

Engineers India

14 August 2026

Operator: Welcome to the Engineers India Ltd. Q1 results for FY27. 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 and then zero on your touch-tone phone. Please note that this conference is being recorded. I now hand the conference over to Mr. Kishan Mundra from Dam Capital. Thank you, and over to you, sir.

Kishan Mundra – Dam Capital: Hi, thank you, Ananya, and very good afternoon to all of you. Thank you for joining us. Today, we have with us the entire management team of Engineers India Ltd. to discuss the Q1 FY27 results, followed by the Q&A session. From the management team, we have with us Mr. Sanjay Jindal, Director Finance; Mr. Suendu Padhi, Company Secretary; Mr. R. P. Batra, Executive Director; Mr. Vivek Meeda, Chief General Manager, Marketing and Business Development; Mr. Amanpreet Chopra, Senior General Manager; and Ms. Sneha Narula, Senior Manager. With that, I would now like to hand over the conference to the management for their opening remarks. Over to you, sir.

Sanjay Jindal – Director Finance: Thank you, Mr. Kishan. Good afternoon, everybody, and a warm welcome to all the members from the press fraternity to this investors' meet. We declared our first-quarter results for FY27 yesterday, that is, on August 13, 2026. The company's order book position stood at Rs.14,424 crores as of June 30, 2026, comprising the consultancy segment at Rs.10,498 crores and the turnkey segment at Rs.3,926 crores. Order inflow in EIL during the first quarter of FY27 stood at Rs.514 crores.

With respect to the financial performance for the quarter ended June 30, 2026, on a standalone basis, the company achieved profit before tax of Rs.145 crores compared with Rs.94 crores during the first quarter of FY26, showing an increase of approximately 55%. Further, the company also achieved profit after tax of Rs.109 crores in Q1 FY27 versus Rs.70 crores in Q1 FY26, showing an increase of approximately 55%.

Operating margin during the first quarter of FY27 stood at around 14%, that is, Rs.108 crores, compared with 7%, that is, Rs.59 crores, during the quarter ended June 2025. EBITDA of the company as of June 30, 2026, stood at Rs.155 crores, with an EBITDA margin of 18.55%, compared with EBITDA of Rs.104 crores and an EBITDA margin of 11.72% as of June 30, 2025.

Further, the company achieved a turnover of Rs.801 crores compared with Rs.857 crores achieved during the first quarter of FY26. The consultancy and engineering segment recorded a turnover of Rs.499 crores during the quarter compared with Rs.408 crores in June 2025, representing growth of approximately 22%. Notably, the consultancy and engineering segment has a higher profit margin compared with the turnkey segment.

The turnkey segment recorded a turnover of Rs.302 crores in June 2026 compared with Rs.449 crores in June 2025. The decline is primarily attributable to the tapering of certain major projects. However, the company has achieved new orders in the turnkey segment over the last few quarters. These projects are currently in the initial phase of execution and are expected to gain momentum in the coming quarters. As execution progresses, the turnkey segment turnover is expected to

Report is AI-generated and may contain inaccuracies.

Engineers India

14 August 2026

increase during the third and fourth quarters of FY27 once these projects reach the planned execution phase.

On a consolidated basis, the company earned a profit of Rs.157.94 crores for the quarter ended June 30, 2026, compared with Rs.65.4 crores earned during the first quarter of FY26. Therefore, there was an increase of around 141% in consolidated profit on a year-on-year basis. The profit of EIL's subsidiaries increased to Rs.6.88 crores in the first quarter of FY27 compared with Rs.2.69 crores in the first quarter of FY26, with an increase in margin of around 155%. The profit from joint ventures and associates contributed Rs.42.51 crores to the consolidated profit, while there was a loss of Rs.7.37 crores from the joint ventures in Q1 FY26. I now hand over to Mr. Kishan for further proceedings. Thank you.

Kishan Mundra – Dam Capital: Operator, you can begin the question-and-answer session.

Operator: Thank you very much. We will now begin the question-and-answer session. Anyone who wishes to ask a question may press star and one on their touch-tone phone. If you wish to remove yourself from the question queue, you may press star and two. Participants are requested to use handsets while asking a question. Ladies and gentlemen, we will wait for a moment while the question queue assembles.

The first question is from the line of Mohit Kumar from ICICI Securities. Please go ahead.

Mohit Kumar – ICICI Securities: Good afternoon, sir, and thank you for the opportunity. My first question is whether you can help us with the granular details of the domestic consultancy order prospect and the international order prospect, to the extent possible. Are we still confident of meeting the order inflow target of Rs.80 billion for the fiscal year? Out of Rs.80 billion, how much do you expect to be consultancy orders?

Vivek Meeda – Marketing and Business Development: Good afternoon. This is Vivek from Marketing and Business Development. With respect to the current business inflow, as of today, we have Rs.2,750 crores worth of business, of which around Rs.1,100 crores is from overseas and the rest is from the domestic segment. That is the current situation.

