

20.11.2025

To,

**The Manager  
Listing Department  
National Stock Exchange of India Limited  
Bandra Kurla Complex, Bandra (East)  
Mumbai – 400 051**

**Symbol: JASH**

**The Manager  
Listing Department  
BSE Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai - 400 001.**

**Scrip Code: 544402**

**Sub.: Transcript of Q2 FY26 Earnings Conference Call**

Dear Sir/ Ma'am,

We are enclosing herewith the transcript of Q2 FY26 Earnings conference call with the Investors held on Friday 14<sup>th</sup> November 2025.

You are requested to take the aforementioned information on records.

Thanking You,

Yours Faithfully,

**For JASH Engineering Limited**

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by TUSHAR  
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**Tushar Kharpade**

Company Secretary & Compliance Officer

Encl.: A/a





“Jash Engineering Limited  
Q2 FY26 Earnings Conference Call”

**November 14, 2025**

**MANAGEMENT: MR. PRATIK PATEL – CHAIRMAN & MANAGING  
DIRECTOR**

**MR. DHARMENDRA JAIN – CHIEF FINANCIAL OFFICER**



**Siddesh Chawan:**

Good Afternoon, everyone. I am Siddesh Chawan from Ernst & Young, Investor Relations and I would like to welcome you to the Jash Engineering Q2 FY26 earnings conference call.

To ensure seamless experience all participants are requested to remain on mute during management opening remarks. There will be dedicated Q&A session at the end of the presentation. If you wish to ask a question during the Q&A please select the raise hand option under the reaction tab of the Zoom application. We will call out your name and then request you to unmute yourself to ask the question. While asking, please begin with your name and your organization. Please note that this conference is being recorded. The recording will be made available on the website within a day, and the transcript of the call shall be made available subsequently.

To take us through the results and answer your questions. Today, we have the top management of Jash Engineering limited represented by Mr. Pratik Patel, Chairman and Managing Director, and Mr. Dharmendra Jain, Chief Financial Officer and the Jash entire team.

Now I would like to draw your attention to Safe Harbour related to today's earnings call. Comments made during the call may contain forward looking statements that may involve known or unknown risk, uncertainties and other factors It must be viewed in conjunction with our business risk that could cause future result performance or achievements to differ significantly from what it is expressed or implied by such forward looking statements. After the end of this call if you need any further information or clarifications, please get to get in touch with me.

With that said, I will now hand over the call to Mr. Pratik Patel over to you, sir.

**Pratik Patel:**

Good afternoon, everyone. I am thankful to you to spare your valuable time and attend this call. We would like to present the results for the first half of this financial year, and we will directly go on to the presentation which we have prepared for this.

The results were posted yesterday, and I think all of you must have gone through the same on the NSE or BSE website. As you can see, we have achieved a growth of around 12%. However, on the bottom line, the performance has not been as good, and the reason for that is mainly because of the tariff, we have not been able to dispatch materials to US where margins are generally higher compared to domestic sales. Also, there has been some projects where we had stretch low margins, especially to generate a project because of design issues. And at the same time, the employee cost has gone up in India, as well as in US, because the turnover has not increased, the employee cost as a percentage has gone up a lot, and that is hurting us in the H1. In the beginning of the year, we had projected revenue of around INR860 crores and at that point of time we were quite hopeful. However, we now feel that

we may have to lower down the expectation based on what we are currently seeing in the market. There is a lot of unease due to the tariff not only at India but in many countries and so things have slowed down in many countries. We have equipment worth INR10 crore, nearly ready for last five months for Vietnam but it's not leaving because Vietnam is not taking World Bank loan, and they are facing some problems, etc. So, things like these are happening everywhere, as a result of which we feel even though we have orders in hand, it may not be possible to deliver within this financial year.

However, what I would like to mention here is that in the second half of the year, we will see considerable improvement in the bottom-line figures. The reason for that optimism comes from that in the first half we have achieved only INR293 crore in revenue. In the second half, we are expecting to achieve INR530 crore, which is like 1.8 times of what we have achieved in the first half. That means that the fixed was being same, we would have lot of spill over towards the bottom line in the second half of the year, and so we still expect bottom line to be quite good. It would not be as good as what we had expected pre tariff. However, it will still be in the range of INR75-85 crore, and I think we will still post relatively good results .

This is our 52<sup>nd</sup> year, and we believe that what is happening today as a result of tariff is just a blight and this is something which will overcome. The tariff works only because we have orders in hand before the tariffs were implemented. So since then, we have been costing our products to include tariffs, so that tariff does not hurt us in the new orders. On the old orders, there is nothing that we can do. Whatever small modifications, adjustment in the orders we can do we have done, but that's not going to help us, because extent of tariff 50% is quite high. However, to mitigate the problem. What is the problem? Problem is we were dependent a lot on America for our growth and future, and we have now understood that was not sound way forward. And so, we have already entered UK, but we will now like to strengthen the UK market. And for that we are acquiring another small company having 3-4 people, Penstocks (UK) Ltd. The biggest advantage of that company is it is located in Midlands, very near to our main clients, and it has got already pre-qualified with one or two framework agreements, and as a result of that, we think in time to come, we can leverage their strength and make Waterfront a pan UK company with good revenues.

