



माझगाव डॉक शिपबिल्डर्स लिमिटेड
MAZAGON DOCK SHIPBUILDERS LIMITED
(Formerly known as **MAZAGON DOCK LIMITED**)
CIN: L35100MH1934GOI002079
(A Govt. of India Undertaking)
डॉकयार्डरोड, मुंबई-400010
Dockyard Road, Mumbai 400 010
Certified: ISO 9001-2015

संदर्भ क्रमांक :
Ref: SEC/BSENSEDISCL/54/2025-26

दिनांक:
Date: 03 November 2025

To
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai- 400 001
Scrip Code: 543237

To
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G
Bandra Kurla Complex
Bandra (E), Mumbai – 400 051
NSE Symbol: MAZDOCK

Sub: Transcript of the Earnings Conference Call.

Dear Sir/ Madam,

Pursuant to Regulation 46(2)(oa) of SEBI (LODR) Regulations, 2015 the transcript of Q2FY26 Earnings Conference Call organized by Nirmal Bang Institutional Equities on Tuesday, the 28 October 2025 at 1630 hours to discuss the Financial Results for the quarter and half year ended on 30 September 2025, has been uploaded on the website of the Company namely <https://mazagondock.in>.

The transcript of the aforesaid call is enclosed herewith.

The link for accessing the same on our website is given below:
<https://mazagondock.in/English/pages/Transcript>

Thanking You,
Yours Faithfully,
For MAZAGON DOCK SHIPBUILDERS LIMITED

Lalatendu Acharya
Company Secretary and Compliance Officer

Encl: as above



“Mazagon Dock Shipbuilders Limited Q2 FY '26 Earnings Conference Call”

October 28, 2025



Management: Capt. Jagmohan (Retd.) – Chairman and Managing
(Mazagon Dock Director
Shipbuilders Shri. Biju George – Director (Shipbuilding)
Limited) Cdr. Vasudev Puranik, IN (Retd.) – Director (Corporate
Planning and Personnel)
Shri. Ruchir Agrawal – Director (Finance) & CFO
Cmde. S B Jamgaonkar (Retd.) – Director (Submarine
and Heavy Engineering)

Moderator: Ms. Jyoti Gupta – Nirmal Bang Institutional Equities

Moderator:

Ladies and gentlemen, good day, and welcome to Mazagon Dock Shipbuilders Limited Q2 FY '26 Earnings Conference Call, hosted by Nirmal Bang Equities. As a reminder, all participant lines will be in 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. Please note that this conference is being recorded.

I now hand the conference over to Ms. Jyoti. Thank you, and over to you, ma'am.

Jyoti Gupta:

Thank you, Trisha. Good evening, everyone. On behalf of Nirmal Bang Institutional Equities, I welcome you all to the Quarter 2 FY '26 earnings conference call with the management of Mazagon Dock Shipbuilders Limited. We have with us Capt. Jagmohan, Chairman and Managing Director; Shri Biju George, Director (Shipbuilding); Cdr. Vasudev Puranik, Director (Corporate Planning and Personnel); Shri Ruchir Agrawal, Director (Finance) and CFO; and Cmde. S.B. Jamgaonkar, Director (Submarine & Heavy Engineering).

Without further delay, I would now request Captain Jagmohan, sir, to start with his opening comments, after which we can open the floor for question and answers. Thank you, and over to you, sir.

Capt. Jagmohan:

Good afternoon, everyone, and welcome to Mazagon Dock Shipbuilders Limited Quarter 2 and Half Yearly Earnings Call for the period ended 30th September 2025. My name is Capt. Jagmohan, Chairman and Managing Director, and I'm joined today by Shri Ruchir Agrawal, Director (Finance) and CFO; Shri Biju George, Director (Shipbuilding); Cdr. Vasudev Puranik, Director (Corporate Planning and Personnel); Cmde. S B Jamgaonkar, Director (Submarine & Heavy Engineering).

Before we begin, I would like to remind everyone that today's discussion may include forward-looking statements as defined under applicable Securities Law. These statements are based on our current expectations and projections about future events and financial trends and are subject to risks and uncertainties that could cause actual results to differ materially from those anticipated. We undertake no obligation to update these forward-looking statements, except as required by law.

For all detailed discussions of these risks and uncertainties, please refer to our latest financial results, press release and regulatory filings available on the Stock Exchange website and our company website. As a listed entity in India, we are committed to adhering to the highest standards of corporate governance and transparency as mandated by the SEBI Regulations 2015.

This call is being conducted in compliance with these Regulations, ensuring timely and equitable dissemination of information to all our stakeholders. We are pleased to share our financial and operational performance for quarter 2 and the half year ended 30th September 2025.

During this call, we will provide an overview of our financial results, discuss key operational highlights and share our outlook for the upcoming period. Following our presentation, we will open the floor for your questions. We request you to limit your questions to two per participant in the initial round to ensure everyone gets an opportunity.

Now, I would like to hand over to Mr. Ruchir Agrawal, Director (Finance) and CFO, who will walk you through the detailed financial performance.

