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

SECY/GRSE/BD-69/AM/03/23-24 21 Mar 2024

To,

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

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

Dear Sir / Madam,

Sub: Transcript of Analyst/ Brokers Meet Call for Q3 & 9M FY 23-24 of GRSE – Reg 30

1. Further to our Intimation Letter No. SECY/GRSE/BD-69/AM/02/23-24 dated 11 Mar 2024, we wish to inform that Analysts/Brokers Meet has been held on **Thursday, 14th March, 2024** at 04.00 p.m. at BSE International Convention Hall, Mumbai to discuss the Financial Performance of the Company for the Quarter and Nine months ended 31st December, 2023 and way forward.

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

3. This is for your information and records.

Thanking You,

Yours faithfully,
For Garden Reach Shipbuilders & Engineers Limited

SANDEEP MAHAPATRA
Digitally signed by SANDEEP MAHAPATRA
Date: 2024.03.21 11:33:22 +05'30'

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

Garden Reach Shipbuilders and Engineers Limited
Q3 & 9M FY24 Analyst/ Brokers Meet
14th March, 2024

Management:

1. Cmde PR Hari, IN (Retd), Chairman and Managing Director
2. Shri RK Dash, Director, Finance and CFO
3. Shri Sandeep Mahapatra, Company Secretary & Compliance Officer

Moderator: Good afternoon, ladies and gentlemen. I welcome all of you to the Analysts and Brokers Meet of Garden Reach Shipbuilders & Engineers Limited to discuss the Financial Results and the Performance of Q3 & 9M FY24.

We have with us, Cmde PR Hari, IN, (Retd), Chairman and Managing Director of GRSE, Shri RK Dash, Director (Finance) and CFO, and Shri Sandeep Mahapatra, Company Secretary & Compliance Officer.

We will begin the conference with Cmde PR Hari's Opening Remarks, following which we will have the Q&A Session. Cmde Hari sir, may I request you to come up and give the Opening Remarks.

Cmde P R Hari: Good afternoon, Ladies and Gentlemen. We are meeting almost after one year. I met most of you about a year back. I welcome you all to the Conference to discuss the Financial Performance of GRSE for the Quarter and Nine Months ending 31st December 2023.

I am sure you have been keeping track of the company's performance for a very long time and have been associated with us either through physical interactions like what we did last year or through virtual meets that we have every quarter.

What I have planned is, I will give you an overview of the Company's Financial Performance. The physical performance that is translated into the financial performance, our current order book position, how we plan to execute the current orders and what is in store for all of us for future. This is a track I plan to take today.

For the record, for a seventh quarter on the trot, our financial parameters have been on an upward trend and again for the quarter ending 31st December, 2023 and the nine months period ending the same date, we have recorded the best ever results in the history of the Company. Our revenue from operations for the nine months period touched ₹2,576 crore which is almost 31% increase over the corresponding period of the last nine months for FY 23. A similar rise in total income by 34%, EBITDA touched ₹367 crore with a 41% increase. The PAT rise by 42% to ₹245 crore. In a nutshell, the Company's performance financially and physically has been good as what we perceived.

And now coming to what has translated into this performance. Our current order book stands at ₹23,592 crore as on 31st December, 2023. And most of this comes from the shipbuilding sector, with the limited contribution from the ship repairs and our other verticals like the portable steel bridges and so on. This ₹23,592 crore order book comprises of four projects that we are executing for the Indian Navy: the three ships P17 Alpha Project, the four ships Survey Vessel Large project, the eight ships Anti-Submarine Shallow Water Crafts Project and the four ships Next Generation Ocean Going Patrol Vessel Project.

Now, during the last year, we have delivered two platforms i.e., the first of the four Survey Vessel Large that we are constructing for the Indian Navy. This was delivered during the last quarter itself. We delivered it on 4th December 2023, and again for record, this is the largest ever Survey Vessel built in our nation. This ship was subsequently commissioned during February this year into the Indian Navy. In addition to that, we had delivered an Ocean Going Passenger-cum-Cargo Vessel to the Government of Guyana. This ship was delivered and commissioned on 23rd April, 2023. So, these were the two platforms that we have delivered.

In addition to that, last year in shipbuilding, during our early interactions, I have mentioned launch of a ship is a milestone event where after a certain amount of physical progress is achieved and the ship takes its complete form, the ship is put to water, after which the outfitting commences. So, last year, I would like to term it as 'the year of Launches'. We have launched seven platforms during the last nine months period including the last of the P17 Alpha ships. The P17 Alpha ship was launched by the Hon'ble President of India on 17th August, 2023.

I will just quickly cover the status of the ongoing projects, so that we have clarity on where we stand with respect to each of the projects. Coming to the P17 Alpha Project, it's a three-ship project, the first ship is currently at around 66% of physical progress, the second P17A ship is at 55%, and the third ship what I just mentioned was launched on 17th August is currently at around 43% of physical progress.

The delivery plan of this ship is as follows. We intend to deliver the first ship during mid of 2025 that is August 2, a target for delivery of the first ship, and the second ship would be February 2026, and the third ship by August 2026. This is the delivery plan for the ships and currently we are on schedule.

Coming to the Survey Vessel Large Project, I had mentioned that the first ship was delivered last year, the 2nd, 3rd and 4th ships are now getting ready for delivery with the first of these three ships already at the harbor trials phase, we intend sending the ship for sea trials in the coming months. My appreciation for delivery of the ship would be May or June this year. Thereafter, by December 2024, we will be delivering the second of the remaining three ships, and the last vessel early next year, the first half of 2025. It may spill over to the beginning, the first quarter of FY'26, which means we intend delivering it around April - May 2025.

Coming to the Anti-Submarine Shallow Water Crafts Project. Just to inform you, this is an eight-ship project that we are executing and the fifth and sixth ships of this project were launched yesterday i.e. on 13 March, 2024. We did the launch of these two ships yesterday. Of the four ships that were launched earlier, one of them, the first of the ships, is currently at the harbor trails phase, akin to the Survey Vessel that I mentioned, and we intend delivering the ship by June this year. And thereafter, every six months, one ship of this project will come out. So, this project and Anti-Submarine Shallow Water Crafts project, we expect to complete by mid 2026.

Physical Progress: I will just state that the first ship is currently at around 77%, second ship at around 62%, the third ship is at almost same 62% and the last ship, the eighth ship is at around 20% physical progress.