In the same spirit we are acquiring WesTech. WesTech brings to us a new market, which is the industrial process equipment business. WesTech has very strong technology and the industrial process equipment business in hand of WesTech was around INR55 crores last year. However, we expect when it comes in our hands, we will be able to push it aggressively, because the controls would be relaxed. The controls were earlier from US and they were very stringent. However, we will have better monitoring and better controls from India and as a result of that, we expect the complete process equipment business from Jash to get a flip, and it becomes a big revenue earner for the company.

In the end, I would like to say, let's not get brought down by results in this first six months. Sometime, it has always been tricky in the first six months. However, we should be clear about our vision and what is our vision. Our vision is that we should have a diversified product portfolio, we should have diversified market and we should be in a position to cater to things which not every other manufacturer can do. And for that, we are building up capacity, capability, and with that new capacity and capability, which we are building up in our plans, we should be able to be found on our targeted revenue milestone of INR1000 crore by FY27.

With that, I would now like to go on to the financial figures. So, on the total revenue front, we have had 12% year on year growth. On the gross profit and margin, though we have had growth, but margins as a percentage have come down. EBITDA, profit before tax and profit after tax, all have been hit hard because of the factors, which I have already stated before.

On the standalone performance of Jash Engineering has come down. It is because in comparison to last year around INR20-25 crore revenue of America is lower because of our not dispatching the material due to the tariff implication. Shivpad revenue is slightly up, Rodney Hunt revenue is overall stable, Waterfront revenue is up. I believe the PAT before tax, after tax and all things, though they are down now but as we go forward in the second half we will see much improvement in all these figures.

This shows the revenue composition of the products which we make. Water control gate still is the biggest product contributor, followed by screens, valves and other equipments. As you can see, in the first half, our Indian business has been more and followed by us, and then other markets. In time to come as I said, I want UK, which is within Europe and Africa, to grow more stronger and have something like 35% Indian business, 30% US, 15% from Europe, and 15-20% from rest of the world. Once we do that, then we will not be dependent on any big any one single market in a big manner, as we are today.

It shows the consolidated income statement quarter wise as well as for H1FY25 and H1FY26. As I already stated in the beginning, whatever we see here, we will see a big improvement when the revenue goes to a INR825 crore levels at the end of the year.

As you can see, our order book trend is improving year on year. We expect this year also to have very good order book position so that we have very strong next financial year. In spite of whatever Trump tariff has come in, we are quite confident that though our growth this year is subdued, but we will be on the right path with this new acquisitions and new business strategies in future. One point I would like to highlight here is there is some good news on the Tariff front also. Our lawyers in USA have concluded that on the casta and products, there cannot be any duty. So, our casta and gate business, which was going from India to America there would be no duty on that. However, this is their conclusion, based on 2-3 months of study. It will still take some time to verify and get it approved. Once it happens, then, as far as Casta and gates is concerned, we are back on track for the American market.

However, we have paid tariffs on Casta and gates also because there was no clarity. We can claim it back but all this is subjective to so many things, so I am just telling here that what is the current situation. The current situation is we do not have to pay tariff on casta and gates and whatever we had paid in last few months, we can claim back. However, this is still issue of legal and discussion with the customs authorities in America.

Next, our consolidated order book, as I have already shown before is INR890, crore. You can see all the companies have a strong order book, Waterfront included. Mahr which we have revived it is also doing good, Rodney is also having a very strong order book position. This is in spite of our slowing down on taking the orders because of uncertainty of tariff. So, I would say going forward in the next year, we will again be on the drive.

Our pipeline every month has been between varying between INR40 crore to INR70 crores and odd, and we are quite confident that we will carry this forward as well. So, this is the sales outlook which we had given in the beginning of the year INR860 crore. As I said, I am now not that confident of achieving INR860 crore. We feel INR825 crore should be okay in case of INR825 crore, we have not included the additional revenue which will come from the acquisition of WesTech as well as from Penstock UK. Both these are expected to happen sometime in December or January. If it happens in December, originally, we will be able to add certain contribution from there, based on which we may touch INR840-850 crores, but as of today INR825 crore is what we are targeting. If we can do better than that, it all depends upon how soon the tariff issue with India is resolved between US and India.

I would like to brief regarding what's happening in the company. We commence the production in Chennai. We are putting up a team in place, I think next few months would be spent putting the right team in place, and from April 26 onwards this plant would be able to contribute fully once the team is in place. Also, for this company most of the approvals from NCLT has come now. It is only procedurally some issues are left, and it is not because of us, but because of NCLT bench not being established. So, we expect by January 26 the merging of Shivpad will Jash to be completed. As far as WesTech is concerned, the due diligence is over, SHA discussions are going on, and if everything goes right, we expect to complete the acquisition by December 25. Regarding Penstock it will be purchased by Waterfront UK so that we have only one subsidiary in UK. Subsequently, we will be merging Waterfront and Penstock UK. The initial agreement has been signed. Signing of the agreement was delayed because of medical reasons of the promoters of that company. Now they have joined the company, and we expect the due diligence to be done within November and acquisition to be completed by December.

Our company has been investing at all its plants. In unit one, unit two and unit three together, we are going to invest close to INR60-70 crores in this year, so that we have capacity in house for production and achieve revenue of INR1000 crore. Similarly, we have planned two expansions in America, one at Houston plant for which major drawing work is over.