When we talked about Rs.8,000 crores, we said that we were going to touch upon that. We have not changed our outlook for the financial year. We are almost two quarters into the year, but we still have two quarters to gain, and many of the projects that we are discussing across the world are under discussion, as are some of the projects in India. We are therefore very hopeful that we should be able to meet the target of Rs.8,000 crores. We will, in fact, try to cross that figure.

Mohit Kumar – ICICI Securities: Out of Rs.2,750 crores, how much is consultancy as of now?

Vivek Meeda – Marketing and Business Development: The consultancy is in the range of—just a second. Out of Rs.2,750 crores, approximately Rs.1,100 crores is consultancy. Rs.1,100 crores is overseas, and the remaining amount is domestic. In the domestic segment, approximately Rs.1,500 crores is from turnkey and {? 150 ?} is from consultancy.

I am sorry. Out of Rs.2,750 crores, approximately Rs.1,100 crores is consultancy. Rs.1,100 crores is overseas, and the remaining amount is domestic. In the domestic segment, approximately Rs.1,500

Report is AI-generated and may contain inaccuracies.

Engineers India

14 August 2026

crores is from turnkey and {? 270 ?} is from consultancy.

Mohit Kumar – ICICI Securities: The second question is on the Middle East. We had qualified with Aramco to bid for consultancy projects. Can you let us know how things are progressing, and whether you expect anything material to be finalized in this fiscal year?

Vivek Meeda – Marketing and Business Development: In the Middle East, the market situation is still very grim. Nothing has stabilized. There is still not much happening on the new-project side. Some repair and modernization projects are still continuing. In that environment, we have been able to secure business worth Rs.500 crores from our Abu Dhabi office as well as from other clients in the Middle East.

With respect to Saudi Arabia, we are still waiting for some good opportunities and for business to come from there. Those opportunities are still in the nascent stages of discussion. The contact has already been established. We are waiting for certain inquiries to come. As you know, there has been a slowdown, and new inquiries are coming somewhat slowly from their side.

Mohit Kumar – ICICI Securities: Understood, sir. Thank you.

Operator: Thank you. The next question is from the line of Deep Sangvi from Dalal and Broacha Stock Broking Private Limited. Please go ahead.

Deep Sangvi – Dalal and Broacha Stock Broking Private Limited: Thank you very much for the opportunity, and congratulations on a good set of numbers. My first question was regarding the write-back or change orders. For this fiscal year, are you expecting any write-backs or change orders? If we look at the HPCL Barmer project, which was commercialized in June 2026, will the write-back for that project come in this fiscal year or the next fiscal year?

Sanjay Jindal – Director Finance: In the current quarter, no exceptional change order has been included in the turnover, and we are not expecting any write-off as such.

Deep Sangvi – Dalal and Broacha Stock Broking Private Limited: For the write-backs during the full fiscal year, are you expecting any?

Sanjay Jindal – Director Finance: Your voice is not clear. Excuse me.

Deep Sangvi – Dalal and Broacha Stock Broking Private Limited: I was asking whether you are expecting any provision write-back for the full fiscal year.

Sanjay Jindal – Director Finance: No, we are not expecting any write-back of provisions. All provisions kept for guarantees and warranties are written off as per accounting standards and upon completion of projects.

Deep Sangvi – Dalal and Broacha Stock Broking Private Limited: Since the HPCL Barmer project was commercialized in June 2026, that is why I was asking.

Sanjay Jindal – Director Finance: We also have a defect liability period. After completion of the defect liability period, all the provisions are reversed.

Report is AI-generated and may contain inaccuracies.

Engineers India

14 August 2026

Deep Sangvi – Dalal and Broacha Stock Broking Private Limited: My next question was regarding the consultancy growth rate. In Q1 FY27, the consultancy growth rate was only 2%, despite a very large order backlog. How should one assume the full-year growth rate, taking into account the large consultancy order book?

Deep Sangvi – Dalal and Broacha Stock Broking Private Limited: I am talking about the revenue growth rate for consultancy.

Sanjay Jindal – Director Finance: Regarding the revenue growth rate, we are definitely targeting growth. Last year, we had a total turnover of Rs.3,850 crores. This time, we are targeting at least 10% growth, and we are keeping a close watch on the progress of the projects. This balance can be improved in the coming quarters as well, and we are expecting more than 50% from the consultancy side.

Deep Sangvi – Dalal and Broacha Stock Broking Private Limited: More than 50%. My question was regarding the execution rate. The execution rate in consultancy has been around 30%, compared with 27% last year. How will the execution rate be? Could you throw some light on that?

Sanjay Jindal – Director Finance: Last year, our consultancy portion was 48% of the total turnover.