The fourth project that we are executing is the Next Generation Ocean Going Patrol Vessel. It's a four-ship project. The contract was signed on 30th March, 2023. We have made good headway in this project, and we have started production of all the four ships. We have made a strategy by which we are doing concurrent construction of all four instead of going sequential. All the four ships are currently at around 10% physical progress. This project is expected to be completed by FY'28. What I am trying to say is that the delivery of these vessels will commence from 2026, thereafter every six months and it will go on till early '28.

In addition to these four projects that we are executing for the Navy, we are also executing a project for the Government of West Bengal that is of a fully electric vessel. When delivered, that will be the largest in terms of passenger capacity to be built in India. The vessel has already been launched, currently undergoing the river trial. We intend to deliver this vessel to the Government of West Bengal next month i.e., April 2024.

Again, for you to understand, at this juncture, among the players who manufacture Green Vessels, Cochin Shipyard Limited (CSL) is there. CSL are slightly ahead of us. And with this delivery, we are very confident of catching up with them and even surpassing them because there is good market potential in this segment.

In addition to that, we have also been declared L1 for an Ocean Graphic Research Vessel for the Ministry of Earth Science, Government of India. This is an approximately ₹840 crore order. The Letter of Intent (LoI) has already been issued and we expect to sign the contract during March 2024 itself.

We have also been declared L1 for an autonomous platform for the Ministry of Defence (DRDO) and this is a small order. But then again, why I am highlighting this is, anything which is today being developed in this field of autonomous platforms has got market potential. This is a very low value order of around ₹20 crore. For them, it is only a technology demonstrator, but the opportunities in this field is galore because both the Navy and the coast guard are looking for autonomous platforms in future.

Coming to the other segments:
One of our areas of focus has been - Exports. And as you are aware, we have so far delivered to Defence platforms, earlier to Government of Mauritius, way back in 2014 and as late as 2021, another platform was delivered to Seychelles. We have been declared L1 again through a

global tender for a dredger for the Government of Bangladesh, still in liquid form. The contract is yet to be signed. The L1 declaration has happened. Considering their recent government change, we expect the contract to be signed in another three months.

We have also been declared L1 again for the Government of Bangladesh through a Defence Line of Credit for our Ocean Going tug. Both these orders, the value could be between ₹150 to ₹200 crore each. But just why I am stating this is, though the value is not much, these are exports.

Our area of focus for exports has been, one, within the Defence segment, second in the Indian Ocean Region (IOR), especially friendly foreign nations and now with the market having been opened up for commercial shipbuilding, when we express our interest in joining the bandwagon, several Scandinavian nations and also clients from Germany has approached us, and hopefully whenever we interact again after the quarter, I should be able to convey the happy news to you that by the time we expect to conclude some commercial shipbuilding orders.

Despite orders on the anvil in these segments that I mentioned, our primary focus would continue to be on warship building because that is where the order value exists.

I will just give you a glimpse of what is in store. And this is also a follow-up of what I mentioned last year. The major orders that are on the anvil, one would be from the Indian Navy, the Next Generation Corvettes. We expect the RFP to come out by June or July this year. And we stand a very good chance of winning this contract, it's a high value contract, total order value has been around ₹36,000 crore, split in to eight-ships project, split between the L1 and L2 shipyards at 5:3, that is five ships to the L1 shipyard and two ships to L2 shipyard. So, the stakes here are high. There are four shipyards shortlisted for this. We stand a good chance for winning this. We'll be bidding aggressively to win this order because this is one of our areas of specialization. To place on record that all the Corvettes right now operating for the Indian Navy are built by GRSE. So, that is the kind of expertise and experience that we have in building Corvettes.

The next project that is on the anvil would be the Next Generation Survey Vessels. This is the five-ship project. The government has already given an Approval of Necessity (AoN). The approximate order value would be around ₹3,000 crore. This RFP is expected to come during the second quarter of the next financial year. Since AoN has been already accorded and it is only a follow on of the vessels that we are already constructing, the RFP would not get delayed as per our appreciation. Here again, definitely we stand a good chance because we are right now constructing Survey Vessels large.

The next RFP that is likely to come out is for two multi-purpose vessels, this again is for the Indian Navy. The order value could be to the tune of around ₹1,200 crore.

In addition to that, there is another project which is on the anvil which we are bidding aggressively. We are pursuing aggressively for the P17 Bravo Project. The Navy has got a requirement for seven more of these vessels. And at this juncture, we don't have clarity because the AoN for this has not yet been taken. Our appreciation is that this could be early next year i.e., early 2025.

Another high value project could be the Landing Platform Dock (LPD). The discussion has been going on for last 10 years almost. We are also hoping that it will see the light of the day. The order value is high. Even if the Navy goes for two of them, the order value could be to the tune of around ₹40,000 crore.

In addition, the Indian Coast Guard is going to come up. They have not yet taken an AoN. Our understanding is that they will be getting an AoN during the first quarter of FY'25 for five more Ocean Going Patrol Vessels. They have just placed order on Mazagon Dock Shipbuilders Limited for six of them. So, five more Ocean Going Patrol Vessels, the RFP is likely to come out during the first quarter of FY'25.

In addition, I will just give you a glimpse of what more, 120 Fast Interceptor Crafts for the Indian Navy, one hospital ship for the Indian Navy, and 22 follow on Water Jet Fast Interceptor Crafts for Indian Navy. My appreciation, the RFPs would come out during early first quarter of FY'26. This is an overview of what is the order book, what we have, and what are the orders on the anvil which is available in the market.

Right now, you may have seen the corporate movie of GRSE. What has been indicated is that our shipbuilding capacity is for concurrent construction of 20 warships. We have felt over the last three to four years that there is a need to increase this capacity. We have already started the process and as a first step before investing capital on our own infrastructure, we went into the lease strategy. So, three dry docks we have taken over from our neighbors, that is Syama Prasad Mookerjee Port and they are being effectively utilized and earmarked for ship repairs. In addition, we are looking at one more dry dock from Kolkata Port i.e. Syama Prasad Mookerjee Port which we would like to earmark for shipbuilding. In addition, two of the facilities in GRSE in our captive facility is getting refurbished and the aim is to enhance our shipbuilding capacity from concurrent construction of 20 warships to 24 warships and we intend to achieve this target by calendar year 2025. One of our focus areas has been new technology adaption and as I have mentioned development of autonomous platforms, both in surface, subsurface, and also of course in the aerial mode is the area which the government is focusing on, and so are the armed forces. We have already started and in these three fronts i.e., autonomous platforms, we are tied up with the startups and two of our products have already been successfully launched, and unmanned surface vessel, and also an underwater surface platform. The underwater surface platform, we had carried out user trials with the Indian Army. They wanted certain modifications which are being presently undertaken and we intend the productionizing this underwater platform by end of this calendar year. As far as the surface platform is concerned, already we have got a development order from DRDO which we intend completion by April, 2024.