Drawing work for plumbing, etc is going on. We expect to submit all for final approval of the city in January, and generally the approvals are received within two months. So, we should be in a position to start the construction activities by April-May and we shall commission the plant by March 27. As far as Orange plant is concerned, we are working on the new layout, and once the new layout is decided, then we will be freezing the budget, and once the budget is freeze, thereafter will decide how to fund and how to go forward.

However, I would also like to add here that in addition to these capital expansion, we are also planning to invest in a new plant in Saudi Arabia. This is still on the paper, but the decision has been taken. So we would be, opening up a company in Saudi Arabia to target the markets of Middle East, and we hope to establish this company by mid of 2027.

New product development, we develop new products every year. The target is to have 5-6 new products being developed every year. This year we have, worked on the high-pressure Knife gate valves that is for the Canadian Oil Sands market, and we expect to have good output from this product. We also develop HDPE knife gate valves for chemical industries and motorized swing gate valve for high temperature application. All these products keep on adding to our productivity to give us an edge over our competitors

This shows some of the few prestigious projects which we have done this year. In the first half, we have a very big job from Singapore for knife gate valves you can see these are huge knife gate valves, which we are supplying, and it is one of the biggest orders in the world for knife gate valve. The delivery has started, and we expect to complete the whole project by end of this year. The same specialized valve was produced for IOCL Panipat and this valve has been supplied now. And if they are satisfied with the installation and application, then we expect further business to come from IOCL. We are also going very strong now on the air vessel business, and we are getting one job after another and every job are quite challenging, and we hope that time to come, we would be a very strong supply on the air vessel business in India.

With that, I would like to say thank you. I have tried to cover most of the points which we have covered in H1 of the year, and now I should be able to take questions from you.

**Siddesh Chawan:**

Thank you. We will now begin a question-and-answer session. Gentle reminder to all the participants to ask a question, please select the raise hand option under the reaction tab of the Zoom application. We will now wait for a moment until the question queue assembles.

We'll take a first question from Kunal, from Sunidhi Securities. Please go ahead.

**Kunal:**

Very good evening, Pratik sir and everyone from the management. Great job on the transparency and where Jash has every quarter, even though the macro scenario has been tough, Jash has always guided the investors very appropriately. My first question is, are we holding back on some order dispatch because of tariff? Are we anticipating that maybe will the tariff be reversed to 15%.

**Pratik Patel:** We tried in the beginning. Now we are fed up, and we are sending the material because we cannot delay too much, the clients are waiting for it. So now we have to take up little bit and absorb the losses and send the material.

**Kunal:** So, we are not holding back. Whatever is there we are trying to fulfil the orders and pay the tariff.

**Pratik Patel:** Yeah, in the beginning, we were holding but now, last one month we have started dispatches.

**Kunal:** Okay, Sir. How much would be the order book of WesTech India tentative, or we do not have any idea on that.

**Pratik Patel:** We have all ideas. We are acquiring a company, definitely we have idea.

**Kunal:** Can we disclose that is what actually I was trying to.

**Pratik Patel:** I would not like to disclose until the acquisition is over.

**Kunal:** And sir, acquisition is of what amount. Last time we spoke was about INR25-30 crore.

**Pratik Patel:** Something like that.

**Kunal:** Are there any assets that are there or is it basically the technology that we are acquiring from them.

**Pratik Patel:** Technology.

**Kunal:** And so, one last question. Welspun had won this 900 MLD order of water treatment in Mumbai. Any update on that? Have we received any orders from there or are we trying to get any.

**Pratik Patel:** We are already doing four orders with Welspun for various projects. This is still under design stages. So, when this comes up, we will always be considered.

**Kunal:** Okay, sir. I join back in the queue for other questions. Thank you.

**Siddesh Chawan:** We will take a next question from Naveen, from Bellwether. Please go ahead.

**Naveen:** Yeah. Thank you for the opportunity, sir. With respect to the UK market. We had acquired Waterfront and now proposed acquisition of Penstock. With this both there are around 11 companies which operate in UK water market. So, what will be the out of the proposed capital spend, how much will this both acquisitions contribute to. Will be able to cover the entire UK market.

**Pratik Patel:** The reason we went was to be into Midlands. Waterfront was being considered as a Scottish company, now with the acquisition of Penstock UK, we will have a small setup, 3-4 people set up in Midlands, giving more confidence to the client that these people can service fast, because today we are eight hours away from Midlands. So that changes the perception that we are not a Scottish company, but we are a British or UK company or England company. So, that was one of the reason, another reason was also that they had some framework



agreement. They are approved by Indian water. That framework is going to come to an end, but you have edge over others because you are already in the framework. So, they had some proprietary designs also, which are very good, allowing to make gates very fast. So, considering all these things we had acquired Penstock UK, the investment amount is not huge, and the funds required for acquisition has already been transferred to Waterfront.

**Naveen:** So, will you be sort of starting the process of registering our products with the other companies.

**Pratik Patel:** No, they are already registered. If you see what was Waterfront before Jash entered, was there was not a proper marketing team it was based on whatever business comes. Now we have put a proper marketing team. We are going to countries around UK; we are going to Ireland. We are going to other countries, and we are trying to bring up their profile. We have now two marketing people, one person has just been appointed who will be joining in South of England. One person is already there in Midlands, the new company we have acquired also in Midlands so slowly we are spreading means for Waterfront. Our target is very clear. It is painful in the beginning, because we have to add on people and the cost of people is high, the comes later. But our target is very clear, we like to take Waterfront to 10-12 million revenues in 4 years' time.

