# Welspun Special.Soln



**Operator:** Good day and welcome to the Welspun Specialty Solutions Ltd. Q2 FY27 earnings conference call hosted by 361 Capital Market. 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 this conference call, please signal the operator by pressing star and zero on your touchtone phone. Please note that this conference is being recorded. I now hand the conference over to Mr. Anand Darshan from 361 Capital. Thank you, and over to you, sir.

**Anand Darshan – 361 Capital:** Hello. Thank you, Eldritch, and a warm welcome to everyone on this call. On behalf of 361 Capital, I would like to thank the Welspun Specialty Solutions Ltd. team for giving us the opportunity to host this call. Without taking much time, I would now like to invite Mr. Gautam to introduce the management team. Over to you, Gautam.

**Management {? Gautam ?}:** Thank you, Anand, and good evening, everyone. On behalf of Welspun Specialty Solutions Ltd., I welcome all of you to the company's Q2 and H1 FY27 results call. Along with me, we have Mr. Anuj Burakia, Chief Executive Officer and Whole-time Director; Mr. Naveen Agrawal, Chief Financial Officer; and Mr. Harsh Lungta, Group Head, Investor Relations for Welspun World.

I hope you have had a chance to review the investor presentation that was filed with the exchanges. The presentation is also available on our company's website. During today's discussion, we may be making references to this presentation. I request all of you to please refer to the safe harbor statement mentioned in our presentation.

We will start the forum with the opening remarks by Mr. Burakia, and then we will open the floor for the Q&A. Now let me hand over the floor to Mr. Burakia. Over to you, sir.

**Anuj Burakia – CEO & Whole-time Director:** Thank you, Gautam. Good evening, everyone. A warm welcome to the Q2 and H1 FY27 earnings conference call of Welspun Specialty Solutions Ltd. Thank you for joining us today. I will start with a short overview of the global and Indian macroeconomic environment. I will then cover the industry landscape and our company's performance for the quarter and the half year. After that, we will open the floor for your questions.

The IMF World Economic Outlook released in October 2026 projects global growth of 3.1% in 2026 and 3.4% in 2027, compared with 3.5% in 2025. The 2026 estimate is slightly higher than the earlier forecast of 3%. The IMF describes the global economy as resilient but under strain. The conflict in the Middle East is keeping energy prices high and disrupting key shipping routes, which has pushed global inflation up. Strong investment in artificial intelligence and technology is supporting activity, but the gains are limited to a few economies. Growth is uneven, and energy-importing countries are under the most pressure. Overall, the global outlook remains highly uncertain, and business sentiment is cautious.

India is still the fastest-growing major economy. The IMF has raised India's growth forecast for this financial year to 7%. In its October policy, the Reserve Bank of India also raised its FY27 GDP growth projection to 7.1%, supported by strong private consumption and investment. Food and fuel prices are rising, so the RBI increased its inflation projection to 5.2% and raised the repo rate by 25 basis

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points to 5.5%.

Against this backdrop, the export business faced a tougher operating environment during the quarter. High energy prices and disrupted sea routes drove freight costs up sharply, and this pushed up raw material and scrap prices. Because these cost increases came over a shorter period of time, they could be passed on only partially through selling prices, which put pressure on our margins. Trade barriers also tightened. For the first time, the average safeguard duty on stainless steel bars exported from India to Europe went above 20%, up from a maximum of under 10% before. This has further weakened sentiment in one of our most important markets and put pressure on finished product prices.

Weak sentiment, together with delays in finalizing contracts and delivery schedules, hurt our tube sales volume in Q2. Even so, our bar business performed well. Bar sales volume in Q2 grew by about 20% year-on-year, driven mainly by our growing market penetration. In tubes, our closing order book is about 4 months of volume, with most deliveries scheduled across Q3 and Q4 of this financial year. A good share of it is heat exchanger tubes. These are value-added products, but they take longer to manufacture and deliver. Our team is working closely with our customers to meet spot delivery needs and reach our target sales volume.

