Operator: Ladies and gentlemen, good day and welcome to the Thermax Ltd. Q1 FY27 earnings call hosted by Dam Capital. As a reminder, all participant lines will be in listen-only mode, and there will be an opportunity to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal the operator by pressing "*" and then "0" on your touchtone phone. Please note that this conference is being recorded. I now hand the conference over to Mr. Kunal Shah from Dam Capital. Thank you, and over to you, sir.

Operator: Good afternoon. Welcome to the Q1 FY27 earnings call of Thermax Ltd. We have the management team with us today: Mr. Ashish Bhandari, MD and CEO, and Mr. Arunachalam, Group CFO and Executive Vice President. At this point, I will hand over the floor to the management for their opening remarks. Thank you, and over to you, sir.

Management: Thank you very much, everyone, and I hope I am audible. Also, thank you for joining this call. I am sure there are a lot of questions. Before I address the questions, I would like to share my thoughts on what happened during the quarter.

It was a very difficult quarter. It felt like the toughest quarter, at least relative to expectations, that we have had over the past few years. It is not that we have not had difficult quarters in the past, but this one felt particularly difficult.

I would like to spend a few minutes talking about what happened during the quarter, what we are doing to fix it, and also why I continue to be bullish about the year as a whole.

Let me first start with what happened during the quarter. Of the things that did not go according to expectations, the first, and by far the biggest, was the impact we had to take on one specific project. This was the cost to completion for a government project, which is part of the same bucket of projects that we had said we did not want to undertake. It is the same project against which we had taken an impact last year. We are now in the last four quarters of execution of that project.

In June, the engineering partner we had, which was the detailed engineering partner whose design and prior expertise we were relying on for the {? EPC ?} of the project, came back with some significant changes. Those changes at such a late stage were not something that we had budgeted for. Given that it was a loss-making project, we took that opportunity to step back and understand all the risks that we could see in the project, as well as provide a contingency for what we could not see as we execute the project over the next four quarters.

We took the impact of this forecast and change in cost, including what it would take for site extension, expediting to meet customer commitments, and so on. We have a reserve for LD, a portion of the LD that we have kept intact, as well as some other amounts for what may arise in the future. This is the impact that we have taken from a cost-to-completion perspective.

There was also an impact in industrial products, more so than in other areas, because we were not able to ship finished-goods inventory amounting to approximately 300 crores overall. A good portion of this was for international projects and international customers, including customers in the Middle East, where shipping rates were quite high because of the Gulf war, and many customers chose to delay picking up the equipment.

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There was also a commodity price impact of approximately 10 crores. A portion of this impact was expected because commodity prices had increased in February and March, and some of the projects with shorter durations on the industrial products side were being converted into products. We were expecting some portion of that impact to come through, and in that sense, the impact was not too large; it was in line with what was expected. It was the increase in the amount that we were unable to ship, relative to what we wanted to ship, that had a bigger impact on our profitability.

Finally, within green solutions, we have now made two changes. We have recast our Bio-CNG business as part of green solutions. That is how it is operated. It has moved from industrial infrastructure to green solutions, and it is also led by green solutions. In addition, {? FEPL ?}, particularly {? FEPL ?}, which is our wind and solar renewables business, incurred a loss of 20 crores, which we had not expected.

That 20 crore loss is a combination of two factors. One factor relates to Tamil Nadu, where we had a project, actually two projects, that were completed during a period when the government changed. The entire process was affected because elections were taking place, and later, when the new government came in, many projects were put on hold for no particular reason. We expected those projects to remain on hold until someone approved the production of electricity from those assets.

We expect to obtain this approval within the next week itself. We have teams stationed within the bureaucracy and speaking to the ministry. However, the change in government really set us back.

The other reason for the loss at {? FEPL ?} was that, as we are choosing to cut back in certain areas, we intend to bring an external investor into the platform. We have a good set of assets, but some of the carrying costs of the people whose services we have affected also impacted the bottom line. Both factors together resulted in a 20 crore loss at {? FEPL ?}.

We are also carrying an 8 crore loss in Bio-CNG, which I will discuss later. These are the things that contributed to Q1.

As I look at the year as a whole, I am as bullish as I was when we discussed Q4. Let me first start with revenue and profitability, and then I will discuss the order side.

On revenues, our backlog is quite significant, and in Q1 we delivered barely 7% growth in revenue. Some of this was because of the 300 crores that could not be shipped. However, even after taking the 300 crores into account, our backlog is building up very nicely. The quality of our backlog, for the most part, especially on the project side, is very good.