Ruchir Agrawal:

Good afternoon, and I will be presenting the quarterly financial performance for the Q2 FY 25-26. As far as stand-alone are concerned, we recorded a revenue from operation of INR 2,929 crores, which is 6% above the last corresponding quarter performance. And the total income recorded at INR 3,205 crores, which is also 6% higher to corresponding previous year's figures.

As far as the PBT is concerned, it is INR 939 crores, and we stood at a PAT of INR 715 crores, which is also 27% above the corresponding period of last year. And our net worth stood at INR 8,083 crores. And our earnings per share for stand-alone is INR 17.73 per share.

If we see our consolidated performance, our PBT is INR 934 crores, which is up by 26%. And for our consolidation, we are merging the results of Goa Shipyard, for which we hold about 47% shares as an investment. And on a consolidated basis, the PAT is INR 749 crores, and net worth stood at INR 8,910 crores, which is 22% up in comparison to last year's corresponding quarter. And the earnings per share is INR 18.58 per share.

And if I talk about the half year's standalone performance, the revenue from operations stood at INR 5,555 crores, which is 9% above the corresponding last half year. And the total income is around INR 6,155 crores. PBT stands at INR 1,506 crores, and PAT is at INR 1,135 crores, which is both PBT and PAT are 8% less than the previous half year's amount.

The reason for that is in our Q4 FY 24-25 and Q1 of FY 25-26 we had booked INR 1,000 crores of provisions for onerous contracts, the two contracts, one was for Coast Guard and other was for MPV. That is the reason for dip in our PBT and PAT if we consider on half year comparison basis.

And if we take the consolidated figure for half year performance, our PBT stands at INR 1,501 crores and PAT at INR 1,202 crores with an earnings per share of INR 29.79 per share. That's all from our side.

Moderator:

The first question is from the line of Atul Tiwari from J.P. Morgan.

Atul Tiwari:

Sir, my first question is on the status of P75, the 3 Scorpene Submarine order because earlier, I think in the earlier conference calls, you had indicated that the order should be signed very soon, possibly in the first half of this financial year.

Capt. Jagmohan:

Yes. For the additional submarines of P75, the commercial negotiations with the Ministry of Defense were completed a few months ago. And the project was just at the sanction stage. But beyond that, we haven't received an update. We are still hopeful that in the coming months, we should be able to sign the contract for the three additional Scorpene Submarines.

Atul Tiwari:

Okay, sir. And sir, for the P75I, any indication of the time line by when the negotiations would be completed and the order could be placed on the company?

- Capt. Jagmohan:** The commercial negotiations are on at the moment. We have already commenced, I think two or three rounds are over. We anticipate that the commercial negotiations will be completed by this calendar year, and we are hopeful that we'll be able to sign the contract by this financial year.
- Moderator:** The next question is from the line of Krishna Doshi from Ashika Institutional Equities.
- Krishna Doshi:** Sir, so actually, I just wanted some guidance on the revenue front, as we are seeing that a lot of major projects have come to an end. So right now, the order book stands at around INR 27,415 crores. So just wanted to understand what the revenue growth is going to look like going ahead until we receive these major orders of submarines?
- Capt. Jagmohan:** We anticipate that this year, we will have revenue of approximately INR 12,500 crores or so. And the coming year also, we should have may be another 5% growth over that. Beyond that, once the submarine projects kick in, we should have a considerable improvement both in our revenue as well as our profits.
- Krishna Doshi:** Okay, sir. And the second question would be, so recently, we saw this DAC approval of around INR 79,000 crores, where Landing Platform Dock is also supposed to be a major chunk of it. So what kind of opportunities are we seeing there?
- Capt. Jagmohan:** Today, actually, as we speak, we have signed an exclusive MoU with Swan Shipyard (SDHI), which has a very large infrastructure because these ships are quite large, around 200 meters or so in length. So we will be bidding for this project jointly with Swan Shipyard, and we anticipate that we will bring in the synergies of public-private partnership where all our capabilities in design, weapon integration, project management, we will tie up with the flexibility of the private player, both in its infrastructure as well as its procurement. We anticipate that we will be very well placed to win this order.
- Moderator:** The next question is from the line of Nehal Mehta from Subhkam Ventures.
- Nehal Mehta:** My first question is that given that substantial execution of P17A order will happen in the current financial year, how do you see your margin and revenue growth for the next 2 years? And my second question would be that, once your P75 order comes in, when will the execution of the order commence?
- Capt. Jagmohan:** P 17 Alpha, we will deliver the third ship this calendar year, but we will have the fourth ship going into the next financial year as well and after that, we will have the guarantee period as well. So the 17 Alpha project will continue for the next financial year as well. So the revenue and profit margins, which come from that project will be visible for this financial year as well as the next. Thereafter, we will have may be a few months where we'll have only the Coast Guard and the MPV project as well as the offshore project where the margins are slightly less.
- However, we anticipate that if we are able to sign the submarine contracts quickly, where we once again anticipate the margins are higher because these are projects which we are very familiar with. We anticipate our productivity and operational efficiencies to be higher, and therefore, the margins also will be higher.