Deep Sangvi – Dalal and Broacha Stock Broking Private Limited: Correct.

Sanjay Jindal – Director Finance: It was not 23% or 25%.

Deep Sangvi – Dalal and Broacha Stock Broking Private Limited: I am talking about the execution rate. From the closing order book, how much of the—

Sanjay Jindal – Director Finance: Understood. The execution rate you are talking about is cyclical in nature. It depends on the stage of the project. Therefore, it varies slightly from year to year.

Deep Sangvi – Dalal and Broacha Stock Broking Private Limited: So, again, my question is—

Sanjay Jindal – Director Finance: On a total basis, the jobs shown in the order book are generally projects. Mega projects are typically completed in 4 to 5 years, and mid-range projects are completed in 2 to 3 years. Some studies, such as DFR studies and certain FEED-type or study-type projects, are completed within 6 months to 1 year. These projects are completed within a 1-year period. Basically, it depends on the job, whether it is a mega job, a mid-size job, or a small-size job.

Deep Sangvi – Dalal and Broacha Stock Broking Private Limited: At what point during the financial year is the order received? For example, if we receive a mega project toward the end of January, there will not be much execution in that financial year, so most of the execution will take place in the next financial year.

Sanjay Jindal – Director Finance: Correct, but if you calculate the percentage, that will distort the figures.

Deep Sangvi – Dalal and Broacha Stock Broking Private Limited: Correct. Understood, sir. Thank you. I will come back in the question queue.

Report is AI-generated and may contain inaccuracies.

Engineers India

14 August 2026

Operator: Thank you. The next question is from the line of Janam Jain from Dam Capital. Please go ahead.

Janam Jain – Dam Capital: Thank you for the opportunity. Given the strong consultancy order book and book-to-bill ratio, how do we see gross margins growing going forward?

Management: Are you talking about the segment profit? If you look at last year, our segment profit was 17% in the first quarter of FY26, but in the current quarter it rose to 24%. Therefore, gross margins have improved in the consultancy business. The LSTK margin has also improved and is currently 7.5% in the first quarter of the current financial year. We are confident of maintaining a 24-25% segment profit in the consultancy segment.

Janam Jain – Dam Capital: My second question is: how do we see things moving in the nuclear segment?

Management: Please repeat the question.

Janam Jain – Dam Capital: How do we see things moving in the nuclear segment?

Management: Since the government has started pushing nuclear power, a lot of impetus has come after the oil crisis and other developments. We have seen a lot of inquiries coming from the nuclear side. In fact, we are currently undertaking various environmental studies. We are doing three projects for a private interest, and we are also doing one environmental study for the government. These are the projects currently on the anvil.

There are also certain EOLs in the market. We are engaged with NPCIL for some consultancy assignments, including engineering consultancy assignments. You also know that last year we secured the SMR project from NPCIL and other clients. Nuclear is now receiving a strong push. Let us hope it progresses well.

Janam Jain – Dam Capital: My last question is regarding the revenue contribution. The consultancy order-to-revenue mix has increased to about 60%, whereas earlier it used to be around 48-45%. What sort of revenue mix are we expecting from the consultancy side going forward in FY27 or FY28?

Management: In the current financial year, we are expecting more than 50%. We are definitely expecting around 52-60% from the consultancy segment, and the balance will come from the LSTK consultancy segment.

Janam Jain – Dam Capital: Understood, sir.

Management: At least 50-55% is what we have estimated.

Janam Jain – Dam Capital: Thank you very much.

Operator: Thank you. The next question is from the line of Hardik from Lark. Please go ahead.

Hardik – Lark: Because of the Middle East conflict, have any clients put their projects on hold as of now?

Report is AI-generated and may contain inaccuracies.

Engineers India

14 August 2026

Management: No client is saying that anything has been put on hold. In fact, you will not even see that any damage has happened anywhere; these days, you do not see any such news. However, there is a problem there. New projects are not coming very quickly. New tenders and new projects are not coming very quickly.

We have received new PMC assignments under our existing long-term agreements with them. We recently received assignments worth more than 500-400 crores from the Middle East, but there is definitely an impact. Nobody is officially saying that projects have been put on hold. We are continuing to receive work from the Middle East on a routine basis.

Hardik – Lark: Are any large or mega projects on hold?

Management: That is what I wanted to understand: whether there is any existing mega project where the client is not officially saying so, but the status is currently that they do not want to proceed in the current scenario.

Management: Wherever we are working, those projects are continuing. All the existing projects are continuing; they have not stopped them. However, we have not seen much activity in new mega projects.

Hardik – Lark: What about the impact in India because of the current volatile position of the oil marketing companies and other factors? Has the Middle East war had any impact on the India business?

Management: Recently, we received orders worth over Rs.500 crores from the Middle East region itself.

Hardik – Lark: Understood.

Management: In this quarter itself. In this quarter only.