On the industrial products side, there is one more quarter of some volatility as the commodity price impact is completely flushed out of industrial products. Otherwise, the remaining backlog in industrial products is very good and profitable. That will start to show up in Q2, Q3, and Q4.

You have also previously seen that when we do more than 3,000 crores, the gross-margin impact that we get, and the way that gross margin flows through to profitability, is positive. Last year, we had one quarter that was above 3,000 crores. This year, we will have to deliver two, and hopefully three, quarters above 3,000 crores. You will see that impact on profitability as well.

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On profitability, I have said, and we have been saying, that there are three areas where we need to do better. One is long-duration government projects involving civil construction, which we have not taken on at all for the last three years. I had previously committed that this would be the last year in which we would have any exposure to those projects.

For the most part, I would stand by that. {? NRL ?}, because of this change, will slip into Q1 of next year, but I expect that we have absorbed and taken care of all the cost impacts this year. Whatever remains will hopefully not have any major impact.

Our FGD projects and {? HRRL ?} are also part of this. Everything related to {? HRRL ?} is over by this quarter. All the FGD projects are progressing as we had previously committed and planned, and they will be executed between Q1 and Q2. One more plant was handed over in Q2, one more plant will be handed over, and the last one will be handed over in Q4 of this year. All the FGD projects will therefore be completed, and there are no surprises coming from them. They are not very profitable, but there are no more surprises in FGD. We are executing, and as of now, we have delivered one plant to the customer.

We know very well, from an engineering point of view, what is entailed, and we are executing it on schedule.

On {? FEPL ?}, I have already shared our plan. This year, we will look to bring a partner to the platform who will take a substantial majority stake in the platform.

The third area is Bio-CNG. In Bio-CNG, we have four projects that I discussed, which are the EverEnviro projects where we have PGTR commitments, meaning performance commitments to the customer. Of those four projects, we have successfully completed PGTR for one. The second is going through PGTR; more than half of the PGTR is complete, and that project is also progressing successfully.

The next two projects have been affected by changes in the monsoon. The monsoon has significantly affected operations in those areas because the rice straw coming in was wet, and there were other challenges in terms of enhancing electricity and so on at those sites. They will go through PGTR in August and September. Therefore, for the next quarter, I should have much better insight into how those projects are progressing. That is the last remaining portion on the Bio-CNG side, after which all our liabilities across these projects will be over.

For the last 2 years, we have not taken any new Bio-CNG projects. Whatever orders we have received have been change orders on existing sites, to add capacity or for whatever the customer was willing to pay us for. We have not taken on any new projects, and we are carrying a team for which we are currently taking a hit of approximately 8 crores a quarter, or 7-8 crores.

We are waiting for this cost to be liquidated against new projects because this is the manpower that we need to execute a project. We need approximately two projects of, say, 250 crores each to utilize the team and the cost that we are carrying against that team.

The expectation is that some significant policy changes are expected imminently, which should then create a significant pipeline for Thermax. I will answer whether that is the case and what the

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outlook is as part of the questions.

This is an overview of the things that are detractors to Thermax's revenue and profitability, and my opinion on those matters.

On the order side, although it looks like it was a weak quarter for orders, we have a significant opportunity pipeline across the board, and we had a very good orders year last year. I expect us to exceed last year's order book this year.

Even in Q1, there were two relatively large handshakes, each worth a few hundred crores, but because the advance did not come in, we could not book them. There is also a continuous pipeline in supercritical, and internationally there is a very good pipeline across the board. I remain very bullish on orders and on continuing to build the kind of pipeline that we like and want to execute better.

Chemicals has also seen a turnaround in the business. There are still some risks relating to commodity prices, but volumes are coming back, which helps us on the bottom line. That part of the business is progressing well.

With this opening and preamble, and because you will have a lot of questions, I am comfortable going beyond the standard time that we had set for the discussion. I look forward to answering your questions one by one.

Operator: Thank you very much. We will now begin the question-and-answer session. Anyone who wishes to ask a question may press "*" and "1" on their touchtone telephone. If you wish to remove yourself from the question queue, you may press "*" and "2". Participants are requested to use handsets while asking questions.

Ladies and gentlemen, we will wait for a moment while the question queue assembles. We have the first question from the line of Rahul Gajare from Macquarie Group. Please go ahead.