Commercial shipbuilding, I have already mentioned. I am now giving you a glimpse of what we are looking at. Commercial shipbuilding, we are serious about it and many of the orders are under negotiations and are in final stages. Our appreciation is that we will be concluding contracts for commercial shipbuilding within a period of three months.

Ship repairs is an area which we had started focusing just about two years back. It is with that intent of developing ship repairs that we took over three dry docks. Almost 100% occupancy is there. But, so far, we have been doing small refits of Indian Coast Guard. Actually, the entire Eastern region requirements of Coast Guard are being met by us. Still, I would not state that we are fully mature as a ship repair entity. Target is 2025 with a couple of orders likely to come from the Indian Navy, high value orders.

We also have a business vertical which you are aware of portable steel bridges. We are the Indian market leader in this segment. Of course, the overall market itself is pretty modest. Right now, we own around 65% of the market share. This division is doing well, because we have a running MoU with the Border Roads Organization where for over 75 bridges, of which almost 40 have already been completed. And we also executed an order for the Government of Bangladesh for these bridges through Defence Line of Credit.

And this year, we have launched another product in this segment i.e., a 5.3m Carriageway Bailey Bridge, which is a proprietary item of GRSE and this would give us a head start to meet the requirements of the national highways, basically 5.3 meters, the carriage width of a highway. So, this would help us gain further headway in this segment.

USP is our product diversity and we have our products ranging from 'Warships to Weapons'. Why I am telling weapons is that, in last year we had forayed into gun manufacturing, and we got an order from the Indian Navy for 30mm Naval Surface Gun. The order value is around ₹250 crores. And Navy has now shown interest in enhancing the order value. The Coast Guard has also shown interest. And this is one vertical which we would like to nurture.

As I had mentioned, our current order book stands at ₹23,592 crore. Our target would be to maintain a similar order book value in the range of ₹23,000 to ₹25,000 in the coming years too. That is the reason why we would be going aggressive to win more orders from the Indian Navy and of course from the other segments. I've just given you an overview of where we currently stand, how we plan to move ahead in the coming years. I am open for questions, if any.

Keshav Harlalka: Sir, thank you so much for the presentation. All investors have benefited tremendously by being invested in GRSE. I am Keshav

Harlalka from BHH Securities. Sir, so many warships you're delivering over time periods. So, is there a way you can give us the timeline this year, this quarter, these many warships will be delivered so like it's very orderly fashion. And what is the value of the warship and what is the approximate margin if you could give us some sense, the entire presentation will be in a better flow because somewhere it's '26, somewhere '24, so if you could give us some timeline on an excel sheet or something or even verbally, that would be very helpful, sir?

Cmde PR Hari: I will only talk about the orders that we're currently executing. In the Financial Year '25, we will be delivering two Survey Vessel large, two Anti-Submarine Shallow Water Crafts.

Keshav Harlalka: In which first quarter, second quarter, third quarter and the approx.. value of each of the vessels?

Cmde PR Hari: I can naturally give an indicative thing, in the first quarter of FY'25 we will be delivering one Survey Vessel Large and one Anti-Submarine Shallow Water Craft. See, very interesting. We have projects review by the Indian Navy. In all our projects, the Navy conducts quarterly reviews. This is exactly the same question they ask. So, I try and give this and then they insist you give me the date, when are you going to deliver this? Then I give them a band. So, I will give you a band of delivery. So, in the Q1 is to be Anti-Submarine Shallow Water Craft and a survey vessel. In the second quarter, nothing, because the ships are not at that stage of the thing. In the third quarter, one Survey Vessel, large, that is the second of the three remaining. And in the fourth quarter, one Anti-Submarine Shallow Water Craft, which means two Anti-Submarine Shallow Water Craft and two Survey Vessels Large during the current financial year. In addition to that, we will also be delivering the Next Generation Electric Ferry to the Government of West Bengal in the first quarter of FY'25. I don't think you'll be really interested in the small projects like that small unmanned surface vessel because they are only of academic interest and the order value is minuscule, and also one order for the Government of Bangladesh for Patrol boats, not much order value, it is only our presence there. For your interest, two survey vessels, two Anti-Submarine Shallow Water Craft.

Participant: What would be the approx. value of each of the vessels, revenues, what would we get in the company books?

Cmde PR Hari: Approximate?

Keshav Harlalka: Approximate value what would come in as revenue for us when we deliver the vessels or as we build, do we bill it to the client then into our books?

Cmde PR Hari: Absolutely. Because in ship building, the revenue accrual is incremental as we execute the project. Like, I'll give you an example. The Survey Vessel, which I stated that survey vessel order value is ₹511 crore per ship. Right now, the ship is around 82, 83% of physical program, which means I would have already accrued most of its ₹450 odd crore. So, what you're trying to ask, you may not get a clear answer unless I correlate with the physical progress. So, delivery as far as you are concerned, I mean in terms of revenue accrual, it's of no use. I will put it in a different fashion. I understand what you're trying to ask.

Participant: What kind of growth are we looking at in terms of revenue and over the next two, three years is what I am broadly asking.

Cmde PR Hari: We were around ₹1,756 crore in FY'22. In FY'23, we went to ₹2,561 crore. In FY'24, nine months, we have already touched ₹2,577 odd crores which we have already surpassed the last year. Okay ! Now that we are halfway into the thing, we should be touching plus ₹3,000 crore during the current financial year. Now, big ticket items of this ₹23,792 crore is a P17 Alpha project. The P17 Alpha project is a ₹19,293 crore project. And that the first ship has just touched 65%, the second ship is at 54%, and the third ship is at 45%. The first ship has got still room before she touches around 75% to give more revenue to the company. The second and third ships are going to touch the peak. Now, considering that is the situation, for the moment, I am just discounting the small project that is the ASW SWC and Survey Vessel. Between the P17 Alpha alone and supported by the other two projects, we should be giving us a revenue growth of around 20% - 25% at least for the next three years.

Participant: So, you are looking at broadly ₹3,800 to ₹4,000 crores by FY'24-25 and say ₹5,000 crores by FY'25-26?

Cmde PR Hari: In my initial this thing, I had mentioned that the current order book excluding what is likely to come i.e., for anybody to guess, the current order book will finish by FY'28.