Hardik – Lark: I am asking about the India business. Overall, what impact do you see from the war on the India business?

Management: All the mega projects that we are handling are progressing, and there is no disturbance to the existing Indian projects. The capex investments of all the OMCs are also in place and are proceeding as planned.

Hardik – Lark: That is what I wanted to understand. Thank you very much, sir. That is all from my side.

Operator: Thank you. The next question is from the line of Shubham Burari from ICICI Securities. Please go ahead.

Shubham Burari – ICICI Securities: Thank you for taking my question. Could you please discuss the coal gasification opportunity in consultancy? Are you seeing an improvement in the order book pipeline in that segment?

Report is AI-generated and may contain inaccuracies.

Engineers India

14 August 2026

Management: As soon as the government revised its policy and announced that it would provide gas funding of Rs.34,000 crores, many inquiries came in with respect to preparing feasibility studies. We are bidding for those projects at this point in time. In any case, we are currently doing one coal gasification project for NPCIL and HTTC, which is for gas-to-SNG. We are also in the bidding stage for many other projects.

We will know the results of those bids in a couple of months because they are currently under negotiation and in the bidding stage. However, there are definitely more inquiries regarding coal gasification at this point.

Shubham Burari – ICICI Securities: That was all from my side. Thank you.

Operator: Thank you. The next question is from the line of Deep Sangeet from Dalal & Broacha Stock Broking Private Limited. Please go ahead. It is a follow-up question.

Deep Sangeet – Dalal & Broacha Stock Broking Private Limited: Thank you for taking my question again. My first follow-up question was regarding RFCL. Even this quarter, it had almost Rs.42 crores of revenue, which I believe was in a similar range in Q3 and Q4 as well. Can this kind of profit be considered sustainable?

Management: The RFCL project is running well, and we now expect this kind of profit on a regular basis. We are also expecting some dividend in the current financial year.

Deep Sangeet – Dalal & Broacha Stock Broking Private Limited: In the last call, you also said that there would be some smaller technical activities to be carried out in December.

Management: Those activities will be carried out during the regular shutdown period, and there will be no impact on the profitability of the project. Generally, fertilizer plants of this kind run for 330 days in the financial year. Within the 35-day or 30-day window kept for the regular shutdown period, all the activities will be carried out, so regular profitability will not be affected.

Deep Sangeet – Dalal & Broacha Stock Broking Private Limited: My next question is regarding the major projects that will be coming this year. One is BPCL Andhra, the second is IOCL Paradip, and the other is an ONGC petrochemical plant. Where do all these projects stand currently, and when could we realistically see them contributing to order inflows?

Management: The Andhra feasibility study was underway, and they are now perhaps anticipating site development activities and related work. The execution tender would probably come toward the end of this financial year. If it is successfully awarded before the end of the financial year, and depending on the competition, if we get the project, it will come within this financial year. Otherwise, it should be reflected in the first quarter of the next financial year.

Regarding ONGC, we are still not hearing anything. The feasibility study is underway and is in process, but it is going to take time.

Deep Sangeet – Dalal & Broacha Stock Broking Private Limited: What about IOCL's Paradip Phase 2?

Report is AI-generated and may contain inaccuracies.

Engineers India

14 August 2026

Management: IOCL Paradip Phase 2 is again awaiting their approval, and their management has to take a call. We have not heard anything from them either. Phase 1 is completed, and they have to decide on Phase 2 because, as we understand it, there were certain land issues that they are trying to resolve. Once that is settled, the Phase 2 project will start.

Deep Sangeet – Dalal & Broacha Stock Broking Private Limited: Even without all these projects, if they do not contribute to order inflow, will we still reach the Rs.8,000 crore mark? Are you confident of that?

Management: We are targeting a number of projects, not only those projects. We do not focus only on these two projects. We continue to discuss many other projects that we cannot disclose at this point, so you can expect something to emerge from there.

Deep Sangeet – Dalal & Broacha Stock Broking Private Limited: If possible, could you also talk about the pipeline and throw some light on it?

Management: Are you asking about the pipeline?

Deep Sangeet – Dalal & Broacha Stock Broking Private Limited: Yes, the projects you are targeting.

Management: Are you asking about the project pipeline or the order pipeline?

Deep Sangeet – Dalal & Broacha Stock Broking Private Limited: Yes, sir, the order pipeline. What kind of projects are you targeting?

Management: We are focusing on hydrocarbons, which are definitely there. Primarily, the petrochemical projects that are going to come are part of that focus. We are also focusing on nuclear. I mentioned in the earlier question that there are a lot of nuclear inquiries coming into the market. We are already carrying out EIA and environmental impact assessment studies.

We are also moving toward coal gasification. There are a lot of coal gasification inquiries, even though they are at a very nascent stage. Infrastructure is a very good segment for us. We have just received a major assignment for a data center from PowerTel. We are targeting similar projects apart from hydrocarbons as well. Therefore, we have a lot of opportunities in this segment.