- Nehal Mehta:** Okay. And my second question would be for P75, like when would you expect the commencement of the order once you receive it?
- Capt. Jagmohan:** If it is the additional submarine, we should be able to commence immediately because it is a follow-on of the submarines, which we have already executed, 6 of which we have delivered to the Navy. The 75I has a year's preparatory period, but we have already started to work on it. So may be 75I, we will start earning revenue may be 6 months after signing the contract. And for 75, may be immediately after signing of the contract, we should be able to register revenue.
- Moderator:** The next question is from the line of Rupam Jaiswal from Investwell.
- Rupam Jaiswal:** Actually, I wanted to know about this new partnership, like what this term sheet or anything which you have signed with Swan Defense. So could you elaborate on how are you going to leverage their capacity? And how -- what kind of partnership in future are you going to leverage the different capacity for different ships and all? Could you just elaborate on that?
- Capt. Jagmohan:** The present agreement or the memorandum of understanding that we have signed with them is primarily for LPD only. However, going forward, we may collaborate with them for other large commercial ships as well. Here, what we intend to do, although the teaming agreement has not yet come in place, we anticipate that we will bid -- we will be the bidder for the project with the Navy. And the SDHI or the Swan Defense Shipyard will work at the back end. In fact, we will use their very large infrastructure because the LPD, the Landing Platform Dock, is a large vessel, and it will be more productively or more efficiently manufactured or constructed at their site. And we will bring in our experience in project management, weapon integration and design. So we will be bringing the synergies of both public sector shipyard and private shipyard's flexibility in procurement, etc. So we expect that we will offer a very good functional ship at a very attractive price. And, therefore, we think we are very well positioned to win this nearly INR 40,000 crores order.
- Rupam Jaiswal:** Sir, one more thing, like I got that point also. Just one more thing, like in this -- the shipyard with the kind of capacity that Swan is holding, so you are saying that you would be leveraging their capacity for commercial ships also and for this landing platform. So what would be the revenue? Like how will be the revenue scenario? Like what kind of revenue would you be booking?
- Or is this kind of a rental agreement that you would take up with them and you will be just giving them rental for that -- using that shipyard or anything like that? Like I want to know what kind of revenue scenario will be in this kind of agreement.
- Capt. Jagmohan:** It's too early to say. Let the RFP come out and then when we make our bid, then we will have a proper agreement between us, MDL and Swan. It will be a win-win scenario for both shipyards, both in terms of revenue and profits. So it is too early to say at this stage.
- Moderator:** The next question is from the line of Kriti Tripathi from NVS Brokerage.
- Kriti Tripathi:** Yes. Actually, myself Kriti Tripathi from NVS Brokerage. My question was about revenue guidance and the margin guidance, but it is more or less covered.

- Capt. Jagmohan:** Okay.
- Moderator:** The next question is from the line of Anupam Goswami from SUD Life.
- Anupam Goswami:** Sir, on the first half operating cash flow turned may be negative and lower from last year, how do we see that or how do we read that basically?
- Ruchir Agrawal:** Come again?
- Anupam Goswami:** Sir, our operating cash flow turned negative this time and quite steep, sharp decline. How do we read that?
- Ruchir Agrawal:** This is primarily because we got some amount in flexi from Navy in the flexi account in March '25 and which has been used this year. So you are seeing a negative cash flow on that account. Otherwise, our margins are intact, and we expect to perform better in quarters to come.
- Anupam Goswami:** Okay. Sir, my next question is on the execution. Now that most of our submarine orders are over and mostly left with Coast Guard and ONGC platforms, so how do we see the margins for this FY '26 and '27?
- Ruchir Agrawal:** As far as the Coast Guard orders are concerned, wherever the provision were required for, are already made in last 2 quarters. For ONGC contracts, which are cost-plus contracts we will be getting the margins as per the contract. Out of total Project, one PRP contract is a fixed price contract, and we expect that we will be completing the project in the cost what we have bid to the ONGC.
- Anupam Goswami:** Okay. Sir, just last, if you can mention about the potential order pipeline what is there today?
- Capt. Jagmohan:** See, the Navy itself is coming out with multiple projects. For example, like what we just discussed, the LPD, the Landing Platform Dock, which will be around INR 35,000 crores to INR 40,000 crores. We have the MCMV, which is around INR 40,000 crores; the 17 Bravo ships, which will be again another INR 50,000 crores to INR 60,000 crores.
- I think the Navy is going to come out with a destroyer class project as well, either the 15 Charlie or the next-generation destroyer, which should be crossing may be around INR 70,000 crores to INR 80,000 crores. So overall, the expansion of the Navy is considerable, and we anticipate that we are ideally placed to win a sizable part of that order.
- Moderator:** The next question is from the line of Atul Tiwari from J.P. Morgan.
- Atul Tiwari:** Sir, my question is on your Colombo Dockyard acquisition. So could you shed some light on what are your plans for that asset? And is the acquisition complete? And if yes, how much of its revenue and EBITDA and the PBT has been booked in this quarter?
- Ruchir Agrawal:** So the acquisition is still not complete, and we are still not the shareholders of that company. We expect that the approvals are likely to come on time and the final approval for rights issue will be coming in by this weekend. The EGM for calling the rights issue is expected by this month end. So then, going by that timelines, we expect that we will be the shareholders by start

of the next month, and after that, we will be pitching in their management for control and execution.

