 million, \$300 million in Middle East, something like that, depending on the fertilizer and the petchem opportunity.

And other than that, in terms of Russia, yes, I mean, there were many projects, which we had bid, but they were stuck for the last two years or so. But now one project, which is kind of quite in advanced stage of discussion, they are saying that they would finalize in a quarter or two. We still have to see how does it pans out.

And in the US, we are trying to do some inroads and the first supply is almost getting completed now, the first order what we have received. So, we hope that we could get some more opportunities as well.

**Aman Vij:** Yes. Thanks, sir. My next question is earlier, sir, H2 used to be dominated. It used to be almost two times H1, but for this year, it was almost equivalent 55%-45%. So, do you expect such ratio to continue for FY27?

**Arvind Kamath:** I don't think we did 55%-45% in H1 and H2, because I saw even this year, H2 is dominant in comparing to H1. It is in terms of revenue, you're mentioning? In terms of revenue, right?

**Aman Vij:** Yes, yes, maybe 40/60, can take so.

**Arvind Kamath:** No, I think, if I'm not mistaken, we did about similar fashion. I think we did about 65% in H2 and 35% in H1. Yes, so I think, which is almost H2 was almost double of H1. But yes, I mean, we will try to see if we could be a bit more uniform. But yes, there are a lot of related issues in terms of the supplies and things like that. So yes.

**Aman Vij:** So, even for this year, whatever we are guiding 25% to 30% growth, it is mostly, say, two-thirds will be in H2 only, the Bina and the bigger ones.

**Arvind Kamath:** Yes, it could be around 40% to 60% or so. That's the kind of listing what we're looking because then Q4 becomes heavy, then the Q1 becomes a bit on the downside. So based on that, we can anticipate something like 40% to 60%.

**Aman Vij:** Sure, sir. Final question is on cracking furnace side. When do you expect another big order from this side of the business?

**Arvind Kamath:** It depends. And it's not only that cracking furnace is a big opportunity. The reformers also is a big opportunity. Currently, what we're bidding for, say, fertilizer projects for reformers, that is also almost a very big size of opportunity. So even the fire heaters, or the similar projects can also be a big opportunity. So, we do have such opportunities other than the cracking furnace as

well even for this year. And actual per se, specifically for cracking furnace, I think the opportunity could come sometime in FY28.

**Aman Vij:** That you're expecting from the same, BPCL Andhra only, right, or any other project also?

**Arvind Kamath:** BPCL Andhra is there, and there's also expected cracker in Africa, and also IOCL Paradip also is a bit of a stuck for time being, so that could also come up.

**Aman Vij:** And sir, Haldia, we are not active or bidding, because that might come.

**Arvind Kamath:** Yes, if it comes because we are in the licensor approved per se. So as long as the project moves, and there is this thing traction, so we would look at bidding for Haldia as well.

**Aman Vij:** Sure, sir. These were my questions. Thank you.

**Arvind Kamath:** Thank you.

**Moderator:** Thank you. Ladies and gentlemen, that was the last question for today. I now hand the conference over to management for closing comments.

**Arvind Kamath:** Yes. I think thank you for all the questions, and you can reach to Annie for any further clarifications on these. Thank you.

**Moderator:** Thank you. Ladies and gentlemen, on behalf of ICICI Securities Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines. Thank you.

**Arvind Kamath:** Thank you.

**Notes:** 1. This transcript has been edited for readability and does not purport to be a verbatim record of the proceedings.

2. Figures have been rounded off for convenience and ease of reference.

3. No part of this publication may be reproduced or transmitted in any form or by any means without the prior written consent of JNK India Limited.