Our tube bid book is healthy at about 10 months of volume or more, and most of these projects are due to be finalized this quarter or the next. Given the balance between consumption and capacity, we are confident that export markets will improve significantly and open up more value-added opportunities as conditions gradually stabilize.

The domestic market continues to offer strong growth, with some short-term gaps in demand. As India's only integrated manufacturer of extruded stainless steel pipes and tubes, we are well placed to supply complex, value-added products for oil and gas, petrochemical, thermal and nuclear power, defense, and other sectors.

Now to our performance for the quarter and half year. Total income for Q2 was 242 crores on sales volume of about 8,800 metric tons. For the first half of FY27, total income was 440 crores on sales volume of about 15,000 tons. Reported EBITDA was about 4 crores for Q2 and 19 crores for the first half of FY27. Cash PAT was 1 crore for Q2 and 10 crores for the first half of FY27.

We continue to widen our product range and grow our customer base. New products included vacuum-degassed stainless steel forging ingots and heavy-wall T91 tubes. We added 24 new customers during the first half of FY27. I am pleased to share that ADNOC, the Abu Dhabi oil and gas major, has approved our pipe product, and we expect approval for tubes very soon. Our SIRIM certification for the Malaysian market is also in progress, with the audit scheduled for November. These certifications and more like them will create more opportunities for our tubular business going forward.

During the period, our team won orders for several specialized products. These include long-length tubes of up to 24 meters, moderator heat exchanger tubes for nuclear power, and duplex finned tubes, among others. These orders show our growing technical capability in high-value applications. We have also delivered our first validation order for CGD instrumentation tubing. We are now pursuing commercial orders and more OEM approvals in this segment.

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We expect the near term to remain challenging because of high energy and freight costs, trade barriers, and cautious customer sentiment. At the same time, several aspects encourage us: a healthy bid book, steady customer engagement, strong domestic market prospects, and our progress on product and customer approvals.

Our priorities for the coming quarters are to convert our bid pipeline into firm orders, raise volumes and capacity utilization, and maintain a sharp focus on cost optimization and working capital discipline. We are confident that, despite the current environment, WSSL will improve its performance and meet our stakeholders' expectations.

Over the medium to long term, global supply chain diversification and India's growing role as a preferred manufacturing destination will open up significant opportunities. We believe Welspun Specialty Solutions Ltd. is well positioned to benefit from these trends.

Sustainability remains a key business priority. We continue to increase the share of renewable energy in our operations and to reduce our emissions intensity through better operating efficiency. We expect renewable energy to make up up to two-thirds, that is, about 67%, of our total energy use in FY27, up from 58% in FY26. With that, I would like to open the floor for questions. Thank you.

**Operator:** Thank you. We will now begin with the question-and-answer session. Anyone who wishes to ask a question may press star and one on their touchtone telephone. 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 comes from the line of Jash Burj with Jash Burj Investments. Please go ahead.

**Jash Burj – Jash Burj Investments:** Hello. Am I audible?

**Operator:** Yes, you are.

**Jash Burj – Jash Burj Investments:** Hi, Anuj sir.

**Anuj Burakia – CEO & Whole-time Director:** Hello. Welcome.

**Jash Burj – Jash Burj Investments:** I had a question on the ADNOC approval for pipes. Regarding the qualification for tubes, how soon do we expect this to happen for the tubes as well?

**Anuj Burakia – CEO & Whole-time Director:** Mr. Jash, these applications were all made in parallel, and the evaluation is also being done in parallel. We do not have access to their internal systems, but we believe that, since the pipe approval has been released, the tube approval should be released anytime soon.

**Jash Burj – Jash Burj Investments:** Okay, great. Could you please walk me through the FY27 and FY28 capital allocation framework that we have thought about internally?