Deep Sangeet – Dalal & Broacha Stock Broking Private Limited: Regarding infrastructure, are most infrastructure projects primarily LSTK jobs?

Management: It is a mix. In some cases, we receive project management services assignments; in some cases, we receive assignments on an OBE basis; and in some cases, we work on the depository mode. It is always a mix.

Over the last couple of years, more of the major projects have been coming on an LSTK, OBE, or depository basis. There are PMC assignments as well, but those are smaller in size.

Deep Sangeet – Dalal & Broacha Stock Broking Private Limited: Smaller ones. Thank you very much.

Report is AI-generated and may contain inaccuracies.

Engineers India

14 August 2026

Operator: Thank you. The next question is from the line of Jayesh Gandhi from Harshad Gandhi Securities. Please go ahead.

Jayesh Gandhi – Harshad Gandhi Securities: Congratulations on a good set of numbers. I have a couple of questions. I want to understand the progress on the Dangote orders in Nigeria. If I am not mistaken, revenue recognition there will be on the percentage-of-completion method, correct?

Management: Yes, it will be based on the cost progress percentage.

Jayesh Gandhi – Harshad Gandhi Securities: The project is for 3 to 4 years. Will revenue recognition be front-loaded or back-loaded? Could you provide some perspective on that?

Management: It is neither front-loaded nor back-loaded. Turnover will be recognized based on the cost progress achieved during the quarter. If the cost progress is 10%, turnover will be 10% of the contract value. If the cost progress is 20%, turnover will be 20% of the contract value on a cumulative basis. This is the method by which turnover will be booked over the 4-year period.

Jayesh Gandhi – Harshad Gandhi Securities: Understood. Do we see any opportunity in deep-water drilling, specifically the project that the government recently announced?

Management: We are not involved in the drilling part of it. We are involved in the offshore segment when the oil has been extracted and is being processed. We are not involved in deep drilling, deep-water drilling, or related activities.

Jayesh Gandhi – Harshad Gandhi Securities: Since the current order mix is more tilted toward consultancy, do you think this will be the management's strategy—to keep consultancy's share higher—or will we simply take whatever orders come in, without any specific strategy?

Management: It is essentially the company's strategy to keep the consultancy business on the higher side, since we have strong margins in the consultancy segment. Therefore, management is always making efforts to secure as much consultancy business as possible.

Jayesh Gandhi – Harshad Gandhi Securities: Understood, sir. Thank you for answering my questions. Good luck for the future.

Management: Thank you.

Operator: Thank you. The next question is from the line of Kunal Bhatia from LKP. Please go ahead.

Kunal Bhatia – LKP: Thank you very much for the opportunity, and congratulations on a good set of numbers. I have one or two clarifications. In the case of consultancy, you mentioned that the growth target for the year is approximately 10% or 8%. However, looking at our first-quarter run rate, we could do approximately {? 2,000 odd crores ?} on a full-year basis. That would actually represent a higher growth rate than what you have been discussing.

I wanted to get a sense of this. Even if we consider the {? 10,000 crore ?} order book that we have in consultancy and assume 20% execution during the current year, we would be at around {? 2,000 odd crores ?} of total consultancy revenue. Is that the right number, or directionally the right number, to work with? I wanted to get your thoughts on that.

Report is AI-generated and may contain inaccuracies.

Engineers India

14 August 2026

Management: We have already given a target of more than 10% growth in total turnover, which would take total turnover to around {? 4,200 crore ?}. We are expecting more than 50% of turnover from the consultancy segment, as I have already said. It may be around 55% as well. Therefore, our consultancy segment turnover will definitely be more than {? 2,000 crore ?}. It will be around {? 2,300 and 2,400 crore ?}. You are on the right path.

Kunal Bhatia – LKP: Does that mean consultancy could have higher growth than 10%?

Management: Definitely. Consultancy growth will be higher.

Kunal Bhatia – LKP: You also discussed coal gasification as a new segment opening up. From our previous analyst call, we understand that a coal gasification order could typically be anywhere close to {? 10,000 to 30,000 crores ?} in terms of the overall order size. What percentage of that could EIL receive through consultancy, turnkey, or any other type of order?

Management: It depends on the kind of service we are going to offer. Many of these coal gasification projects are currently at the feasibility stage. The companies are submitting studies to obtain VGF funding from the government, and toward the end of that process they will probably finalize the investment.

The typical consultancy opportunity for us remains in the same range as what we receive from any hydrocarbon project. It does not matter to us whether the project is hydrocarbon-related or not. We target the same kind of business from them, whether it is in PMC mode or EPC mode. The mode of execution of the project remains the same.

Kunal Bhatia – LKP: Our average is probably around 3–5%, so could one work approximately with that?