Rahul Gajare – Macquarie Group: Good morning, and thank you for this opportunity. My first question is about the order. You did touch upon where this is coming from. Could you quantify the size of the project and how much of it is pending for execution, which you expect to complete over the next four quarters, and against which you have taken this 91 crore impact?

Management: The original order was approximately 1,200 crores, and it is now running at negative {? teens ?} profitability. This means that the loss on the project is close to 150 crores. Rajneesh, could you specify the number if you are comfortable sharing it?

Management: The order itself was taken in FY22, and it is now in the last portion of execution. What remains is execution on the ground. The last four quarters are still execution-heavy from a civil and construction perspective. Civil work is largely over, but construction work is still heavy.

The engineering portion, where some of the changes and the corresponding equipment and other changes arose, is now formally complete on the part of our engineering partner. At the final stages of commissioning, there could be some minor movements here and there, but the major engineering work is now complete. Have I answered your question, Rahul?

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Rahul Gajare – Macquarie Group: Yes. The balance is something that we were waiting for. If you look at it, invoicing is approximately 74% complete, and the balance 26% remains.

Management: Correct.

Rahul Gajare – Macquarie Group: My second question is about Thermax. When you deliver a project, if there is any shortfall in the expected output and you end up having penalties or higher costs, or having to make good the loss that the customer may have incurred, is this the normal term and condition of the industry, or does it differ from customer to customer?

Management: We have shared a page that we would like to explain in a little more detail. The realization is that the kinds of projects we had, including FGD, HRRL, and the majority of the FGD projects, as well as HRRL and NRL, all have one common theme. These are projects for government customers, involving the L1 bidding methodology, and customers typically take a tougher line on what we believe are reasonable decisions. This is why these projects tend to continue indefinitely.

We also have much more demanding customers. Our international customers, whom we serve in the Middle East and other regions, are far more demanding. However, there is a practical way in which those discussions and relationships work. With government projects, we have seen that this practical approach generally does not happen.

This method and the way it works are, in some ways, unique to the set of projects that we have said we will walk away from. We are not saying that we will never undertake any government projects, but we will undertake them at a price point commensurate with the risk we are taking. If we do not get those price points from those customers, it is acceptable for those order numbers to go down to zero. Over the last 3 years, they have practically come down to zero.

We are doing nothing of that nature, apart from one IOCL project, which is very small, at 50–60 crores. Otherwise, we have not taken on any government project where we would still be living through issues from projects taken some time ago. This is the last year in which we are working through those projects.

The only other area where we have risk is Bio-CNG, where there are performance contracts. In almost every situation where we have performance projects, we know our equipment well enough that we very rarely, if ever, have an issue with the performance of our equipment. We tend to work in energy, water, and air-pollution control, and we know very well what we can and cannot deliver. We can also talk about supercritical and why supercritical is, in that sense, an area that we understand much better.

We entered Bio-CNG when the entire industry was very nascent. We took on some performance guarantees that were difficult to manage because, on both sides, the feed we received was very different from the feed that was expected. This resulted in some back and forth.

Other than these two areas, there is nothing similar. In both these areas, we have not done anything for more than 2 years in Bio-CNG and more than 3 years in these large government projects. We are bringing this portion of our business down to zero where we have customers that we do not prefer to work with or economic models that are not completely within our control. We are bringing

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both of these down to zero and are cleaning up our book from the past.

With most private customers and international customers, there is a relationship that works both ways. It is not that every project is smooth. In some projects, we have had LD exposure as well. We manage that in a reasonable fashion with more than 90% of our customers.

The last thing I would say, Rahul, is that the way we account for these matters is that if it is a profit-making project and there is a cost increase, that cost increase is accounted for as project accounting takes place. This means that even if there is a cost increase of 10 crores and you have 300 crores remaining to be executed over, say, four quarters, you take proportional risk as you execute the project.

For loss-making contracts, our accounting works differently. We have to account for the loss for whatever we see in the future. Therefore, this is loss accounting for the execution that will take place over the next four quarters.

Rahul Gajare – Macquarie Group: Following up on this aspect, I clearly understand how the government contracts will now be at the last stage. But as far as the Bio-CNG performance guarantees are concerned, how long do they typically last? Is it 1 year, or is it a 5-year performance guarantee for which we have responsibility?

Management: It is 1 month or 3 months. That is all.

As I shared in the opening remarks, there are practically four projects on which we still have performance risk. We have delivered and handed over one. The second has crossed more than 50% and is continuing to make good progress. We are confident that we will meet the commitments we have made to the customer. The next two will go through performance execution in August and September.