Participant: So, you're guiding a 25% CAGR growth for the next four years broadly, Sir?

Cmde PR Hari: Next two years.

Rohit Natarajan: So, this is Rohit Natarajan from Antique Stock Broking. So, my first question is, this year the awarding from Navy was a little bit low as in the Next Generation Corvette has been there for some time, we've been talking about it, but the awarding seems to be a bit on a slower side. What exactly is the reason?

Cmde PR Hari: See, the Government revised the Defence Procurement Policy (DPP) in 2020. As per the policy to the time the AoN is obtained, to the time the RFP is issued, there's a 30-month period. Now, we have been pushing Navy. Navy has been pushing themselves. Ministry has been pushing Navy. So, all put together, we are keeping very close track of the particular project. Our appreciation as I mentioned, the RFP is likely to come out in June - July this year. Does that answer your question? Officially, they are well within that time because, June - July will come to around 26 or 27 months. But they need the ships. We need orders also. So, they are pushing themselves. The case is being processed on a fast track as the statement of technical requirements are ready. Now, it is only the process which now we are in March end, so I expect around three months more, June - July it could come out.

Rohit Natarajan: The reason why I asked you this question is the other two big shipyards, they are now also keen to explore small ticket orders because there seems to be some sort of a slowdown in order inflows and now they are looking at low value platforms as well.

Cmde PR Hari: See, there are six of us. Four defence shipyards, Cochin Shipyard and L&T. Right now, all of us have got reasonable amount of orders. So, that desperation has not yet come in. And for projects like the Next Generation Corvettes (NGC), Navy does a capacity assessment, and eligible shipyards are decided on certain conditions. So, I think I had mentioned before, for the NGC, there will be only four players in the game. So, four shipyards and also the order being split between two. I think even if you take simple probability factors also, we stand a very good chance.

Rohit Natarajan: Sir, my next question is that you talked about the capacity augmentation to 24 vessels by FY'25 and currently you can do platforms of almost like 20 vessels at this point in time. But in your closing remarks, you said your order backlog, you want to keep it ₹240 billion - ₹235 billion. But you are adding up capacity as well. So, do you think is that some sort of a conservative message you're sending out? Do you want to add more order backlog, I mean want to grow up much more higher from the current levels, is there something of that sort that you have in mind?

Cmde PR Hari: I'll explain. In shipbuilding, the major assets are the dry docks and the building berth where the initial construction of ship is carried out where the occupancy period is long. That's called the pre-launch phase. Once that is complete, the ships come out and get onto jetties and berth where the outfitting happens. Our intent of increasing the capacity, one, was at no point should we be found wanting in case more orders come. Second, we will not let this enhanced capacity idle because the way we look at it, I had mentioned with confidence that we will be getting commercial shipbuilding orders. And that is one place where we just cannot afford to slip a date. So, we didn't want to land up in a situation wherein we have orders, and we don't have capacity to do it. Third, even when we had a capacity of 20 ships, even at that point of time to facilitate the concurrent construction, we had gone in for a partnership with the private shipyards and it's a very successful partnership, I mean, it's all open-source information, nothing confidential about it, we had partnered with the major Indian private shipyard. Three of our ships were part construction. Very effective. All the ships are back in GRSE premises right now getting readied. So, capacity is not a constraint. Why enhancement is to cater for more and more. Now coming to the figure which you had mentioned, I myself had mentioned that our intent at this moment is to, I use the term at this moment., because let us take NGC project, which is a first big ticket thing that is going to come from the Navy. The order would come again in a conservative. Will come only by mid of 2025. From mid of 2025 for the revenue to start coming in, it will be '26 end because the initial period not much revenue comes in is only the design preparatory work, order placement for equipment and all. That is the reason I mentioned that we would like to maintain. Once that happens and let us take a situation. Suppose, if we are getting P17 Bravo, then the entire game changes. So, let's hope for that.

Rohit Natarajan: Sir, my final question will be, why did you avoid Next Generation Destroyer at your prospect market? Is Destroyer out of your bandwidth as such to be done? Is GRSE really thinking about Destroyer or maybe such advanced vessels on cards?

Cmde PR Hari: In today's scheme of things, what was earlier called as a Corvette, because I have served in corvette, and I have now built corvettes also. I will just build up to what you're trying to ask. What was called a corvette was just about 70 meters long and with a displacement of just about 1,000 tons, and the last project that we completed the Anti-Submarine corvette, it's around 110 meters long. That's also called Corvette. Now coming to the frigates, we have built earlier the P16 Alpha project, the Brahmaputra-class project, around 10 - 12 years back. Weapon package wise at that point of time termed as a frigate, but a conservative frigate. What we are building today is the P17 Alpha, the most advanced frigate, absolutely weapon intensive. So, the difference between frigates, destroyers, that band of ships is reducing. We have full capability to construct destroyers but Next Generation Destroyers, at this juncture, the need is very much there, but processing of the case for AoN and this thing is still in liquid form. It is a bit away as in it could be two to three years away. And when that situation comes, we'll definitely be pitching, we'll be one of the shipyards who will be shortlisted for this project. These are our appreciation.

Ramesh Bhojwani: Ramesh Bhojwani from Mehta Vakil. You have made an all-encompassing presentation. Few clarifications I wanted. One, do we have the technology and the capability to build and deliver Stealth ships? This is from the defence point of view.

Cmde PR Hari: We are already building Stealth ships. What we are building now, the P17 Alpha is a Stealth ship. It's called a P17 Alpha Stealth Frigate. So, Indian shipyards in general and GRSE in particular specifically, we have the full capability to build Stealth ships.

Ramesh Bhojwani: Secondly, do we also have the capability to build Submarines?

Cmde PR Hari: In case of submarine building, there are two and a half Indian shipyards i.e., Mazagon Dock, your neighbors here, fully capable, proven capability in building Submarines, and Hindustan Shipyard, right now they are into submarine repairs, but the very fact that they can do repairs which means with little augmentation they can do submarine building. Larsen and Toubro Shipyard, they invested heavily into submarine design and building, and they have been supporting the Navy for the other project. So, that's why I said 2.5, 2.5 shipyards already exist. For us, at this juncture, we are not looking at submarines. We are good with the surface ships and even today, Indian armed forces, definitely Indian Coast Guard and mostly Navy they are surface platform oriented and that is our specialties. We would like to retain that core strength.

Ramesh Bhojwani: Because we have a very vast coastline and the dangers from all the three sides are exponentially up. That was the reason of asking the question.