Management: You can estimate from past performance. What we have seen in the past in consultancy has remained almost the same.

Kunal Bhatia – LKP: Do we maintain the {? 5,000 crore ?} revenue target for FY28, or would we increase it?

Management: We are still maintaining that target, and we will definitely try to improve it.

Kunal Bhatia – LKP: You gave some indication of the business areas, such as hydrocarbons, nuclear, environmental services, and coal gasification. If one wants to understand the pipeline in terms of the bids currently under consideration, what would be the approximate ballpark number?

Management: All these projects are multimillion-dollar and multicore projects. Therefore, it is very difficult to say how much we are going to bid for in each segment. We want to bid for everything we can, because when you bid for 10 projects, you may get 1 or 2. It all depends on the competition in each segment. It is therefore very difficult to state the total value of the business for which we will be bidding.

Kunal Bhatia – LKP: In terms of competition, would the competitive intensity for us be quite low compared with other industries? With that in mind, what success ratio could we work with?

Report is AI-generated and may contain inaccuracies.

Engineers India

14 August 2026

Management: Who says that competitive intensity is low? Competition is very high in all the segments in which we operate. All the assignments we receive are mostly awarded on a competitive basis, including in the public sector. There are other consultants in these segments, and we have been able to win assignments from them through competition.

Kunal Bhatia – LKP: Understood. Thank you, sir.

Operator: Thank you. The next question is from the line of Amit Anwani from PL Capital. Please go ahead.

Amit Anwani – PL Capital: Good afternoon, sir. Thank you for the opportunity.

Management: Good afternoon.

Amit Anwani – PL Capital: My first question is on the Aramco agreement that you discussed last time. Is there any development on that front? Second, because of the Middle East situation, you probably have {? 12-15% ?} exposure there. You were cautious in the last quarter in terms of guidance, whereas this time you have suggested that the guidance could be upgraded.

Since the war is still continuing, what are your thoughts on that? As a company, are we on track, or are there still concerns regarding execution? The first question was on the Aramco agreement.

Management: On the Aramco side, we are still waiting to receive something from them. We are still in the initial stages. We have not received any major inquiries from them because, as I told you, many projects have slowed down. There is a slowdown in new projects, which we are seeing. If activity starts, it will result in inquiries from that side.

With respect to the general guidance about the Middle East, the situation there is somewhat grim, but our teams are already stationed there. Our full-fledged team in Abu Dhabi is still there. We have already indicated that we received business worth {? 500 crore ?} from the Middle East in the first quarter itself. At the same time, there is caution because there are fewer new projects. However, we continue to target projects and have been successful in doing so.

Amit Anwani – PL Capital: You have highlighted that consultancy revenue contribution can be more than 50%, probably 55%, and that is the segment where we earn very good margins. Can we assume that, whereas last time you indicated that the operating margin including other income could reach 18-19%, this number could now be revised to 20-21% including other income because consulting will have a higher contribution? What are your thoughts?

Management: Last year, our operating margin was 16%. We will definitely try to achieve that target in the current financial year as well, as we have already mentioned.

Amit Anwani – PL Capital: Can it be better because you are now guiding to a higher consultancy contribution?

Management: Yes, definitely. We are also finalizing some change orders with our clients. If those are materialized, our operating margin may be higher, even higher than the previous year's figure.

Report is AI-generated and may contain inaccuracies.

Engineers India

14 August 2026

Amit Anwani – PL Capital: I think you indicated somewhere that it could be 18–19%. Is that the guidance for this year?

Management: No, sir. This year, we are targeting an operating margin of 16%, which we also achieved last year. There may be a possibility that, if we settle the change orders with our clients, we may achieve more. However, since it is the first quarter of the financial year, we are currently maintaining the figure of 16% operating margin.

Amit Anwani – PL Capital: On order intake, you explained that you are still maintaining the Rs.8,000 crore target. Does that mean that the lumpy orders have been delayed or that you have seen execution delays? What is the year-to-date order inflow, in case I missed it? For the remainder of the year, what orders are we looking for conversion? Will they be more exports, consultancy, or turnkey orders?

Management: They could mainly be consultancy or overseas orders, and they could be weighted more toward consultancy and overseas business. Let us see how it progresses.

Amit Anwani – PL Capital: So, probably a lumpy order?

Management: We will see how it progresses. A number of things are going on. Regarding year-to-date order inflow, as we told you, we are already at {? 2,750 ?} at this point in time.

Amit Anwani – PL Capital: Understood. Thank you, sir. All the best.

Management: Thank you.

Operator: Thank you very much. The next question is from the line of {? Suraj ?} from {? Simple ?}. Please go ahead.

Suraj – Simple: Thank you for the opportunity. I have a few questions. When we talk about the new non-oil and gas initiatives, can you provide some perspective on what our right to win is in these areas? In oil and gas, we have a sizeable quantum of credentials built over the years. However, when it comes to non-oil and gas segments, particularly nuclear, coal gasification, or other segments, what is our right to win, and what is the value proposition we communicate to customers?