**Naveen:** Sir, my second question is are we started getting any order under BABA act. If not, when do you see the orders coming in.

**Pratik Patel:** BABA is not an issue, we are already getting orders for there. BABA is very old, its not new. We have been taking order for this BABA for last 3-4 years now.

**Naveen:** We were expanding our capacity in anticipation of larger order.

**Pratik Patel:** That continues and to expand and add people, we are adding people. Now we are 75 people in America. So, we are adding people in production, etc. but it is a slow process. Until we make up the plant in Houston, I don't think that we would be going very aggressive on BABA. Whatever comes we are taking but we need production people in America, and we don't have enough.

**Naveen:** Final question is, how is the demand outlook looking. You had commented in your initial comments but has the whole decision making slow down or do you think.

**Pratik Patel:** It is slow down. If you see, every country is troubled by the tariff and no one is safe from it. So, everyone is re-evaluating the decision on how to go for capital investments, what to invest, what not to invest. And so, there is a perceptible slowdown in decision making. However, I think that in next few months all these tariff issues should get resolved. The problem is not tariff the problem is uncertainty. No one knows what will happen tomorrow and so this uncertainty is not allowing people to take decision and move forward. I believe

this and even the American government should understand that this will not help anyone, and maybe in time to come they will have a consistent policy on tariff.

**Naveen:** Thank you, sir. I will get back in the queue.

**Siddesh Chawan:** Thank you. We will take a next question from Sahil Doshi from Thinqwise. Please go ahead.

**Sahil Doshi:** Hi sir. Good afternoon and thank you for the opportunity. Firstly, related to your gross margins commentary in your opening remarks, you spoke about two impacts, one being screw generator projects order. So could you quantify what is the quantum of this and is this related to the NPCIL order.

**Pratik Patel:** No, this was an order for other projects. This is renewable energy and not NPCIL. In the screw generator it was a design issue, the estimation was done for x and when the final design was done, it was only half times x. So, it was a design issue and nothing to do with NPCIL.

**Sahil Doshi:** Sure, sir, what would be the quantum of this order?

**Pratik Patel:** Around INR7-8 crores.

**Sahil Doshi:** Sure, understood. And in the past also meaning last two quarters, we had seen an impact on gross margins. And part of it was alluded to this NPCIL, and part to the large order in US. So, are those over, or the impact of those are yet to be coming through.

**Pratik Patel:** Kansas is still under execution. In NPCIL the order in which we were losing money, is nearly over and the new orders which have come are with good margins.

**Sahil Doshi:** Understand, sir. So just taking this discussion forward in terms of gross margin, now that the current order book in the US, as well as the existing orders which we have, how should we think about the scenario incrementally. The aspiration of 60% kind of margins which we generally on this thing, would that yet come back in a couple of quarters or how should we think.

**Pratik Patel:** Let us be clear, in this year we will be stretched. When I say this year is FY26 the reason for that is the tariff will put a big hit. Tariff not only will put a hit here but in the in America also, on account of tariff, cost have gone up. All expenses have gone up. So as a result of that, the American operations also will suffer, and the exports from India to America also will suffer on the margin front. However, this should happen only on the orders which we already had in the hand. The new orders we are already putting the factor of tariff and quoting and getting orders So, this will happen only for the old order book, until that old order book is not fully clear, or until tariff is not reduced margin wouldn't be affected. And we have given a guidance that at the level of INR860 crore, we are expecting around INR80 crore as PAT reduction from INR100 crore to INR80 crore because of all these tariff issues.

- Sahil Doshi:** Sure, sir, that helps. So just on the UK front, I was referring to the May 24 call, when we had possibly spoken about Waterfront, we were expecting 200-300 bps improvement in margin every year, which actually hasn't really played out.
- Pratik Patel:** It will play out. You cannot take a call based on six month or quarterly performance. See, as I said our type of business is fixed cost. Fixed Cost are there throughout the year, 12 months, the same fixed cost will be there and some incremental would be there but generally fixed cost will be there. However, the revenue spike happens in the third and fourth quarter. So, when the revenue spike happens all those fixed cost as a percentage goes down and on the variable side margin starts improving. So, I am quite confident that when we go to the end of the year even at Waterfront, we would be hoping to break even. Last year we were in loss. This year, we will break even, and as a result, it will be an improvement in performance.
- Sahil Doshi:** Sure. My question was, if you can talk about last 1-1.5 years, what have been the learnings in Waterfront and UK market. And is there any change in your strategy or thought in terms of the potential and revenue opportunity, as well as margins.
- Pratik Patel:** The change in strategies, acquisition of Penstock UK has been understanding the market, understanding what was our limitation, how we were perceived to be Scottish company, etc. So, once you go in, once you acquire a company, the story starts. It never ends there. So, our story has just started and we are learning from it, and we are making changes every quarter based on what we are learning. As I had said before, there is a potential in UK market for our products which is more than 25-30 million pounds. This year we are targeting 4 million, so we are still young for that market, but in time to come we would be becoming a dominant player in the UK water control gates business.
- Sahil Doshi:** Sure, sir. And just wanted to check on Saudi, you have finalized the plant there. Could you just talk about the landscape of opportunity? What is the peer set there? And why do you require to set up a plant versus to build in India itself.
- Pratik Patel:** Everywhere, whether it is India or America or Saudi, it is everyone is asking to build the product in their country. Now, Saudi is a big country. Today you are not producing in Saudi the chance of your getting order gets reduced drastically. As a very big market, they are investing 100 billion dollars in their cities and putting up new cities and things like that. If you want to take part of that game, you will have to be in Saudi. I would say, strategically we are two years late. Anyway, whenever you wake up you have to act. We have woken up now, and we would like to go into Saudi next year and try to set up a base to address the Middle East market from there. Also understand one thing, whether it is UK, America or Saudi long gestation period orders will be done from India only. It is the short gestation period orders, it is certain, specific specifically to comply within the legal requirement would be done there, other than that would be done from India.