Cmde PR Hari: Submarine, at this juncture, no. I will tell you one more thing that we are on the same page. See, any shipbuilding prowess doesn't come overnight, any shipbuilding capability or submarine capability, it requires decades and decades of expertise. People may change, but the systems, the design capability, everything remains. So, going in for *ab initio* development of submarine building, it may not be in our business interest. Second, since you mentioned, India has got 7,512 kilometers of coastal line, more than submarines, what we need is surface ships, Anti-Submarine platforms to protect the coastlines. That is our specialty.

Swechha: This is Richa from White Rose Financial Advisors. See, you've given us a good overview of the bid pipeline, the RFPs that are going to be out and going to bid for. If you could just help us understand what all orders we've already bid for and waiting for the awards or something, some sense, some kind of a number to that?

Cmde PR Hari: See, I am talking as on today, none of the RFPs of anybody's life we have bid for few export projects again through DLOC, and that is what is available in the market today. Nothing much is available as on today, but four months or five months from now, the flow will start. There I can just rattle out, ₹36,000 crore for the NGC, ₹3,000 crore for the Next Generation Survey Vessels, around ₹1,200 crore for the multi-purpose vessels and P17 Bravo, when it comes, ₹70,000 crore is available over the next one and a half years.

Swechha: My second question is regarding commercial shipbuilding. If you could give some background as to what kind of orders again there we are looking to bid, what kind of opportunity do we have on the commercial shipbuilding side as well, sir?

Cmde PR Hari: In commercial shipbuilding, again to just to give you a background. China is a major player, but China doesn't seem much interested right now in constructing medium and smaller vessels. They are looking at much much bigger size platforms and same goes for Korea or Japan. So, most of the European clients are looking either at India or Turkey. So, India has now become a destination because they know that the cost of production is going to be much cheaper and India has been traditionally building warships. So, the capability and quality exist. Now to come to your specific this thing, we have got very very positive interest shown by clients from Netherlands and Germany. That's why I said, I would request a little patience, may be give us another three months and we will tell you what we got. I can tell the figures, but then most of them are at the final stages of negotiation. So, even giving an indicative figure will not really help you, but just to give you the confidence that we are into this feel and we are very confident of getting orders.

Swechha: Is it fair to assume that margins obviously on the commercial ship building would be higher than our existing margins?

Cmde PR Hari: Yes, they will be higher, but we would like to start in a modest fashion. We don't have to prove anything to Indian armed forces because they know us for the last 64 years. But in commercial shipbuilding, we have to prove ourselves. What we have delivered so far is a Passenger-cum-Cargo vessel to Guyana and a few such projects. So, we will be starting in a modest fashion. We will not go too aggressive with respect to getting margins. It is to prove our capability so that they gain confidence as we get more and more. That is the intent.

Amit Anwani: Amit Anwani this side from PL Capital. My question is on the order book. So, you said current order book is about ₹23,000 - ₹25,000 crore and we would like to maintain the similar level over next 3-4 years and the current book will be executed in next 4 years, which means that we are factoring in the collective order intake of ₹23,000 to ₹25,000 crore over next four years together. And the pipeline which you highlighted looks quite robust, including the ₹36,000 Next Generation project and then the Next Generation vessel project and P17 Bravo. So, I think collectively pipeline looks more than ₹60,000 - ₹70,000 crore. So, are we being conservative in order intake guidance? That is my first question.

Cmde PR Hari: Right now, the order book is around ₹23,792 crore. And with the way our revenues are growing, over the next two to three years, if we are not getting any new orders, this will deplete. What we are currently looking at as a first major order would be the Next Generation Corvettes (NGC). The ₹36,000 crore is for eight ships and that is going to be split between two shipyards. So, let us for a moment assume we become L1 or order value would be around ₹22,500 crore. Coming to P17 Bravo, it's a little more away, may be another year behind the NGC, that is the seven ships project again going to be split between two shipyards. While the order book value could be total if you're putting approximately ₹10,000 crore per ship, so ₹70,000 crore, so the L1 shipyard would get around ₹40,000 crore. There again, the revenue accrual will commence only another year or year and a half down after the contract is concluded. So, I would not say, I am going too conservative. I am just perhaps trying to give you a reasonably realistic assessment.

Amit Anwani: Next question is on the non-shipbuilding areas which you highlighted including the commercial ships, ship repair and LPD, and I think few more areas, autonomous areas. Would you like to highlight what could be the order potential over the next five years in each of these areas for us?

Cmde PR Hari: See, again, as a nation, the autonomous platforms, it's at a developmental stage. While we have been singularly lucky to have already got an order and one more on the anvil, at least for the next three years, I don't expect major orders in this segment. They all would be coming piece meal, maybe ₹50 crore - ₹100 crore to that level only. But in the case of commercial ship building, yes, there is enough scope. Give us a little more time. I will be able to give you a clear picture on the commercial ship building. May be three months down the line we can interact on that. My next vertical is the portable steel bridges. Here, just again to give you this thing, I have mentioned that the market share we own around 65%, overall market is low. We are getting over ₹100 - ₹120 crore from this segment alone. I mean, these are the small, small things which add up. Ship repairs, right now is just about ₹85 - ₹100 crore. There is potential here, but we have not yet got a break into the Navy. The moment we get a break into the Navy, which we will be that is current calendar year, there the revenue will go up. May be again, our internal target is by 2025 at least ₹200 to ₹250 crore from ship repairs. Coming to the fourth or fifth vertical that is the Naval guns, very interesting segment. Almost monopoly in that particular type of guns. We already got the first break. We are capitalizing on that. There is enough opportunity there. We started with ₹250 crore for a 1.5 years project. More and more Is coming in this segment. Another area which I had not touched upon before is, we also have a plant production facility at Ranchi, the diesel engine plant at Ranchi. We had a license agreement with MT Rolls Royce, Germany for assembly and testing of Diesel Engines. The revenue accrual was miniscule, but now we have gone to the next level that is co-production of engines. And why this is attractive, it will again take for it to fructify. Right now, the license agreement has already been signed for it to fructify into an order. It will take another three years because the engines that are going to be co-produced by Rolls Royce and GRSE are targeted to be fitted in Indian naval smaller size ships i.e. the fast patrol vessels or the Water Jet FACs. So, around two to three years down the line, we will start getting orders in this segment also. Another area is we have also ventured into the development of Green Platform. Of course, there are very small players who are developing boats, but right now only Cochin Shipyard and GRSE are there. If the government seriously looks at de-carbonization and go green for all our ports and inland waterways, the sky is the limit. So, I can only give generic statement with respect to because these are all developmental stage. I am talking about green vessels and autonomous but other things are there.