What initiatives or steps have we been taking to build capabilities or skill sets in these new areas?

Management: With respect to hydrocarbons, we are not saying that we are leaving hydrocarbons. We are going beyond hydrocarbons. Hydrocarbons will always remain our core business. However, there is always a time lag when projects are not available. As of now in this financial year, the major projects are still in their initial stages. Therefore, we have to target businesses outside hydrocarbons as well.

That is why we are focusing on the other segments that we explained earlier. You already know that infrastructure is one of the major parts of our business today. In this financial year itself, around 45% of business inflow has come from infrastructure.

With respect to nuclear and other areas such as coal gasification, we have the skills available within the company to handle these projects. We have people who have worked in the nuclear segment.

Report is AI-generated and may contain inaccuracies.

Engineers India

14 August 2026

We also have people who have worked in hydrocarbons. Hydrocarbons and coal gasification do not differ significantly because they use the same skill sets and similar technology. The technology is slightly different, but the skill sets required to handle this type of work are available.

We have been involved in coal gasification for quite some time, for many years in this segment. However, there were not many projects; only smaller projects were available. We have also been carrying out some R&D work in-house in this area, so there is no shortage of skills.

We continuously upgrade the skills of our people. We send them for training in relevant areas where they need to strengthen their skills in the new areas in which we are entering. We are also open to recruiting people at the mid-level wherever specialization is required. We adopt all these strategies to develop skill sets within the company.

Suraj – Simple: We have a strong track record in infrastructure. However, one needs to understand what kind of margins we earn outside hydrocarbons. We are entering new segments, and customers already have established vendors competing with strong execution track records, whereas we are just starting out in these areas.

In that context, what is the basis for our communication and value proposition to customers? Internally, what safeguards do we have in place to ensure that we achieve our internal profitability or return targets?

Management: Whenever you enter a new segment, you use your existing capabilities to emphasize your strengths to clients. We are a 60-year-old company and have handled all kinds of complex projects. If you talk about infrastructure, it is not a very complex project. We have the skill sets required for project management across different areas, and we have completed many infrastructure projects. Therefore, nobody questions EIL's capability in those segments.

In fact, we are very selective in infrastructure. We enter only specific segments. We do not undertake regular building construction or any kind of road construction. We focus on specific areas such as data centers, research and development facilities for clients, projects related to the IIMs and IITs, and the construction of their buildings. We also undertake convention centers, where we have the required skill sets.

Many of these projects are also from oil and gas companies. For example, we have been associated with ONGC in the development of a convention center. We are also engaged with NTPC for the development of its townships. Therefore, we are targeting clients in the hydrocarbons segment as well as clients outside that segment who need infrastructure support and understand our capabilities. There is no shortage of opportunities on that front.

Regarding new segments such as coal gasification, we have trained people with us. There is no other company like EIL in the hydrocarbons segment with comparable capabilities, because the hydrocarbons segment is much more complex than coal gasification or some other segments.

Nuclear is a new area in which we are developing our skills. We are gradually entering areas focused on the balance of plant. Balance of plant is non-core nuclear work, which is almost similar to what we do in hydrocarbons. Those skills are available, and the clients understand that we can execute

Report is AI-generated and may contain inaccuracies.

Engineers India

14 August 2026

the work. That is how we receive assignments.

Suraj – Simple: I have one follow-up on this. If we look at our journey in the fertilizer space, particularly in India, to build strong credentials, we also co-invested in the project. When it comes to new segments, particularly coal gasification or clean energy, such as green hydrogen, green ammonia, or nuclear projects, would we also co-invest in those projects to build credentials, or would the approach remain focused mainly on execution without participating financially?

Management: It is not necessarily like that. It depends on the opportunity and the profitability that is established in that segment. In fertilizers, we had experience and had already implemented projects. In the non-core area, you can see that we are setting up a CBG plant where we are investing our own money to establish the plant.

We are also making non-hydrocarbon investments. However, as a public sector company, we have to take guidance and work under guidance, based on the funds available with us. Those decisions and a number of proposals are always under consideration.

We will see what fits best, where the project is of interest to us, and where we can apply our capabilities. In the fertilizer business, we applied our capability and became a partner in that asset. If a similar opportunity comes, we are open to considering it.

Suraj – Simple: I have 2 or 3 more questions. May I ask them?

Management: Yes, please go ahead.

Suraj – Simple: In the domestic market, the new urea policy has also recently been rolled out by the government. In that context, there are multiple sectors outside core hydrocarbons in which we can participate. Where will the larger focus of management lie? Will it be more on consultancy or LSTK projects?