Atul Tiwari: And sir, what are your plans? I mean, what kind of ships you will be manufacturing there once you take the control?

Capt. Jagmohan: They are into commercial shipbuilding and half the revenue comes from ship repair. We are intending to ramp up their capacity. Presently, they have a revenue of approximately INR 1,000 crores. We anticipate that in the next year or so, we will be able to ramp it up to INR 1,500 crores. They have excellent production processes because they have a long-term association with their past owners, Onomichi Shipyard from Japan. And they have good clientele from Europe and Scandinavia. So that we will bring in our expertise as well and the large amount of repairs that is going from India will further increase. So we anticipate that we will be in the next 2 years able to increase the revenue by around 50%.

Atul Tiwari: And any comment on what kind of margins and profit they are making and how much it can be?

Biju George: By the information we have as per their balance sheet, etc, is around 15% margin, but there are some losses. And primarily vessel categories, which they are building, are bulk carriers and cable laying vessels. So for cable laying vessels, they are anticipating new orders also this financial year.

Moderator: The next question comes from the line of Harshit Kapadia from Elara Securities.

Harshit Kapadia: I think margins were very healthy. A couple of questions from my side. Sir, first, starting on the LPD, who is the technology partner for the Landing Platform Dock for you, sir?

Biju George: We have not yet decided. We are waiting for the RFP. Let the RFP be out. After that, we will look at the various possibilities. So in discussion with Swan, we will take that.

Harshit Kapadia: Fair enough, sir. Sir, rumours that the three submarine orders for P75 may get converted into nine numbers of P75I. Do you think is there a possibility that the reason why the government is holding that particular order of three submarines?

Capt. Jagmohan: We have not received any communication from MoD or the Navy, so we would not like to speculate on that.

Harshit Kapadia: Okay, sir. Sir, just one question on the submarine execution part. Sir, is the submarine execution similar to having a bell-shaped curve to how the ship is being built. That is in the first few years, you have very low revenue booking. And then, in the next couple of years, the revenue booking increases and then again falls. Is that how it does?

Capt. Jagmohan: By and large, yes. But, however, since we have already a lot of experience in the 75 project, we should be able to shorten that S curve.

Harshit Kapadia: So which generally takes around 9 years, how much can it be shortened, like will it be 7 years?

- Capt. Jagmohan:** No, we will try and -- instead of the steep S curve or what you call the bell curve, we will try and curve a little more -- the slope a little more manageable so that the revenues are spread through the entire build period.
- Harshit Kapadia:** Fair enough, sir. Sir, any update on the repair orders from U.S. Navy or any other Navy globally that we were earlier looking at?
- Biju George:** So, we are registered with the MSRA. When the tenders come, we are participating. So wherever our infrastructure can take, we are participating. Otherwise, we are not participating. So, of late, nothing which suits our infrastructure has been queried by the U.S. side.
- Harshit Kapadia:** Understood, sir. And sir, lastly, on the commercial ship, we have tied up with Swan, as you mentioned, but who would be the technology partner here with us as well for commercial ships? And what category of commercial ships are you looking to build?
- Biju George:** Today's teaming agreement is exclusively for landing platform dock, that is not a commercial vessel. So what CMD was mentioning is, this synergy can pave way for further collaboration depending upon the market scenario for commercial vessels. So right now, nothing is crystallized specifically for commercial vessels with Swan.
- Harshit Kapadia:** Okay. And sir, on the order pipeline, which you mentioned, which is of a very huge value, but these will get executed over, let's say, a 7-year time frame. But what is the pipeline that we have on a very short-term basis? Can you highlight some short-cycle orders or small size orders which you expect to receive in this year, next year?
- Biju George:** So right now, we are executing around 27 ships from Coast Guard as well as the export orders. So for the small segment, right now, we are not aggressively bidding because we have the other ships also to complete. So as it progresses, we will look at smaller ships also what can be accommodated. Right now, therefore, at this juncture, we have not quoted for any small segment ships.
- Capt. Jagmohan:** In addition to that, you see the government has aggregated the demand for commercial ships. Almost 112 vessels are likely to come out from medium-range tankers, platform support vessels, VLCCs and all that. So while we are in the process of setting up a mega shipyard somewhere down south, in the meanwhile, whatever opportunity comes, we are going to pitch in either from the tenders that are coming from the Shipping Corporation of India or ONGC or IOCL, one of the petroleum and natural gas PSUs. So those are short-cycle projects. So we anticipate that we will get some orders from that part as well.
- Harshit Kapadia:** And sir, any tentative size that you can highlight? Will it be like INR 1,000-odd crores approximately for the...
- Capt. Jagmohan:** Yes. In the immediate future, we anticipate something like that. It will all depend on how the tenders come out and how quickly they are able to place orders and all that.
- Harshit Kapadia:** Okay. And sir, final question on margin. I probably missed your guidance on margin. What would be the stable margin that we should expect in FY '26 and '27, since we have that visibility?