Amit Anwani: Last question is on the import component in each of the platforms which we are executing. Any constraints with respect to raw material supply or any components which you might face or might be facing currently?

Cmde PR Hari: See, there was an impact. First, it was because of the COVID situation, there was a defining impact on the supply chain in general. And with respect to the import content, to be frank, not much because of COVID. Then came the Ukraine situation. Many of our items come through sea. Minimal impact. Why minimal impact is most of our items had already come in before that. Second, the prices have gone up, but luckily all our orders for the existing projects, all I repeat, all the orders for the existing projects were placed before they are all fixed price orders on our OEMs. So, there has been no price impact. So, in a nutshell, yes, there has been a marginal impact on the project timelines overall, but not significant.

Sunil Shah: Sir, the two types of contracts generally, nomination and bidding. If it's a nomination, I think we get a fixed margin over there, P17A comes in that category. So, the margins, I think that's the one question which has been left out. So, the next ₹36,000 crore order which is there, it's going to be on a bidding basis or nomination. How are the margins different between both of them?

Cmde PR Hari: I was actually speaking in a forum which included effectively the Indian defense manufacturing industry. So, my starting point was this, the transition from that cost plus and the nomination era to fixed cost and the competitive era, this took almost a year a decade back and we are good with that. To answer your question, yes P17A, we got on nomination, two shipyards, all the other projects have been won on competition. The Next Generation Corvette project is on competition.

Sunil Shah: Sir, the nomination gives us a 7.5% kind of a margin. So, when we are bidding, there the margins could be about what range, if some number on that, because my future order book pattern is one thing, the change in the margin is also important for us to understand, sir.

Cmde PR Hari: I'll just take two projects so that you understand. The two projects are on competitive bidding. There is going to be a project for 22 Waterjet FACs for the Navy. There are around five plus two, seven shipyards. The Next Generation Corvettes are for four shipyards. Our bidding strategy will be completely different for both. If, we intend at that point of time to win the contract, the Waterjet FAC, I will go for very low margins and then focus on efficiency, concurrent construction etc. In the case of NGC, my strategy will be totally different because there are only four. And there are several places where I don't have to invest because capability, capacity, infrastructure, design, everything is available with me. So, in that case, the bid margins when we bid, the margins are going to be on the higher scale as compared to the other projects. But then the fact remains, it is competition. This is the way it is going to be for every shipyard, I mean, at least for the shipbuilding industry.

Sunil Shah: You have increased the authorized share capital of the company just recently, right. So, what are we looking at?

Cmde PR Hari: At this juncture, I can only state that this is a Government, the DIPAM directive. We will provide further clarity on this as it evolves. At this juncture, I can only state that we are a Government company, it's a directive of the Government come through DIPAM, and we will provide further clarity on this as it evolves, maybe in the next interaction.

Sunil Shah: Many of us here are shareholders of the company as well as investors. We have been holding the company shares for like many years now, maybe pre-COVID days. We have seen the journey going through and the entire quarter-on-quarter run up which we had thought of is actually getting delivered. Again, going forward, we see that the ₹23,000 crores order fructifying over the next four years. So, just as a thumb rule, I am not trying to pinpoint numbers or anything, we are just benchmarking that this year if we do ₹3,000 crore, we do ₹4,000 crore revenue, or 5, 6, 7, that's the broader track on which thematically we are thinking. Is our thought process more or less on the right path or we are anticipating too much, just the ball pack?

Divyesh Shah: Sir, what is your opinion? This is our simple mathematics / logic.

Cmde PR Hari: Sir, mathematics and logic both are in congruence. Unless something unforeseen happens, this entire thing collapses or let us say there is another war or if something catastrophic happens, we are on track as to what I was mentioning.

Divyesh Shah: Do we have a capacity in next 2-3 years to go ₹10,000 crores per year after '28?

Cmde PR Hari: Seriously, that is the intent, Sir. Now again, I can comfortably state because it is an open-source information. Today, we are a Miniratna Category-I Schedule-B company. We aspire to be a Navratna company. For us to be a Navratna company, what you are mentioning is exactly what we are looking for. Capacity wise there is no constraint.

Divyesh Shah: Regarding raising of authorized capital, I think that you must have some thought process why you required to raise? DIPAM has told you to raise the capital, but?

Cmde PR Hari: I understand your thought. Just give us a little more time. Let a little more clarity emerge, we'll definitely brief you. Just give us three more months. By time we will know exactly where we stand. At this juncture, I would like to limit my answer to that.

Divyesh Shah: Sir, in other way, do you require a capital or do you require a debt anything for future expansion?

Cmde PR Hari: We don't have any requirement at this juncture for raising capital or going in for debt.

Ashok Shah: The board meeting has been postponed to 21st March. Is it also from DIPAM instruction?

Cmde PR Hari: No, it is because of our own constraints because we had a couple of cases which it had to be put up to the Board, we were not ready with that. I'll just tell you because since you asked, we are just executing a project for the Navy, the Next Generation Ocean Going Patrol Vessel. Certain high value procurement cases are going beyond my direct financial power. So, we have to go to the board for getting approval. Some clarifications were still pending. That is why the delay. I think now it's on 21 March. We are good to go for that. No other reason. This has got nothing whatsoever to do with the other matters.

Amit Dixit: I am Amit Dixit from ICICI Securities. So, you indicated from the order book and from the execution whatever we hear and of course we are expecting orders of Next Generation Corvettes (NGC) and P17 Bravo. Will there be a phase, let us say FY'27-28 the execution will drop significantly? Because now we will end possibly at ₹7,000 crore, whatever is being mentioned, but going ahead, the revenue will take time to pick up essentially. So, do you expect this execution to drop or before that you expect NGC, etc., to pitch in or some other avenues that you have highlighted?

Cmde PR Hari: What I think mentioned in the past, I'll just reiterate. The Next Generation Corvettes (NGC), from the time the RFP is issued, will take a year for the contract conclusion logically, a year. Now the way the Navy is moving, it could even be 10 to 11 months. Let us take a year. So, that would be mid of 2025. From them actual revenue to be accrued, it will take another year to another year and a half. That is when the ship will start from 10% to 15% progress, 20% progress whatever is the scene. So, that puts us somewhere in 2027. That is when our existing order book only. I am not talking about the commercial shipbuilding, other verticals, and all, existing order book once it starts depleting, that will get padded up by NGC. Now, P17 Bravo is about a year behind NGC. So, once NGC starts in let us say in an aggressive way with respect to revenue recognition, the P17 Bravo will start giving something and that will peak during 2029-30. This is our current estimate. At this juncture I am not even talking about NGSV or the smaller project or Waterjet FAC, only the big ticket.