**Anuj Burakia – CEO & Whole-time Director:** On capital allocation, if we are talking about capital investments, I can say that, except for some maintenance capex, which I would say is not a significant amount, we have no plans to make any capital expenditure during FY27 and FY28,

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unless a very specific opportunity comes our way for a specific project that entails some kind of investment.

In general, we do not have plans for any significant capex.

**Jash Burj – Jash Burj Investments:** Okay, all right. How does the management view the internal domestic pricing cannibalization that has happened for our products? Are we seeing a lot of competition in this?

**Anuj Burakia – CEO & Whole-time Director:** I will put it very simply: it is always a mismatch between demand and supply that causes trouble. What has happened at this point in time is that this is an overall healthy segment and a healthy industry. Incidentally, given the situation outside, demand has dried up, or demand is coming even in India in pockets.

Sometimes you have a good RFQ load, and sometimes it just dries up for periods in between. That has, in a way, created a little bit of oversupply, or desperate selling, in pockets. However, I believe this is not going to be a permanent situation. With a little improvement in the environment, we are sure that we will see this trend discontinue.

**Jash Burj – Jash Burj Investments:** Okay, all right. Thank you so much. I will get back in the line.

**Anuj Burakia – CEO & Whole-time Director:** Thank you. Thank you, Mr. Jash.

**Operator:** A reminder to all participants: you may press star and one to ask a question.

The next question comes from the line of Shaurya Shah with Equirus Securities. Please go ahead.

**Shaurya Shah – Equirus Securities:** Thank you for taking my question. My first question is regarding the tariffs and import duties from Europe. What portion of historical export revenue would be directly impacted by this? A related question is whether we are internally considering any mitigation measures or any turnaround plans to get through this challenge.

**Anuj Burakia – CEO & Whole-time Director:** Good question, Mr. Shaurya. First of all, let me put it this way: this challenge is not new. It has been there for a long time, and the only thing is that it has been intensifying. As I would have also discussed in previous interactions, for a long time—probably more than 3-4 quarters—as part of Welspun Specialty's strategy, we had already started to divert ourselves more toward non-EU markets like India and elsewhere.

What has happened in the interim is that whatever exports were still going into the EU, which were highly competitive, have also come under tremendous strain with the recent increase in duty and reduction in safeguard quotas. Whatever quantity was going into the EU market is now also going to choke our market, so that is how it is creating a strain in some way.

However, this is true of the general sentiment. As far as we are specifically concerned, the products that we are selling, and the extent to which they are different from these general commodities, will give us an edge. We are not going to be completely impacted. From a sentiment standpoint, however, especially now when demand is weak, this is creating price pressure.

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**Shaurya Shah – Equirus Securities:** Understood. Regarding the ADNOC approval, I wanted to understand more about this. What would be the use case for the specific pipes for which we received approval from ADNOC? This will specifically be for oil and gas applications, correct?

**Anuj Burakia – CEO & Whole-time Director:** ADNOC is a major company and is in the oil and gas business. Like any other major oil and gas company, approvals are generally required if any company wants to supply anything directly or indirectly into its ecosystem.

Our approvals are mainly targeted at supplying tubes and pipes to fabricators who are fabricating equipment for ADNOC, for example. Fabricators in India, Europe, or elsewhere receive orders from oil and gas majors to manufacture heat exchangers, condensers, or other kinds of equipment for them. For this, they can utilize tubes or pipes only from approved sources.

**Shaurya Shah – Equirus Securities:** Understood. This might also help us reduce our exposure to Europe, correct? It is not just Venus Pipes and Specialty; I have heard of many other companies that are starting to receive approvals from companies such as Aramco and ADNOC. I think that will also help us mitigate our exposure to Europe, correct?

**Anuj Burakia – CEO & Whole-time Director:** Yes, in a way. This trend is emerging because India is now being viewed as a preferred partner for trade. Earlier, more business used to go to markets outside India for fabrication or fabricated equipment. Now we can see that more and more Indian fabricators are picking up business from these oil and gas majors, thereby creating better or higher demand within the country.