**Sahil Doshi:** Sure, sir, in terms of our cooperative strength and what would our USP be? Because what we understand from a few players that the working capital and the cycle times in Saudi are very long so would that comply with your stringent requirements in general.

**Pratik Patel:** See, we do not act. We are not setting up a huge plant first of all understand. Our investment in Saudi is going to be very small, and we have to cater to the business and we have to comply with whatever terms are going to be there. So, I would say, let us go in and let us realize what the market is, because we have some orders but those are small orders. Let us realize what the market is. And on those small orders, we have no problem. We are getting LC and payments so it's not an issue. Your experience, I don't know concerns which type of industry or product we have had no such issues about getting payments and working capital and things like that. So, let's see. However, what I can assure you is we are talking of investment of USD 2 to 4 million not much.

**Sahil Doshi:** Sure, sir. Thank you so much for this and best wishes to the entire team.

**Siddesh Chawan:** Thank you. A gentle reminder to all the participants to ask a question please select the result option under the reaction tab of zoom application. I will take a next question from Sahil Desai from Marcellus. Please go ahead.

**Sahil Desai:** Thanks. The first question is on these low margin or negative margin orders. Now this is the third time we are hearing of order where some problem has occurred. So, anything or any steps you are taking so that in the future, maybe there is some protection here, some risk management strategies.

**Pratik Patel:** Sahil bhai it is like this, we are in the customer engineered products. Out of INR800 crore revenue it may always happen that on INR30-40 crore projects, we may have made a mistake. Every time we make a mistake, we try to learn from it and ensure that we don't make a mistake. But as the company is growing, sometimes decisions happen in which people go by their confidence and at a later date it is proved that they were wrong. We try to correct as much as possible, but to expect a custom-built manufacturing company to make zero mistakes, means we are talking of very high-quality people at all level of organization. And so, I would say we try to correct ourselves wherever possible. Let me cite the examples. We goofed up big time in Kansas, in Kansas we moved up because initially we thought we will make Kansas in India. Then we were said, no it has to be made in America. So, we agreed to make it in America but we had no team in America to make such a huge job. So, our logic that we will be able to shift the production to India, did not come true. So, we took a hit there.

About this it was a very big show. Not that we have not made such big show, but on the design aspects, we thought, we will do something and will escape. We could not do that or we over design, over engineered the product. I believe it is more of an over engineering what we have done to make it safe and strong. It was not required but decision was taken by the

design team that no this is required and we have done. Today, we realize that it should not have been done so steps are being taken in future, whenever such critical jobs are there more review so that we do not invest additional to what has been estimated.

NPCIL where we lost lot of money, it was a strategic gamble you must be reading in the newspaper in India lot of nuclear power projects are going to come. Now we wanted an entry into that and today top bosses of NPCI consider Jash as one of the best vendors This is what we have gained by losing INR7-8 crores. So, everything was sometime a mistake and sometime, it was a strategic decision. No company likes to lose money. But as I said, in INR800 crore revenue, INR20-30 crore projects would come where we may take the risk, calculate the gamble and go ahead and sometime face trouble. However, if those 2-3 jobs come in the same quarter, then you it hurts the quarter but on the annualized basis it will not hurt us much.

**Sahil Desai:** Understood, sir. So, second is on, the tariff uncertainty making business difficult around the world. So, in Vietnam wanted just to understand this, a large INR 10 crore order, why would Vietnam not take delivery for something that's happening in the US. If you can just explain that a little more, please.

**Pratik Patel:** I do not know why they are not going for funding from World Bank. But World Bank is controlled by America, and high tariffs has been put on Vietnam also. What I know is 65% of the payment has been made to us, but they are still asking us not to deliver the material because the project has slowed down. And this we are seeing globally, that uncertainty because of XYZ reason is resulted into slowing down of projects and because the fund flow has become tight people are not taking delivery, etc.

**Sahil Desai:** So next is on the Saudi plant. Now, the last 4-5 years we have grown rapidly. There have been multiple additions in terms of acquisitions, organically you have added capacity in India. Is there a time, let's say in the next 3-4 years, where you think that now you know we are set. We are everywhere we want to be and maybe just utilize these capacities better or growth will come more by acquisitions than by what we already have on hand.