Amit Dixit: The second question is essentially on the increase in capacity from 20 ships concurrently to 24. Is there any incremental CAPEX that you have to do or I mean most of it is done? If you can also highlight the incremental CAPEX for the next three years?

Cmde PR Hari: I will just give you a background and then I will come to this. See, we had done a major CAPEX infusion somewhere in the latter half of the last decade, around ₹610 crore. From then onwards, as a strategic decision, we decided that we will invest maybe a modest ₹40 to ₹50 crore every year, replace the equipment and so on. So, it is with that strategy we have been moving. In between, we have required a crane for around ₹150 crore. Now, what we intend doing for the next three to four years is to retain the strategy of ₹50 to ₹60 crore per annum, that is depending upon the need at least for the next three years, we have projects in hand. And for this capacity enhancement, not sure whether you remember or not, we had taken over our facility from Central Inland Water Transport Corporation, that is called our Rajabagan. It's a separate fully dedicated production unit. And perhaps that is the only facility in India today which is dedicatedly for small and medium size warships. This was a beautiful facility with the multiple docks and slipways which are actually required for ship building. It is completely in defunct condition. So, what we had done was we had gradually developed it. At this juncture, 70% of the facility is utilizable, which means we are utilizing, we are constructing ships there.

Why I mentioned calendar year '25 for increasing to 24 is by rejuvenating the balance of that 30%, which we are already executing, I mean we're already doing the refurbishment. It is not capital intensive. This will come within our overall plan of ₹50 to ₹60 crore per annum. To answer your question, no major capital infusion unnecessarily required at this juncture for capacity enhancement.

Swechha: With regards to revenue, now the current order book is close to ₹23,000 - ₹24,000 odd crore and in nine months we've already booked the revenue of ₹2,600 crore. So, now as you mentioned that in the shipbuilding cycle, the majority of the revenue is already built in during the mid-cycle, right, there is a peak and then there is a decline in revenue. Now, most of the order book, the ships I believe are already in the advanced stage, they would have crossed that line, right. So, given this, do you think the peak revenue for us from the current order book has already been built in, in this year or like you also stated earlier, you would see a CAGR of 20% or 25% for next two years. So, is that possible because I feel most of the ships would have crossed that peak revenue booking cycle, right?

Cmde PR Hari: I'll just take three projects. The fourth Project NGOPV is still in a nascent form, it just achieved around 10%, hardly any revenue recognition, just leave that aside. Coming to the P17 Alpha, the first ship has touched 65%. And I had mentioned that there is still enough room for value to come into the project, up to 70% to 75%. In the case of the second ship, it is right now at 54% - 55%. That is actually at a stage where it is giving us and that will continue for the next one year. The third ship is only at 44%. And if you just look at the delivery timelines also, the first ship is planned to be delivered only by maybe July - August next year, the next ship is February 2026, and the third ship is August 2026. So, I think you should be assured that all these three ships are at the correct phase where they will start giving us returns in terms of revenue. And this will be supplemented by the other ships. See, this Anti-Submarine Shallow

Water Crafts project is eight ships project, first ship is at around 77% to 80% and the last ship is at 15% construction. So, they will all mature where they will pad up the revenue.

Swechha: Is it right for me to assume that from the current order book, the peak revenue is going to be somewhere in FY'25 and then it will start tapering down? Obviously, you'll have other ships that will add, but from the current order book FY'25 would be the peak revenue?

Cmde PR Hari: See FY'25 and FY'26 because in FY'26 I had mentioned the P17A delivery, one is in February '26 and the second one is August '26.

Participant: Could you please throw some light on Landing Platform Dock (LPD), who all are competent and why are we to certain extent hopeful on it?

Cmde PR Hari: Landing platform dock is originally conceived as a four high value ship project. Each ship is expected to be to the tune of ₹18,000 to ₹20,000 crore. The shipyards, who could be in contention for this is Cochin Shipyard, Larsen & Toubro and HSL. But, then again, I would like to give you a reality check that this project has been going on for the last 10 years. That's why we have not factored as that in any of our projections.

Participant: So, what makes you hopeful, sir, to mention now?

Cmde PR Hari: No, what I mentioned was this project has been under discussion for the last 10 years. So, it may happen, it may not happen. At this juncture, we don't know, neither does the Navy know, though they have a requirement. So, see, the project Approval of Necessity (AoN) is accorded based on the fund availability also. So, the priority automatically goes to projects like Corvettes or Frigates or even the Next Generation Destroyers, which could come even before the LPD. This is my assessment. Let us see what happens.

Participant: Can you throw some light on the export opportunity with regard to the lower value ships and all?

Cmde PR Hari: Export opportunities are there. I'll just give you what we have already achieved means where we have the L1 waiting for the orders to the contract should be signed, one is for a dredger for the Government of

Bangladesh and also for Ocean Going tug through DLOC for the government. The order values are ranging between ₹150 to ₹200 crore.

Participant: Apart from that, like smaller ship buildings?

Cmde PR Hari: No, these are small ships. Okay, on the commercial ships, what we will be targeting just so that we are all on the same page, we will be targeting multi-purpose vessels ranging from 80 meters to 120 meters length and tankers, means small tankers, not the large tankers which are to the tune of around 110 to 120 meters length. At this juncture, I should not be giving you a clearer picture than this, because we are on the stages of negotiation. May be next time when we meet, I'll be able to give you better clarity. Other nations have shown interest like some of our friendly foreign nations have shown interest in smaller platforms, that is weapon platforms, but defence exports, the Government has got a major say in that, like let us say today, Maldives or Sri Lanka or Mauritius or Seychelles wants a ship, the routing is through Government.

Participant: So, just one question is on margins. You anticipated it very early in your interaction. Just looking at how margins will pan out from here over the next three to four years?

Cmde PR Hari: Could you please repeat?

Participant: My question is on margins. Shipbuilding goes through phases where value addition is different. So, are we looking at stable margins or increasing margins going ahead like?

Cmde PR Hari: At this juncture, with our major revenue coming in from shipbuilding, I am not keeping the other verticals because the margins are higher there, but they hardly contribute to less than 5% of our overall revenue. We will be able to provide you steady margins as what we are giving now. Neither more nor less at this juncture unless some policy changes happen.