**Shaurya Shah – Equirus Securities:** Got it. Those are the questions from my side. Thank you very much.

**Anuj Burakia – CEO & Whole-time Director:** Thank you.

**Operator:** Participants, please press star and one to ask a question. The next question comes from the line of Parth Bavsar with Investec India. Please go ahead.

**Parth Bavsar – Investec India:** Thank you for the opportunity. My first question is on Q2, especially the piping segment. Can you throw some light on why the piping volumes saw such a significant decline? Was it a conscious decision that we did not want to sell our pipes at negative margins? Was it pricing pressure? Could you throw some light on the piping segment?

**Management:** Parth, I spoke about this in good detail in my opening remarks. However, honestly speaking, it is not that we chose not to pursue volume or to accept low margins. The fact remains that there had been pressure on order booking and demand.

While orders were coming in, the nature and composition of the order book were such that deliveries had to happen in a scattered manner over the next couple of quarters. As we speak, we have a 4-month order book, and it is scattered. At the same time, the bid book is also equivalent to 10 months.

In a nutshell, I can say that Q2 turned out to be a quarter that received the maximum effect. Things should start improving from here, and we will see good progress coming our way during this quarter

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and the next.

**Parth Bavsar – Investec India:** When we say that, should one expect your average numbers in Q3 and Q4 to come back to perhaps above 1.3 KMT for piping, which was our last 4-quarter average?

**Management:** I would say yes. I have that confidence, Parth.

**Parth Bavsar – Investec India:** Perfect. My last question is to get a sense of the demand undercurrents in 3 or 4 regions. If you had to rank India, the Middle East, and Europe, how would you rank these 3 places depending on their demand undercurrents?

**Management:** As far as our product is concerned, the stainless steel industry is very large, and the metal industry is even larger. I would not include those broader industries. I would restrict myself to the specific relevant bars and seamless pipes and tubes.

Europe is one large consumer. At the same time, when a smaller percentage of demand dries up in Europe, it creates more impact on the overall market than a higher percentage of demand drying up in India.

Currently, demand is definitely slow in every region. However, because of India's current growth trajectory, there is demand in India, but with some short dry spells, as we should put it. I think we are very optimistic and very bullish on Indian demand if we look at the next 3-5 years, rather than just 1 or 2 quarters. Therefore, we are very focused on the Indian market.

At some point, Europe will bounce back. For the last 2-2.5 years, Europe has been slowing down on an overall basis. This is also compelling the industry there to lobby for trade restrictions on imports. In the end, if we look at the overall demand and capacity dynamics, the markets will open up at some point.

The near future looks challenging in that sense, but in the end, the markets will definitely open up. For our business, we would therefore be very bullish and rely on our own domestic Indian market for a larger share. At the same time, we will continue to sell into Europe, the Middle East, and other markets, and keep watch for the right time to increase our exposure.

**Parth Bavsar – Investec India:** Perfect. I understand. Thank you so much for answering my questions.

**Management:** Thank you, Parth.

**Operator:** A reminder to all participants: you may press star and one to ask a question. The next question comes from the line of Anand Darshan with 361 Capital. Please go ahead.

**Anand Darshan – 361 Capital:** Hello, sir.

**Management:** Hello, Mr. Anand.

**Anand Darshan – 361 Capital:** Can you speak about the export business opportunities we have in the European and Southeast Asian markets? What is our right to win there, and do we need a technology partner to scale the business in those markets?

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**Management:** If I look at what we were doing 3 years ago, more than 50-60% of our sales were going into exports. Of the exports, more than 90% were going into the European markets. This means that, as far as the product and its acceptability are concerned, that is not a factor affecting our sales prospects there.

The real effect started to emerge when the US decided to impose a 50% duty on every other country that was selling into the USA. When that happened, the biggest impact was that European stainless steel manufacturers, which were selling a large portion of their production into the United States, suddenly found themselves with a significantly smaller market. With a 50% duty, it was nearly impossible to continue selling into that market.