Capt. Jagmohan: Broadly, for the shipbuilding sector, the margins that are expected for operationally efficient shipyard is around 15%. However, the revenue and the profit of a shipyard depends on, first, the order book, the type of projects and what stage of execution of these projects the shipyard is undertaking. So there are several factors.

Now, for example, MDL has very high efficiency in design and construction of frigates, destroyers and submarines. So if it is these projects, then our operational efficiencies are high, productivity is high, and accordingly, the margins also will be higher. If it is some newer vessels, it may not necessarily be that high. But on an average, we can anticipate around 15% plus margins.

Moderator: The next question comes from the line of Sagar from Invesco Mutual Fund.

Sagar: My first question is on the order inflow. So while I understand that there are three follow-on submarines on the P75 side, followed by P75I and then the landing platform dock, can you guide us on the sequence in which they can come to Mazagon Dock Limited?

Capt. Jagmohan: Difficult to say. If 75 additional submarines to come, it could come immediately, but we anticipate 75I, where the negotiations are ongoing. We anticipate that before the financial year ending, we should have signed the contract for the 75I.

LPD will probably take some time to crystallise. The DAC has just given approval. The RFP itself to issue will take may be 4 to 5 months. And thereafter, the L1 determination and order placement will take another 6 months. So may be a year from now.

Sagar: Okay. So on the defense side, these are the only three large projects that are on the horizon?

Capt. Jagmohan: No, actually, the 17 Bravo frigate RFP is likely to come out much earlier. It will probably come out any time next month or definitely in this calendar year. That's what the Navy has broadly indicated. So that order is likely to come out much faster, may be by the third quarter of the calendar year next.

Sagar: Sure. And sir, on the Colombo acquisition, what will be our total cash outgo from the balance sheet in terms of...

Capt. Jagmohan: That will depend on the rights issue and mandatory offer by the existing shareholders. We anticipate anywhere between 51% and may be around 75%, where we will have a total shareholding. If it is a full 100% shareholding is to be taken by MDL, we anticipate INR 450 crores outflow.

Moderator: The next question comes from the line of Amit Dixit from Goldman Sachs.

Amit Dixit: Just a couple of questions from my side. The first one is on the provisions. So if I see the provisions are negative in this quarter, is it due to the LDs that were written back in this quarter? If so, can you highlight the quantum of LDs that were written back?

Ruchir Agrawal: Yes. We have written back LD of INR 102 crores.

- Amit Dixit:** And this pertains to which submarine, sir?
- Ruchir Agrawal:** This is pertaining to 17 Alpha second ship.
- Amit Dixit:** Okay. Okay. Are there some more LDs that we can expect that we have -- I mean, claimed and they are in dispute and they can be rolled back going ahead?
- Capt. Jagmohan:** Yes. We actually anticipate that we will be getting a waiver of LD of the submarine project. There's one submarine that is still pending -- the case is still pending with MoD, and we expect favorable response from MoD on that.
- Amit Dixit:** And that would be around INR 120-odd crores?
- Capt. Jagmohan:** Pardon?
- Amit Dixit:** That would be around INR 120-odd crores.
- Capt. Jagmohan:** Yes, around INR 100 crores.
- Amit Dixit:** Okay. Sir, the second question is just drawing on Harshit's question earlier. You mentioned that the stable margins could be 15%. Now what are these margins? Are we talking about EBITDA margin, operating margin? And does it include other income also? So just wanted to get a little bit more clarity around this margin.
- Ruchir Agrawal:** It will depend upon the completion of the project. In the shipping industry, at the end of the project, when there are no much liabilities left on account of warranties, the margins are high. What you can see in our balance sheet also, we are showing a margin about 25% or 30%.
- But that will not be the case for the new projects coming in, where we are booking the actual value of production. And in that case, we expect that the margins will be around 12% to 15%. This is only when we are at the completion of the project and we book all the unclaimed liabilities, our margins are high.
- Amit Dixit:** And these are EBITDA margins, just for clarity?
- Ruchir Agrawal:** If it is EBITDA, that goes to PAT and PBT. It is all the same. It is coming from the top line. I don't think it will be having any impact because we are not having any much borrowings, so it is almost the same.
- Amit Dixit:** Okay. Just to stretch it further, sir, and this will be my last question, I mean, 8, 10 years back, Mazagon used to have an EBITDA margin of 5%. Now from there, we have reached a point where the margins are much healthier. So how much of increase would you attribute to your internal efficiencies essentially and that would stay with the company regardless of the orders that we get?
- Ruchir Agrawal:** The efficiency and the quality of workmanship both contribute to our higher margins at a completion of the project when there are no guaranteed defects in the product constructed, that result into a margin at a completion of the project. So that is why initially, when the project

starts, and we start booking on a conservative basis, the margins are less. But as we progress and we complete the project, the margin tends to be higher.

Moderator: The next question is from the line of Sanjeev Zarbade from Antique Stock Broking.

Sanjeev Zarbade: Sir, my question was regarding the completion timeline for the ONGC order, which is around INR 4,800 crores. And also, we have seen that the AIP order has not moved since we booked. So also wanted the status of that.