**Pratik Patel:** Growth will not come only by acquisition. Growth has to come by what is your key strength. Your key strength is manufacturing and the product knowledge you already have. Why do does a company do acquisition, as I said we have given rational for each and every acquisition. It is not on my views and fantasies that we have acquired a company. We have acquired company to strengthen our position in particular markets or particular products, or expand the range of equipment. So, this we do when we feel there is a right fit and right pricing. Understand we are acquiring WesTech at PAT multiple of 7. I would say it is a very attractive acquisition opportunity. New product range strengthens our complete process equipment business gives us huge export potential and at a very low pricing, with keeping my new plant in Chennai busy. So, this is a win for everyone and why should we not do it. So, all these decisions are taken after a lot of careful thinking, and when any such lucrative

opportunity comes you cannot say that I decided never to acquire a company, and so I will not do it. That's not our policy. We are having an open mind. If opportunity is there and if advantage is there, if it helps the company in future to grow or to add a product range, we will do it. But I would say today for us, capital expansion is more critical because with all this acquisition we have to build up our capacity to deliver and that is what we are doing in next two years

**Sahil Desai:** I see, all right. And so lastly, on the revised guidance that you have given on the profit number you are saying you will be between INR75-80 crores. Is that understanding, right?

**Pratik Patel:** That's what I believe. My perfection would be coming only by mid-January-February. But I think that is what we should be able to do. All people who are here are all financial wizards. So what you can do is you can go on to my first-year results, remove the fixed cost, and then multiply by 1.8 the variable cost, and you will be able to see how much profit can come out.

**Sahil Desai:** Great. Thank you very much.

**Siddesh Chawan:** Thank you. We will take a next question from Dilip Sahu. Please go ahead.

**Dilip Sahu:** Good afternoon. My question is we are planning to do INR1000 crores next year. There are a lot of surprises, bad lucks and headwinds that has happened this year. Hopefully next year is better, but assuming that we do around INR600-650 crores outside US, because we don't know what will happen to tariff yet, and let it be in enigma. So that INR650 crores can we do at our standard 22% operating margin, 12% PAT is that a assumption we can make?

**Pratik Patel:** Yes, we can do it expect for Waterfront.

**Dilip Sahu:** So, I am saying non-US globally as a whole, we can look at Rs650 crores with say 22% operating margin, 12% PAT margin. That won't have a have any surprises.

**Pratik Patel:** That should not have any surprises. See, in Saudi Mr. Trump is a surprise, which I never bargained for. So at the same for next year, you want me to commit without knowing what's going to happen. So yes, if everything remains steady stable, then I would admit, yes, it is possible whatever you said, but if something goes wrong, then it will disturb, and when it disturbs it's not going to disturb us that we go in losses. It would be like instead of 12% PAT we may go to 10-9% PAT, but not 5-6%.

**Dilip Sahu:** Sure. I understand that, sir. The second question is regarding next year's initiative, you talked about two large initiatives which is Saudi, which will not only be a capital expense, there will also be, I am assuming, a lot of operating expense you will have in terms of people and all and you will have Houston. So how the expenses, apart from the business operations which will be directly impacted, I am saying new initiative expenses which may not give commensurate revenue next year, like Houston and Saudi. What is the quantum you have in mind. I mean, what could be a opex which may not have a commensurate business coming next year.

- Pratik Patel:** So, for Houston, we have already raised funds last year, if you are aware. So, Houston investment we are targeting between USD 4.5-5 million of which most of the fund has been secured already. In Saudi Arabia, we are talking of USD3-4 million we are not talking of huge sum. And a company which is able to do INR70-100 crore profit can easily take the risk of raising INR20-30 crores from internal accruals or from loan and execute a project. I don't think we are doing anything which is so big that it will affect the foundations of the company or it will affect the growth or financial situation of the company. We have been doing everything in an incremental manner not a big bank thing.
- Dharmendra Jain:** Majorly contributed from the internal accruals, including acquisition.
- Dilip Sahu:** I am not looking at the source of fund or I am basically looking at the operational cost not even the fixed cost.
- Pratik Patel:** See whenever a new plant is set up, the initial operation cost will always go up. But why are we setting up a new plant that is also to be thought of. If I don't put up a new plant in Houston, in this current environment of Trump administration, where they want us to make it in America then I will have to forego all the American business in future. Can I do that as a company? No. So I have to set up a plan. But if I set up a plant, the initial cost would be high, which will then taper down as the production starts coming out. And this is inevitable. So, if you have taken a decision to go this momentarily lights would come. However, when you see what type of investment we are doing or what type of operational cost will incur on these new plants. Understand one thing, Saudi will come in 2027, Houston will come in 2026. It's not going to all come together, it would be staggered, maybe six months or nine months staggered from each other, so it would give us enough breathing space to manage the operational costs. At the same time the revenue goes up. Then it is a breeze, then I have no problem at all.
- Dilip Sahu:** My last question Pratikji is, in now that it has been like two months, and I am sure you'd be getting a lot of RFPs and quoting for that, factoring in tariff and non-tariff situation both. Question is, how has been the new competitive landscape. Are you finding that you will be likely to win with tariff maybe with lower margin, or how is it absolutely no deal for us. How is it looking?
- Pratik Patel:** I have read a note on how tariff affects us and, in that note, it is written tariff affect everyone. No one is excluded. So, the competitive environment has remained the same as before, even after the tariff nothing great change has come. The problem has been the orders which were taken, where you had taken the advances where you had started the work there our clients are not willing to give us additional benefit of tariff and that is why we have to eat that chit. And so I will say that for a future business whether there is tariff or not tariff there is not going to be any big change.
- Dilip Sahu:** Fantastic, great. Thank you.