As a result, the availability of material in the EU domestic market increased. Two things happened. First, increased availability meant that prices in the EU started to come under pressure. Second, the industry there represented its concerns to the government and asked for protection for that industry in the wake of the US duties.

This created a kind of total blockage, or a significant restriction, in the erstwhile supply chain, in which Indian companies and companies from other countries were selling into the European and US markets. Europeans were selling into the US market, while the US was exporting very little. This is how the entire system was operating, and that system became choked.

The effect we are seeing is that, in India, we are fortunate that the Indian market is growing and our products are such that we are able to tap that opportunity. The reduction in exports has definitely affected us, but not as much as it would have if the Indian market had not performed well.

In the near term, as I said earlier, exports are going to be a challenge—not because of technical capability, the absence of a right to win from a technical or quality standpoint, or any issue with the products, but more because of the measures implemented by various countries to protect their domestic industries.

**Anand Darshan – 361 Capital:** I have another question.

**Management:** Please go ahead.

**Anand Darshan – 361 Capital:** What is our growth outlook for this financial year, and are we on track to achieve our previously stated guidance of 20-30% volume growth that we discussed on the last call?

**Management:** I would say, Mr. Anand, that whatever strategy we had and were working on, we continue to work on it. However, the situation sometimes becomes such that, despite the right actions taken in the business, the external environment pushes you back.

We are still on the path. Our strategy is very clear, and we are working on it. The reflection is visible in our bar products, but unfortunately, Q2 was definitely a setback in tubes.

Having said that, this is not a permanent situation, and I think we are already in good shape. We will definitely get there, although it may be delayed by a couple of quarters. That is all. We are on the path.

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**Anand Darshan – 361 Capital:** Great, sir. That is all from my side.

**Management:** Thank you.

**Operator:** Participants, please press star and one to ask a question. The next question comes from the line of Dheeraj Shah with Phillip Capital. Please go ahead.

**Dheeraj Shah – Phillip Capital:** Good afternoon, sir. Thank you for the opportunity. My question is again related to the European markets. In terms of overall domestic demand in the European market, how large is the market opportunity there? How much is being supplied by local domestic players, and how much is reliant on imports?

**Management:** Dheeraj, if I talk about the long-products market in the EU, there are various ways in which the market can be defined. If I consider long-product bars only for this discussion, I think the total market and total production capacity in Europe would be about 0.5 million tons.

However, the market size is not about what a country or region produces. The market is about how much it can consume and whether the demand-supply balance still exists. If I consume 100,000 tons and produce 200,000 tons, the market remains healthy only if I have an outlet for the additional 100,000 tons elsewhere.

As I explained 2 questions ago, this disruption has been caused by trade actions initiated primarily by the USA and then followed by various other countries to protect their respective industries. One fact is that, after these actions were taken, we saw the price of commodities and steel run up, particularly in some locations and especially in the US.

The price run-up is perhaps significantly higher than in the rest of the world. To me, this appears to be an unsustainable situation. If we are selling something in India for 100 rupees and it sells for 120 rupees in Europe, that is reasonable. But if it sells for 200 rupees in a third location, you can imagine that ultimately the burden is going somewhere into capital goods creation and is ultimately being transferred to consumers.

We feel that this imbalance will correct itself at some point. That is when we will see the churn of exports and imports coming back to some extent.

**Dheeraj Shah – Phillip Capital:** As you mentioned, the market for long bars is almost 0.5 million tons. What about the market for stainless steel pipes and tubes?

**Management:** The global stainless steel pipe and tube market is about 0.5 million tons. It is not a very large market. It is a limited market and, of course, it is growing. Based on some data and analysis done by some of these companies, it is growing by about 4-5% globally.

I would not include the last 1 or 2 years because they have been highly disruptive. That is the total market. We do not see significant new capacity being created apart from what was created in India in the last 2 years. Other than that, we do not see any significant capacities being built.