Capt. Jagmohan: The ONGC contracts can be done only during the periods where the monsoon is not there. That is from mid-October to mid-May. We anticipate that a large extent of the INR 4,800 crores, the DSF II project, we should be able to complete this season. That's up to May. But, however, we will not complete the execution of that. We will probably have a spillover onto the next season, which will be from October mid in 2026. What was the second question?

Sanjeev Zarbade: Sir, second question was regarding our MoU with the Naval Group for making submarines for third-party friendly countries. Just wanted to know when we can expect some concrete may be order. Or also, do we have the capacity to take further submarine orders if the 3 additional submarine orders also got built on us?

Capt. Jagmohan: We have the capacity to undertake the construction of 11 submarines simultaneously. So even with 3 additional Scorpene Submarines and 6, 75I, we will have spare capacity. Now, with regard to the question of handling export orders, we already have an MoU with the Naval Group for exploring export opportunities for the Asian countries.

And we have once again signed an exclusive MoU with one -- I don't want to take the name of the country, one particular country, where we will bid together for the anticipated project in that country.

Sanjeev Zarbade: Okay. Sir, if I can take 1 or 2 more questions, I wanted to know about the status of the mine counter measure vessel because that -- this order has received AON some time back. So what could be the status of this order?

Capt. Jagmohan: We expect RFP in the next 3 to 4 months. I think the first RFP from the Navy will be 17 Bravo frigates. After 2 months, we anticipate may be somewhere in February or March, we anticipate the RFP.

Sanjeev Zarbade: Yes. And sir, lastly, if I can, are these 17A frigates, the pending order book is INR 11,490 crores. How much of that would be the guaranteed repairs, which we have received...

Capt. Jagmohan: Guaranteed repair, we normally keep 10% of the ship cost.

Sanjeev Zarbade: From the original value?

Capt. Jagmohan: Exact values, I will have to work out -- 10% approximately.

Moderator: The next question comes from the line of Dipen Vakil from Phillip Capital.

- Dipen Vakil:** Sir, my first question is on the lines of capex. Can you tell us what kind of capex you have incurred so far in the first half? And what you are expecting to do in the second half? And also an update on the Nhava Sheva capex that you are planning on incurring?
- Capt. Jagmohan** This full financial year, we are anticipating capex -- in fact, we will have -- we will do a capex of INR 500 crores. And that is primarily for the floating dock, which is almost halfway through. We anticipate that by end of this financial year, we will complete that.
- Now, going forward, we will be doing some capex on both the Nhava yard as well as the South Yard Annex, which we have leased from Bombay Port Trust. But these will be primarily to remove the bottlenecks that we have in our present production activities.
- We are looking at a total capex of around INR 1,000 crores for Nhava and South Yard Annex and another INR 1,000 crores for the infrastructure for 75I submarine. But our main capex going forward for the next 5 years will be approximately INR 5,000 crores for a greenfield shipyard, which we intend to set up in Tuticorin in Tamil Nadu for commercial shipbuilding.
- The government has come out with a slew of measures, incentives, policy measures, which makes commercial shipbuilding attractive and profitable. So we intend to tie up with may be a Korean or a Japanese shipyard and probably a private player in India to set up this large shipyard, which we intend to complete the first phase with approximate investment of around INR 5,000 crores in the next 4 to 5 years.
- Dipen Vakil:** Sorry. So this year, we're expecting a capex of INR 500 crores and INR 5,000 crores over next 3 to 4 years. And sir, this Nhava yard, you mentioned INR 1,000 crores. So that will also be done in, say, this year, next year? Or what would be the time line for that?
- Capt. Jagmohan:** It's not INR 1,000 crores for Nhava yard. It will be INR 1,000 crores put together for Nhava and the South Yard Annex. So we have already done some work. Close to around INR 75 crores we have already done a capex there.
- We will probably do -- it will be ongoing because we have already started to construct two Coast Guard projects there as well as the offshore projects. So, it will be simultaneous investments there while we are undertaking the projects. So it will probably take another 2 to 3 years.
- Dipen Vakil:** Got it, sir. Sir, my last question is on provisions, sir. Sir, how do you see provisions going for, say, second half of this year? Do you see any -- so the provisions that you mentioned that you may be receiving, do you expect that to come in this year or you think that it will spill over to next year?
- Capt. Jagmohan:** We anticipate this year, may be in the last quarter.
- Moderator:** The next question comes from the line of Harshit Kapadia from Elara Securities.
- Harshit Kapadia:** Since you have mentioned the INR 5,000 crores investment in Tuticorin for commercial ships, could you highlight, sir, what type of ships that you are looking at? Is it bulk? Is it crude? Is it related to LNG? Any color on that would be helpful?