There appears to be a substantial amount of inquiry and opportunity available to us. Please correct me if I am wrong, but given that we have only a limited base of skilled manpower to deploy, how are we approaching project selection or segment selection?

Management: We have extensive manpower available with us. In addition, we recruit people from outside and take support from specialized agencies for non-critical work. Therefore, manpower is not a constraint for us.

With respect to undertaking EPC or LSTK projects, we choose based on the type of project and where the risk can be minimized. We try to choose that kind of segment. Most of the EPC projects we undertake are on an OBE basis, meaning Open Book Estimate basis. That is our preferred approach, and most of the contracts we have entered into in the EPC segment are on an OBE basis.

If we receive an opportunity on an OBE basis, or in an area where we have the required skills and know that our dependence on other execution agencies will be minimal, we also bid for the EPC work. It is a matter of choice based on the type of project and the skill sets available within the company.

Report is AI-generated and may contain inaccuracies.

Engineers India

14 August 2026

Suraj – Simple: Do you think this is a problem where there are many inquiries or the pipeline is very strong across both the existing core and non-core segments, based on what you are seeing currently?

Management: There are inquiries in both the core and non-core segments. That is how we are receiving business.

Suraj – Simple: Can this annual flow of orders worth Rs.8,000 crores be sustained for the next few years?

Management: Yes. That is what we are working toward.

Suraj – Simple: My last 2 questions are on the investment book. We invested in the fertilizer project, and there is another investment as well. Are there any thoughts regarding monetization, since those investments have served their purpose of building credentials? How do you view them going forward?

Management: These investments were not made only for the purpose of building credentials. They are also investments, and we are receiving returns from them. We are receiving dividends from NRL, and in due course we will receive good dividends from RFCL once the plant starts operating at the required capacity levels.

This is an investment for us. It was not only for PTR. We did not need PTR to enter the fertilizer business; we already had PTR in the fertilizer business. We also have extensive PTR with NRL. These are strategic investments. At this point, I do not think we are considering monetization.

Suraj – Simple: Given the cash position, the cash balance will continue to build. Outside these investments, we have sizable surplus cash, and given the nature of the business, it will only increase further. Is there any concrete thinking around sharing this cash with shareholders?

Management: We do have cash reserves, but certain other investment plans are also under consideration by management. Whenever these plans are finalized, we will definitely inform you. As of now, there is no plan to distribute the entire reserves to shareholders. We are already giving a good dividend to our shareholders. It is in the range of 100% in the current financial year.

Suraj – Simple: That is appreciated. However, given the nature of the business, the cash will continue to build. As minority shareholders, we would also prefer that, instead of making investments elsewhere, the company consider opportunities for investment—

Management: We are definitely fulfilling the expectations of our minority shareholders through dividends.

Suraj – Simple: My last question is on the overseas order book. Traditionally, we have had very little penetration in the Middle East. We have been making efforts to penetrate further and become empanelled with most global players. Could you elaborate on the initiatives we have been taking, where we are in that journey, and how you see this scaling up over the next 3-5 years?

Report is AI-generated and may contain inaccuracies.

Engineers India

14 August 2026

Management: You must have seen that over the last few years we have grown in the international market, specifically in the Middle East. We have already disclosed how much business we have received from the Middle East, particularly Abu Dhabi, over the last few years. We have grown from Rs.30 crores to {? 2,000 crore ?} in 3-4 years itself.

You can understand the scale of our business initiatives. We have entered into a number of framework agreements with clients. We are no longer struggling to obtain business; we have already signed those agreements and signed mega projects and mega contracts. Therefore, we are on a good and progressive path.

If the Hormuz situation had not occurred, the business scenario would have been different. Everyone knows what is happening there.

Suraj - Simple: Are we now empanelled and approved with all the major NOC players?

Management: Yes. We are empanelled with all the consultants and all the major national oil companies.

Suraj - Simple: Is the discussion on projects then more based on pricing, or is there still a significant amount of hard selling required in terms of demonstrating capabilities?

Management: When you are empanelled, you do not have to hard-sell. It is a matter of competition. Even empanelment is based on competition. There may be 5-10 parties, and there will be competition. That is true everywhere, whether in India or outside India. It is a competitive world.

Suraj - Simple: Understood. Thank you very much.

Operator: Thank you very much. That was the last question for today. I now hand the conference over to the management for closing remarks.

Management: Thank you, everyone. Thank you very much for your participation. Let us hope the current financial year will be much more profitable and better than the last financial year. All the efforts of our company are directed toward this objective. Jitendra sir, would you like to say something?

Jitendra: No, that is it. Thank you.

Operator: On behalf of DAM Capital, that concludes this conference. Thank you for joining us. You may now disconnect your lines. Thank you.

Note: {? ... ?} indicates a figure or name where audio clarity was insufficient for confident transcription. Verify against the source audio or the company's published filings.

Report is AI-generated and may contain inaccuracies.