**Dheeraj Shah – Phillip Capital:** Apart from India, are there any other competing nations that are also facing the incremental duty imposed by the European Union? Are our key competing nations also

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facing the same duty when exporting to the European market?

**Management:** The quota effect has come on every other country that was exporting to the EU, with the impact varying from one country to another. The real competition now is not with a third country that is also exporting into the EU.

The real competition is the average duty incidence, which has now become anything between 20% and 30%, because it is calculated using a formula every quarter. That difference is too high to be absorbed by an importer in the EU compared with local EU mill prices.

For example, if I sell for 100, the product will land there at about 130. A European mill may say that it is prepared to sell at 125. In that situation, it does not make sense for them to buy from India and incur this kind of duty.

Before the recent increase, this duty used to be in the range of 6-10% at maximum. There was therefore room for us, or for the Indian industry, to sell while retaining some amount of difference between the European mill price and the Indian cost. That has now been disrupted, and that is how we are seeing this sudden decline in export volumes to Europe.

**Dheeraj Shah - Phillip Capital:** Lastly, I have one question on the domestic side. As you mentioned, overall volume will come back. In the domestic market, which sectors are you seeing as potential sources of good demand going forward, specifically for the stainless steel pipes and tubes segment?

**Management:** If we look at bulk consumption, it is definitely happening in thermal energy and other energy sectors. Nuclear power is coming up, but volume-wise it is not very large at this point. It is, however, much better than what it was 3 years ago, 2 years ago, or last year. It is gradually increasing, with more reactors coming up for bidding, but it is a slow process.

We expect this business to grow every quarter or every year. The third area is the fabrication industry. We can see traction both from heat exchangers and from other equipment, including heaters and high-pressure heaters. This business is again being generated from the thermal and nuclear segments, where companies are looking to buy tubes for fabricating this equipment.

These fabricators are also receiving a lot of business from the Middle East and elsewhere for fabricated equipment for oil and gas refineries and similar applications. I think the Indian market overall is buoyant. There are some patches that are like dry spells in between, but overall, the market looks promising and we are very bullish on Indian consumption.

**Dheeraj Shah - Phillip Capital:** Thank you very much for answering my questions.

**Management:** Thank you.

**Operator:** Participants, you may press star and one to ask a question. The next question comes from the line of Jash Burj with Jash Burj Investments. Please go ahead.

**Jash Burj - Jash Burj Investments:** With respect to the Middle Eastern EPC contractors, how soon do we expect purchase orders from commercial tenders and bidding to translate into purchase

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orders?

**Management:** Jash, that is a difficult question to answer, but let me put it this way. The Middle East is a large geography, and I am sure all the oil and gas companies there are buying equipment from various fabrication suppliers, including suppliers in India. That is how these fabricators are generating inquiries for buying tubes and pipes to be used in fabrication.

Currently, our order book also comprises more than 60–70% of volume from this segment that you just mentioned. The orders are already being converted. We only need to see how this volume pans out over the next few quarters—whether volumes increase, remain stagnant, or change depending on how the market moves.

Overall, I think the Middle East is buoyant. Of course, it is currently passing through a difficult time because of the war and the broader situation. On the whole, however, it is another region that should be kept under watch.

**Jash Burj – Jash Burj Investments:** Got it, perfect. The presentation mentions an order booked for a heat exchanger for nuclear power. Is this the same order that we received from NPCIL, or is it through a Tier 1 fabricator such as BHEL or another company?

**Management:** NPCIL directly buys very rarely. The order will definitely come through a Tier 1 fabricator that is approved by NPCIL, and the tube source must also be approved by NPCIL. Generally, NPCIL undertakes specific approvals on an equipment-by-equipment basis.

I am happy to announce that, for the moderator, which is one of the critical heat exchangers, we received specific approval after the due audit and validation of all aspects by NPCIL.

**Jash Burj – Jash Burj Investments:** Great. This is a separate order from the previous order that we received, correct?