- Capt. Jagmohan:** It is going to be dual use. In fact, we are looking at both commercial as well as naval applications there. Now, let us say, for example, the -- I'm just giving you an example. Let's say, the Navy comes with the requirement for the third aircraft carrier, so we could -- if the timeline suits, we could make the aircraft carrier there. However, for commercial vessels, we will first -- we will look at the domestic market. And for the domestic market, the Ministry of Shipping has already aggregated the demand from all the oil and natural gas PSUs, approximately 112 vessels. They are primarily -- they will start off with platform support ships and MR tankers. And going forward, we will be looking at very large gas carriers and very large crude carriers.
- Moderator:** The next question is from the line of Anirudh Murarka from Continental.
- Anirudh Murarka:** Sir, congratulations on a very stable set of numbers. My question was regarding that how do you near time future look to enhance shareholders' value for a retail investor?
- Capt. Jagmohan:** We anticipate to get more orders, execute them efficiently and the...
- Moderator:** Sir, sorry to interrupt, but there is some disturbance in your line.
- Anirudh Murarka:** Should I repeat my question?
- Capt. Jagmohan:** I heard you. So, we -- how we reward the shareholders is to perform well, have more orders, execute them efficiently...
- Moderator:** Sorry, to interrupt, sir, but -- Mr. Anirudh, can you please mute your line? There's some disturbance in your line.
- Anirudh Murarka:** It's muted.
- Capt. Jagmohan:** I hope you heard the answer.
- Moderator:** Anirudh sir, do you have a follow-up question?
- Anirudh Murarka:** No, that will be all. Okay. I will look at the transcript. No issues.
- Moderator:** The next question comes from the line of Santhosh, who is an Individual Investor.
- Santhosh:** On subcontract expense that we see in the document, so can you give some details on this, whether it will be reducing in the upcoming quarters or it will be same to the total percentage of the expenses?
- Capt. Jagmohan:** You see the subcontract costs are high this quarter, primarily because of the offshore projects. The offshore projects, our execution is virtually turnkey outsourcing. So, therefore, the subcontract prices are high. It will depend on the nature of projects.
- Now, for example, if we have the 17 Bravo project, the subcontracting will be much lower compared to the order value. So it will depend on project to project on how we bid and what our project management view is for those.

- Moderator:** The next question is from the line of Naveen Shetty from MLP.
- Naveen Shetty:** Sorry, if this question was already asked, but just wanted to get a sense on the current order book is around INR 27,000 crores, any outlook that you can give for may be for the next FY '26 for the whole year and may be FY '27?
- Capt. Jagmohan:** You mean the order book?
- Naveen Shetty:** Yes.
- Capt. Jagmohan:** In excess of INR 1 lakh crores.
- Naveen Shetty:** By which year, sir?
- Capt. Jagmohan:** By the next financial year, '26-'27.
- Naveen Shetty:** FY '27. Okay. Okay, by FY '27. Okay.
- Moderator:** The next question is from the line of Rakesh Roy from Boring AMC.
- Rakesh Roy:** My first question regarding, sir, government is pursuing commercial shipping, sir. So what is your view because you are new player in this side and we have very few companies in India who make the ships? So what is your view on this side, sir?
- Capt. Jagmohan:** See, while we are known as a shipbuilder making destroyers, frigates and submarines, we have a rich legacy in commercial shipbuilding. We have built over 800 ships, probably the shipyard, which has built the largest number of commercial ships in the country. So we are not new to this.
- However, yes, in the last few years, we have once again re-entered this, and we started with the multipurpose vessel, which we are building for our Denmark client. We have also done the acquisition of the Colombo Dockyard with a view of moving into commercial shipbuilding.
- Thereafter, the government has come out with a lot of incentives and initiatives for commercial shipbuilding. And we, as the largest shipyard and as extended arm of the government, we feel that it is both strategically as well as makes a lot of business sense to venture into commercial shipbuilding.
- We are setting up a large commercial or a large shipyard in Tuticorin, primarily to look at commercial shipbuilding. Depending upon the types of projects, we could even look at defense projects there.
- Rakesh Roy:** Okay. Sir, related to the same question, sir, if you look from 7 years now, or for FY '32, so how is revenue mix like in defense or commercial from -- for next 5 years, 7 years -- after 7 years?
- Capt. Jagmohan:** Yes, that's a good question. You see we would like to derisk. We do not want to depend on a single large customer like the Indian Navy. Presently, probably 80% to 90% of our order book comes from the Indian Navy. We have actually started to diversify by moving into offshore.

We have almost INR 7,000 crores worth of orders from ONGC. We intend to have a healthy mix of offshore projects, commercial projects and the defense projects. So the exact percentage will be difficult to say, but we would like to diversify and derisk from depending on very limited number of customers.