- Siddesh Chawan:** Thank you. We will take a next question from Mr. Shubham from Perpetual Capital. Please go ahead.
- Shubham:** Thank you for the opportunity. So, what I want to ask is you mentioned that in H2 we are targeting for INR530 crores kind of revenues. So, what are the things that are giving us the confidence of getting such revenues in H2.
- Pratik Patel:** If you see last five years, it has been the same pattern the Q1 is around 12-15%, Q2 is around 20%, Q3 is around 25% and last quarter is around 40-45%. It's not something new. It has been happening in this company for last 10 years and above. And in addition to that history, we already have the order booking and manufacturing clearances.
- Shubham:** I missed your remarks on the rationale behind these 2 acquisitions that we are doing. Can you please suggest why they are doing that.
- Pratik Patel:** That is already in the written given in many places. So, if you want, we can give reference to that also the rational remains the same. WesTech is because I want to go into the industrial process equipment line as well as on to help in becoming a strong process equipment Company. And for Penstock UK, is to get a base in Midlands, but that is given in written at so many times and so many places. If you go on to our frequently asked question, then also you will get that in detail. Explanation is there.
- Shubham:** Alright, that's it from my end.
- Siddesh Chawan:** Thank you. We will take a next question from Kunal from Suniti. Please go ahead.
- Kunal:** Hi, sir. My question is on the product mix going ahead. Currently, Water control is 60% screening is 15%, valves is 14% and we are seeing order execution in Mahr screens as well. And Jash is people of catering to a complete end to end product requirement for a sewer treatment plant as well. So, what is the scale strategy going ahead? Are we, showcasing Jash with a basket of products and all geographies, or is it that in India it is showcased as a mix of products and maybe in other geographies, it's maybe just gates and valves. So, what is the strategy of Jash going ahead
- Pratik Patel:** In other geography locations, we are not pushing all the products. We are pushing those products where we have very strong credentials, we have very strong experience, and where we know the chance of making a mistake is less. If you are doing export business, and if you make these losses, it hurts a lot. So, we don't want to run after business everywhere in the world. We will like to go slowly, surely so that we do not make mistakes but we able to grow slowly in all geographies. On the face. So, our initial focus is on Gate, Screens and Knife gate valves for export market.
- Kunal:** So, process equipment also since we will be having WesTech acquired.
- Pratik Patel:** We have still not acquired. We are going to acquire it, and then we have to use their strength to see how we can push process equipment in the export market.



- Kunal:** So then, what about products like the disc filters that we have. Because when I visited the plant, I saw a fully working treatment plant. Can we capitalize on that in this sewage treatment plant being announced in India.
- Pratik Patel:** We are already supplying disc filters. We have an order for 8-9 machines. So it took time, but now it has started and slowly we are penetrating the market. Our machine is one of the best, but also one of the costliest. So, by producing it in India, we have been able to lower down the cost but we do not have big machines. Our machines are smaller in size, so for big projects, we don't have the ideal machine to cater.
- Kunal:** Okay, and other is on the capex. So, what is the update on the SEZ unit five expansion.
- Pratik Patel:** I have already covered it in the presentation. It is expected to be commissioned in March April. Unit five is expansion of unit four. A new plant adjoining unit four, but it is part of unit four.
- Kunal:** Okay. And just one last question. You mentioned previously that getting labour in near the Orange plant
- Pratik Patel:** It is still difficult. It is a nightmare. It does not give me any fun working in Orange but Rodney Hunt is there for 190 years, so I will be there.
- Kunal:** But sir, why are we thinking of expanding over there. Can we think of making Houston the bigger base.
- Pratik Patel:** Because Houston I don't have that much area. When we took the land in Houston it is again one mistake made by me, I was going by this Indian principle of we can 40-45% of the land. It turns out I am not even able to use 25% of the land. So, the land which we acquired, when we made the drawings and submitted, we were able to you cannot do this and you cannot do that. So now I can make only a 70,000 square feet plant in Houston. We do not have enough space. Here we already have space and so certain products will make here, certain products will make there. And we keep our finger cross that one day, because with all this thing which Trump is talking of bringing back one day, the American people will also start show interest in working in manufacturing facilities.
- Kunal:** Okay, sir. Best of luck to the team.
- Siddesh Chawan:** Thank you. We will take a next question from Vatsal Katani. Please unmute yourself and go ahead.
- Vatsal Katani:** Hi, sir. Thank you for letting me ask a question. So, we have been seeing a lot of orders in India for STPs, WTPs and STVPTs. So, are we actively engaged in all those products and are we able to supply products to those plants. And secondly, do you see Jash Engineering coming out as a one stop water team player in the future, because there is a lot of water pollution in India.