Rahul Gajare – Macquarie Group: Thank you very much.

Management: Thank you very much for the questions.

Rahul Gajare – Macquarie Group: Thank you very much. I have more questions, but I will come back in the queue. Thank you.

Management: Please come back. We will extend the discussion if your questions are not answered by anyone else who takes them.

Operator: Thank you. Ladies and gentlemen, you are requested to restrict your questions to two questions per participant. We have the next question from the line of Atul Tiwari from JP Morgan. Please go ahead.

Atul Tiwari – JP Morgan: Thank you. My question is on your order book. What proportion of your current order book comprises government and PSU projects?

Management: Of what remains in our order book, I think it is 300 crores, if I am right. It would be 300-400 crores.

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Atul Tiwari – JP Morgan: So, out of almost 14,000 crores, only 300 crores is pending?

Management: Yes. It is getting to less than 5% and is almost moving toward zero.

Atul Tiwari – JP Morgan: At least in the foreseeable future, do you not see yourself bidding for any more PSU or government projects?

Management: I would not say absolutely not. I would say that we would undertake those projects on our terms and price them correctly. I do not think it is right to say never, because in cases where boilers and certain capabilities exist—

Management: If there are things we can do that nobody else can, and if only one or two participants can do them correctly, we can price them appropriately and consider bidding for them if we win them. However, we would certainly not undertake them in the way we did in the past, where we took those projects and bid them like domestic projects.

We are working on these projects because if the site is delayed, which is not within our control, most private players account for that correctly, give extensions, and compensate you for those extensions. Government customers, even good ones, operate differently. In this particular case, I would not say that the customer is particularly unfair, but the way the process works is not something for which they have to price the project correctly.

Therefore, I would not say it is a complete no or never, but we would price projects correctly and undertake projects where we have a particular capability that is not available with anybody else.

By the way, I will make an exception to what I have said. I said there is only one IOCL project worth approximately 50 crores. There is one other project, also worth less than 100 crores, which is a green methanol project for Kandla Port. I suspect Kandla Port will ultimately be treated as a government entity.

This project produces green methanol, and we have the technology to produce green methanol from syngas to green methanol, which nobody else in India does using indigenous technology. The project was configured and developed on the basis of our capability, which is why we undertook it. That is the exception.

Atul Tiwari – JP Morgan: Just regarding the project that had the cost overrun of 91 crores, you mentioned that it was mostly because of some last-minute engineering changes by your engineering partner. How does it work now that you have booked the losses? Do you have any claims against the engineering partner as well? It appears that what they should have done earlier in the project was delayed, and things went out of control.

Management: First, I think this was the wrong project to undertake. We should not have taken it. It was simply the wrong decision.

After the end of 2023 and from 2024 onwards, we completely changed the way we take on projects and the kind of measures we put in place before working on a project. Let me start by saying that this project itself was a mistake to take.

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The engineering partner in a project order of 1,200 crores had an exposure of less than 100 crores. They billed that in portions, leaving us with only a few crores of LD exposure. Those few crores of LD were not meaningful when we were taking an impact of more than 100 crores and had working capital trapped. The model itself was a mistake on our part.

This was also an area that was relatively new to Thermax. In almost every other case, we do the engineering ourselves. The question is why we took on a project of that size where we did not know the engineering, and furthermore, why we took on a PSU project. Those are all questions that our board has also asked. The only answer I can give is that it was a mistake, and it is not a mistake that we have repeated in the last 3 years.

Now, for almost every project, including the green methanol project that we took on, we complete the majority of the engineering before we even bid for the project. If we cannot do that, we walk away and do not bid for the project.

We develop a 3D model, which is not 100% accurate but is largely accurate, and use it as the basis for costing the project and retiring the engineering risk. We did this for supercritical as well before taking on the project itself.

A great deal of work is therefore done in advance so that our costing is extremely granular and we are doing the engineering. We also have a methodology under which, even if an engineering partner is involved, all the risks in the project are identified before we bid for it. For example, in supercritical, B&W is our engineering partner.

This is why it took us nearly 1 year to close the first supercritical project with the customer. In the case of supercritical, we said no to all civil and construction work, no to all balance-of-plant work, and said that we would only deliver the boiler and nothing else.

We had change provisions with the customer for commodity price increases. For the imported portion, we had currency fluctuation provisions. We had all of those safeguards in the order itself when we took it on.