**Management:** I am not sure which previous order you are referring to, but we have been receiving nuclear orders from time to time. From the standpoint of criticality, this order is quite important for us. It is also important because, as nuclear demand increases over time, this particular piece of equipment is such that, after completing it, our positioning within the nuclear framework becomes very strong.

From that aspect, it is not only commercially but also strategically an important project for us.

**Jash Burj – Jash Burj Investments:** Thank you so much for your time.

**Management:** Thank you.

**Operator:** A reminder to all participants: please press star and one to ask a question. The next question comes from the line of Parth Bavsar with Investec India. Please go ahead.

**Parth Bavsar – Investec India:** I had one question. I wanted to understand the competitive landscape in India. I believe a lot of the demand, or incremental demand, that we are looking at is from thermal energy. I wanted to understand how the landscape has changed over the last 3-5 years. Has it become more intensive, or is it that our product offerings do not compete with

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companies that make pipes through the piercing route?

**Management:** Generally speaking, piercing products are obviously cheaper to produce and have their own characteristics. I would not get into the details of their merits, demerits, and other aspects. The fact remains that, within thermal power, there are both categories of products.

In one category, extrusion is compulsory, and the competitive landscape there is entirely different from the category you referred to, where both routes are accepted.

There is also a third differentiation. Different OEMs have different requirements. For example, NTPC may be the owner of a project. Similarly, another owner could be Adani Power, and a third could be Reliance Power. Different owners also define their own specifications.

For the same product, there are still some OEMs that prefer the route we use. If I calculate the total opportunity that we, as an extrusion player, have in the overall thermal power sector, it is significant.

**Parth Bavsar – Investec India:** Is it safe to assume that the opportunity is sufficient for all the players to grow over the next 3-5 years?

**Management:** I would think so. I would think so. For the benefit of everyone's information, for those who have not read this, the government very recently—at the beginning of this week, I think—announced a revision to its plans. The erstwhile plan of completing 90 gigawatts by 2035 has now been revised to 150 gigawatts.

This segment will definitely generate a lot of business. The only thing the government needs to consider is how to speed up execution. I am sure it is working with many EPC companies to find solutions.

As happened with highways, where the speed of highway construction multiplied over a period of time, it seems that a similar story is going to repeat in the thermal power sector.

**Parth Bavsar – Investec India:** If we assume that 150 gigawatts is executed, is there a way to understand what our TAM would be?

**Management:** Sorry? What would be—total addressable market? Basically, the market that we can cater to?

**Parth Bavsar – Investec India:** Yes.

**Management:** Approximately 1 gigawatt normally entails, if I take the simplest products, including stainless steel and high-alloy boiler tubes, approximately 3,000 tons, and perhaps another 500 tons for other non-boiler equipment that requires stainless seamless tubes. Each {? gigawatt ?} entails approximately 3,500-4,000 tons, depending on the design.

**Parth Bavsar – Investec India:** Perfect. This is very helpful. Thank you so much for answering my questions.

**Management:** Did I say each megawatt? It should be gigawatt. Gigawatt. I mean, a correction: each gigawatt.

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**Operator:** A reminder to all participants: you may press star and one to ask a question. Ladies and gentlemen, as there are no further questions, I would now like to hand the conference over to the management for the closing remarks.

**Management:** Thank you. The first half of FY27 has tested us and the wider industry. Energy and freight costs rose, trade barriers went up, and demand remained weak.

We used this period to strengthen our foundation. We added customers, secured approvals, deepened our market penetration, and built a strong order book and bid pipeline. As these conditions gradually stabilize and recover, we believe this work will help us improve our performance in the coming quarters and beyond.

We hope we have answered your questions. If you have any further queries, please contact our investor relations team. We will be happy to help. Thank you once again for joining us today. We look forward to speaking with you again soon. Thank you.

**Operator:** Thank you, sir. Ladies and gentlemen, on behalf of 361 Capital Market, that concludes this conference call. Thank you for joining us, and you may now disconnect your lines.

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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.

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