Participant: Just one clarification to the gentleman on this side when he indicated 4, 5, 6, 7 as a likely growth path for your revenue, you said yes, that's very much possible, and to the lady on this side, you indicated that when she asked that the peak revenue might happen in '25, '26 concurred with that as well. So, I am slightly confused which is it?

Cmde PR Hari: As sir was mentioning, it is logic. At this juncture, we don't see any delay. I said unless let's say India suddenly decides to fight with everybody or some global situation happens, we don't see any delay. So, if there is no delay envisaged, then the order book is so much, the present progress is so much, the order book remaining is so much, it is pure mathematics.

Participant: The final hypothesis. Four years, your current order book is completely invoiced and you are indicating that you intend to maintain your order book in the same corridor. So, end of four years from now, your order book will look similar ₹25,000 crore?

Cmde PR Hari: Or more. That's what we're targeting.

Participant: But are we therefore looking at a discernible slowdown in revenue growth from four years from now?

Cmde PR Hari: At this juncture, no, because if you are getting an order for NGC, which we are hopeful, then there is no question of it coming down and that is exactly the reason why are we getting into commercial shipbuilding. It is to pad up in case there is a dip somewhere, pad it up with these orders.

Participant: But what kind of scale are we looking at for commercial shipbuilding perhaps in a five year time period?

Cmde PR Hari: Five year time will start, maybe I cannot indicate the values, but we'll start with multi-purpose vessels and smaller size tankers, and if the business is good and the margins are attractive, we will invest more attention towards this.

Harshad Kapadia: Hi, sir, this is Harshad Kapadia from Elara. Could you give us a break up on the order book number ₹23,700 crore, what would be for P17 Alpha, what will be for the others?

Cmde PR Hari: In P17 Alpha, we have around ₹12,700 crore remaining. This is as of 31st December, 2023. In the Anti-Submarine Shallow Water Craft, we have around ₹5,000 crores remaining. In a Survey Vessel Large, about ₹1,050 crore. And in the NGOPV project, around ₹3,388 crore remaining. I think should address the query by man there that P17A still contributes to almost ₹12,000 crore.

Harshad Kapadia: Just final question is on the commercial ship building. One of the other PSUs have also mentioned that they also plan to get into commercial shipbuilding. So, this will be more of a competitive bidding for the same project or how is it geography wise divided that you will be looking at Europe and other PSU will be looking at something else?

Cmde PR Hari: See, with the European owner not looking at China at this juncture for the platforms that we are looking at, not all of us, be it as Cochin Shipyard or Mazagon Dock, there only three of us who have shown active interest in there. So, what we have assessed is as late as yesterday we had yesterday and today the owners of a couple of companies are in my premises. So, they are not on competitive bidding. They target a shipyard. They do an independent assessment of the shipyard. When they know that we are interested in commercials, they approach us. That is a strategy which they generally follow unlike a conventional government domestic warship bidding tender. So, it is one-to-one. If the price is satisfactory, if the classification society certifies us as competent, you are through if the price is mutually agreed.

Harshad Kapadia: One question is on Indigenization. Any more product which you think would you be making in-house, or you think you will be collaborating in future just like you have done for Diesel Engines, any other product where we are looking into which is of a high value which could be a critical value?

Cmde PR Hari: In addition to diesel engines. we have a smaller size ship, there is something called a Water Jet Propulsion and there are few OEMs who are competent, Wartsila, Kongsberg and Rolls Royce. We have collaborated with Kongsberg. We have already signed an MoU and now the MoU needs to be translated into a license agreement what we have done for the engine. I expect another three to four months for concluding that. Again, the potential there is that many of the platforms required by both Navy and the Coast Guard have Water Jet Propulsion. And with the government's thrust on indigenous station.

With the indigenous content above 50% or and if that becomes big criteria, then it's a good chance. And also, since you talked about indigenization, almost all the autonomous platforms which are going to come, right now, you must have seen in news, many of the platforms are getting imported, that cannot go on forever. So, I don't want to put any figure to that. Just to say, there is future in that segment also and deliberately we are collaborating only with startups. We are not collaborating with any major industry because that is economically suitable also for us.

Divyesh Shah: When we came here, we saw a corporate film of GRSE. Within the film you were carrying a document called Vision 2030. We want to be interested only in the financial matters of Vision 2030.

Cmde PR Hari: So, it's like Dr. Abdul Kalam's thought, there is no end to dreams, but the dream should be realistic. My company's vision is to become a Navratna company by 2030. Now, to become a Navratna company by 2030, then we have to be a schedule A company first in another couple of years, this year or next year or next to next year. And our current revenue of ₹3,000, ₹4,000 crore is nothing. So, we aspire to be a Navratna company with a turnover of around ₹10,000 crore by 2030. It is an ambitious target, very, very aspirational, but it is not impossible, it is very much possible.

Divyesh Shah: Simply putting ₹10,000 crore by 2030?

Cmde PR Hari: Why I have not put ₹15,000 crore, why I have not put Navratna which means it is definitely achievable.

Divyesh Shah: And for achieving that ₹10,000 crore figure what is your expectations from Government of India?

Cmde PR Hari: From the government, expectation is clear. One is, we want the P17 Bravo project. Second, from our own internal expectation is that we must win the five ships of NGC, we should become the L1. Third, existing order book should not cross 2028, none of them should cross 2028. Fourth, commercial shipbuilding, we should start on a right foot. If we start on a right foot, I mean, right now, we had a tanker OEM who had come, as I mentioned that, we are afraid to give him a commitment because we have got a multi-purpose vessel owner who is about to sign a contract. So, at this juncture what I am trying to say is the opportunities and leads are at plenty. So, this is the fourth thing. And fifth, of course supplement this with all our other verticals because today among all Indian companies put together, all, I state with confidence that we are the only fully diversified company. You take the private, public, everybody put together, we are the only truly diversified, which means you talk ship building, commercial ships, we have delivered, we will be delivering more, ship repairs, you talk about bridges, which has got nothing to do with ships, weapons, diesel engines. So, capability exist.

Moderator: Thank you so much, everyone. Thank you, Cmde Hari. Thank you, Mr. Dash, and Thank you, Sandeep sir.

Cmde PR Hari: Thank you, ladies and gentlemen. It is a pleasure interacting with you and looking forward to meeting you soon. And we will not let you down.

If you have any further questions, please send an email to gaurav.g@conceptpr.com

******