- Pratik Patel:** See, we will never enter into projects. When I say project means doing trunky projects, it is not our core strength. We do not have the process knowledge, we never do that. We make equipments because we make equipments, we are strong on the equipment side, and we will supply equipment to any project that needs it. When you talk about various STP or ETP or WTP commission, I will assure you that if you have a project or anyone in India has a project, Jash is always present.
- Vatsal Katani:** Okay. Thank you.
- Siddesh Chawan:** Thank you. We will take a next question from Sahil Doshi from Thinqwise. Please go ahead.
- Sahil Doshi:** Thank you for the opportunity. Just in one of your comments, you mentioned in the US that the cast iron products, there's possibly a review there. So just wanted to check, what percentage of our business would possibly be impacted here, if at all.
- Pratik Patel:** So, the cast and gates, which we supply from India to America, is INR20-25 crore, maybe INR30 crores. But they sell that around INR100 crores. So, they add their own overhead, profit and everything. So that INR 25-30 crore become INR75-100 crores. So, INR100 crore out of INR350 crore is like 30% of their business is coming from that and on that if there is no tariff it would make my life very easy.
- Sahil Doshi:** Understand, and how is the competition behaving at this point of time. They are paying tariff on that or how are they.
- Pratik Patel:** Everyone is unsure of what is happening. I have put my own legal firm for investigating and everyone is doing their and the result would be same, result would be different. No one knows. So, after three months of investigation, our lawyers have come to this conclusion, now we have to go with this conclusion to the customs and try to convince them and get it done. So, yes, in the competitive environment no one has an idea of what to do, because the rules frequently change and there is no clarity.
- Sahil Doshi:** Fair enough, sir. Also, on WesTech bit, I just want to understand, if you can talk a little more on the industrial process equipment market, which would be the key geographies and what is the scope there. And second, in terms of margins here with the integration of Shivpad, what are they today and what could it actually come in with Shivpad manufacturing coming in as a synergistic benefit,
- Pratik Patel:** So, let's talk of what was not in favour of WesTech. It was owned by an American company and there were very rigid controls on growth, rigid controls on advances and bounding and so on. All those would go away with Jash over there, one. So that will allow them to grow. So they were not able to grow fast enough because of all those controls. Two they had no manufacturing facilities as such, zero. Jash has lot of manufacturing facility, but with Shivpad, we have manufacturing facility earmarked for process equipment also. And when you have your own manufacturing facility you are able to economize. You will able to go

for better quality and things like that. So, all those parameters will come in. Everywhere we have acquired, and we have followed the policies which we have in Jash, we have seen good growth, we have seen good improvement in profitability. In case of WesTech also, we are looking at significant improvement in both growth as well as profitability.

**Sahil Doshi:** Sure. Is it possible to share what would the current profitability?

**Pratik Patel:** As I said, once shareholder agreement is signed and funds are given, which is in December, we will open up average. The reason is not that I do not like open up. The reason is because this is a US firm with US Lawyer, They have lot of reservations on what I can say and what I cannot say.

**Sahil Doshi:** Sure. And just the question which I asked on the opportunity side of industrial process equipment in India and the International geographies. If you can talk a little on that as well.

**Pratik Patel:** Opportunity is INR300-400 crore a year.

**Sahil Doshi:** And anybody would be competing in the space from India.

**Pratik Patel:** Yes, there are big companies like Mexo and FLS Smith and there are INR200 crores companies.

**Sahil Doshi:** Sure sir. Thank you for that. Just a final question from my inside. So now with you, increasing your base in terms of manufacturing capabilities across geographies. What is our thought on management bandwidth and building on that because you are adding now manufacturing in UK, Saudi and maybe US also looking to strengthen. So how do we think on this from longer term.

**Pratik Patel:** At presently we see no problem. Except Orange I have no problem anywhere. In the Houston, Company is run completely independent. The American companies completely run independent with minimum intervention. I may go once or twice in a year for one week to America. The UK company is run by Bhuvanesh Pandey, who is our CEO and is sitting here. In fact, the acquisition of Penstock UK has occurred, and I have not even gone. So, I will be going once the complete acquisition takes place. So, we have independent teams everywhere. We are setting up independent team everywhere who can run the company, and we are there to give them guidance and strategy, and that's what we do.

**Sahil Doshi:** Sure, sir, thank you so much for the opportunity.

**Siddesh Chawan:** Thank you. As there are no further questions, I would request Pratik sir for closing remarks.

**Pratik Patel:** So, thank you once again for attending this what I would like to say is, as a company, I would say that we are more focused not one quarter or two quarter down the line. We are focused with a strategy which is long term, what we like to achieve in time to come. We may have some hiccups here or there based on geopolitics or situation worldwide, but we will stay firm to our course and our targets. As I said in the beginning, also multi product, multi-

location, multi geography, and strong production capability. This defines us and with this we would like to ensure that our profitability improves, because we have certain strength with not everyone else has. So, we are committed to growth as well as we are committed to have profitable growth and we are looking at maintaining PAT margins between 12-14% and EBITDA 22-25%.

Someone has asked a question, how much is capex guidance? It is given in our FAQ, in a very detailed two page. Every plant, what we are buying, etc, is given. So Mr. Amit, you can go through our FAQ, it is given in a detailed manner, every plant in India in America, acquisition what we are going to spend.

So, with this, I would like to come to an end and say we do not focus on quarter one, quarter two, we always known as our company, quarter one is bad, quarter two improves, quarter three is very good and quarter four is bumper. However, we don't even focus now on quarter, because ultimately, we are focusing on reaching certain stage in certain period of time. So, I would say in the next two or three years, our target is to become a dominant player for such products in many markets in the world and at the same time maintain a good profitability, have EBITDA between 22-25% and PAT between 10-14% that is what we are aiming at, and I am quite confident that we will be able to achieve that. Thank you.

**Siddesh Chawan:**

Thank you. Thank you everyone for joining us today. If you have any further questions, please don't hesitate to reach out to us. Thank you.

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(This transcript has been edited, without altering the content, to ensure clarity and improve readability.)