- Rakesh Roy:** Okay. And sir, last question, sir, Tuticorin, at what weight tonnage up to the next ship, sir, is Tuticorin? Any idea, sir, any guidance?
- Biju George:** Tuticorin, the plan is to develop it into a greenfield shipyard, where vessels like Very Large Crude Carriers, VLCCs, can be constructed. So...
- Rakesh Roy:** In terms of weight, sir -- in tonnage, sir?
- Capt. Jagmohan:** Around 300,000.
- Biju George:** Yes, 3 lakh deadweight tonnage.
- Rakesh Roy:** 3 lakhs. Okay.
- Biju George:** 300 plus, would be the length of the ship.
- Rakesh Roy:** Okay, 300 is the length of the ship and dead weightage is 3 lakhs.
- Biju George:** 3 lakhs, yes. So that is a typical VLCC volume.
- Rakesh Roy:** Yes, 3 lakh is very big, sir.
- Moderator:** The next question comes from the line of Shivam Parikh from Value Wise Wealth Management.
- Shivam Parikh:** So my question was there was an MoU done by Mazagon Dock with Mitsui Shipping Lines of Japan. So could you throw some light on that? And if any potential order flows do come in from Mitsui Shipping Lines, so will it be done at Colombo Shipyard or at your Indian shipyards?
- Capt. Jagmohan:** I don't recollect any MoU with Mitsui.
- Shivam Parikh:** Okay. But, sir, there was a recent news like Indian Navy had done some discussions with Japan for ship repair. And in that, it was -- in that news, it was shown that Mazagon Dock had done an MoU with Mitsui Shipping Lines of Japan. Yes.
- Capt. Jagmohan:** There was a destroyer, but it's very, very early stages of discussion where the Navy is looking at having a common destroyer designed between India and Japan. But these are very, very early stages. We have not signed any MOU.
- Moderator:** The next question comes from the line of Rupam Jaiswal from Investwell.
- Rupam Jaiswal:** I wanted to ask about the new greenfield shipyard, like the shipyard, which you will be investing in the south of India. So what would be the total capex plan? And like what kind of capacity are you looking out for?

- Capt. Jagmohan:** See, the government is looking at setting up these mega shipbuilding clusters, and they want shipyards of scale with a throughput or a capacity of 1 million to 1.5 million per mega shipbuilding clusters. So we intend to set up one of them in Tuticorin. So we will approximately require a land parcel of 1,000 - 1,100 acres.
- And the capex will be actually going forward to set up a large shipyard like this based on data that is available will be anywhere between INR 15,000 crores to INR 18,000 crores. But this will be done in various phases. So the first phase, which we intend to complete, may be in the next 3 to 4 years, will be around INR 5,000 crores.
- Rupam Jaiswal:** So the total plan is of like this will go for 10 to 12 years, like the full capacity...
- Capt. Jagmohan:** It will all depend upon how quickly we get government clearance, environment clearance, those issues because the trunk infrastructure on land, waterfront, etc, has to be done by the state government. So how quickly they do it, we'll be able to do it -- we'll be able to finish accordingly.
- Rupam Jaiswal:** Okay, sir. And sir, one more last thing. Like in the LPD side, have we like -- have we got the technical partner with us to bid on this project?
- Capt. Jagmohan:** Not yet. As answered earlier, we will have to see whether there is a requirement for having a design partner or not. The earlier RFP that the Navy had come out with several years ago required the Indian shipyards to partner with one of the European shipyards who have the LPD already. But I'm not sure that this requirement will be there or not anymore because there's a likelihood because all our shipyards now have the design competence and capability of designing and constructing these ships. So there is probably no requirement for a partner, except what the agreement that we already have with Swan for constructing these vessels.
- Rupam Jaiswal:** Yes, sir. Only last question around this only. So like for this order, like the main competitors like L&T, Cochin Shipyard and Mazagon, like all 3 of you will be bidding for it. And the total deal value is, I think, around INR 35,000 crores to INR 40,000 crores for four ships. So what -- like is this order will be given to only one shipyard? Or will this be like L1, L2 kind of thing?
- Biju George:** So that will become clear once the RFP comes out. Right now, we do not know whether it is going to be executed by one shipyard or it will be split into two.
- Moderator:** The next question comes from the line of Praveen Desai, who is an Individual Investor.
- Praveen Desai:** When will the first phase of Tuticorin shipyard will start?
- Biju George:** We are in discussion with Government of Tamil Nadu. We also have to take some...
- Moderator:** Sorry to interrupt. Praveen, can you please mute your line?
- Biju George:** So there are multiple agencies involved. So first is the land has to be allotted to MDL. There is V. O. Chidambaranar Port involved. This is what Tamil Nadu Government is involved, then we are involved, then a foreign partner is involved. So we have to stitch together before we start. So we are in the process. The initial discussions have been completed, and then, we are going ahead with that.

- Capt. Jagmohan:** We have also signed an MoU with the Tamil Nadu government body Guidance, which is a single window facilitating body for all clearances. So we are seeing the administration is very proactive in Tamil Nadu. We anticipate that we should be able to probably work on the DPR for the shipyard may be in the next 3 to 4 months.
- Moderator:** Praveen, do you have a follow-up question?
- Praveen Desai:** No, that was the only question that I have.
- Moderator:** As there are no further questions, I would now like to hand the conference over to Ms. Jyoti Gupta for the closing comments.
- Jyoti:** Thank you so much. On behalf of Nirmal Bang Institutional Equities, we would like to thank the management of Mazagon Dock Shipbuilders Limited for the call, and also, many thanks to the participants for joining us on the call. Thank you very much, sir. You may now conclude the call.
- Capt. Jagmohan:** Thank you.
- Moderator:** Thank You on behalf of Nirmal Bang Equities, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.