A lot of measures were therefore put in place. In this particular case, the matter has taken up a significant amount of our internal discussion bandwidth over the last year because it calls into question practically everything about how we execute projects at Thermax.

This is why we took a page to share with all of you this time. Project execution can never be completely perfect, but it was important for us to share how we view our own execution. We are also sharing this with the board on a continuous basis. This is the first time we are sharing it with our analysts.

I spent some time on that slide. We took all the projects above 100 crores that we have been executing over the last couple of years and broke them down between private, export, and PSU projects.

What we are examining does not depend on the margin at which we booked the project. We are examining how we delivered the project relative to how we booked it. What was the range at which we delivered it, or, based on our current visibility, how do we think we will deliver it?

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This is why the export projects have not all been delivered, but we are examining the path on which they are progressing toward delivery. In the list of more than 30 projects that we shared, 35 projects if I remember correctly, almost all the projects other than the PSU projects where there has been negative price movement have had movement of less than 10%.

Of the projects with movement of more than 5%, you will see that there is a corresponding number with movement of more than 5% in the positive direction as well. This means that while there are price movements, everything else is largely under control, or better than under control. We are doing better and better.

The issue has occurred only in the PSU projects, which we are completely bringing down to zero. We are also being very careful about how we book projects even if we choose to bid for anything going forward.

Atul Tiwari – JP Morgan: If you could allow me one last question—

Operator: I am sorry to interrupt, sir. May I please request you—

Management: No, I will go a little longer because people have follow-up questions. If the question is in the same category, I will allow it. If there are follow-up questions in the same category, I will allow them.

Atul Tiwari – JP Morgan: No, sir. I will come back in the queue. I have a question on another category. I will come back. Thank you.

Operator: We have the next question from the line of Pankaj Tibrewal from Ichigai Asset Manager. Please go ahead.

Pankaj Tibrewal – Ichigai Asset Management: Thank you, Ashish, for the opportunity. From an investor's perspective, the problem we have been grappling with at Thermax for the last several quarters is the difference between the commentary and what finally comes through in execution. Consistency has been an issue, which was not the case for a long time. I have been following the company for more than 2 decades.

In your view, what is going wrong? Even if I look at your fourth-quarter commentary, and to quote you verbatim, you said that in the industrial infrastructure business, you were fairly confident and should definitely have confidence in your margins going forward.

I am sure this project, as you alluded to, has been a point of discussion within your boardroom for the last 12 months. You were fairly aware that this could be something that could affect us as we moved ahead in FY27.

I am trying to understand how we should interpret that from an overall commentary perspective. This is also what the market reaction is showing. Investors are not very confident about what the commentary has been and what the final execution turns out to be. I am being candid about the discussion that people are having. Thank you.

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Management: Your question is very valid, and I do not think it is unfair in any way. Anyone looking at our numbers would have the same opinion, including our board, which has been absolutely clear, transparent, and demanding in its expectations of us as a team.

I do not think anything I share beyond making excuses would change the fact that we have not done a good job of showing what we are capable of.

Let me take a step back on two parts. We have been saying for several quarters now that we realized we had made a couple of mistakes, and over the last 3 years we have been working to bring the impact of these mistakes down to zero.

Even last year, when we shared our numbers, I had said that 2027 was the last year in which we would see the impact of some of these businesses. I will stand by that statement and continue to do so.

Despite all of this, at least during this period, despite taking all these impacts, we have been showing by the time the year is completed that our revenue, while it may be flat, and our profitability, despite taking all these impacts, have largely been increasing. The increase has been moderate, not as much as I would like, but profitability has been increasing moderately.

Even after taking this 90 crore impact, I expect this year to be a very good year. At the heart of this is the backlog we have built and our ability to translate that backlog into revenue as some of these legacy projects are worked through and completed.

That is the only reason I can give for why I see consistency in our future. We are moving out of these legacy projects, and we see the areas where we need to improve and what we are doing to improve.

Let me discuss this particular project, what happened, and what changed. The engineering change from our partner came in early June. When it came in, it was initially a surprise that we had not expected and did not welcome. The team then took a couple of weeks to assess the change and determine its impact.

The impact turned out to be a larger number than we had expected. As a matter of prudent accounting, we then stepped back and said that if this was happening, we needed to account for other impacts as well. This meant accounting for the possibility that the site could take longer, and that other changes classified as medium risks could arise, even though there might also be opportunities for change orders.

We needed to start accounting for those medium risks in our numbers as well. After considering all of that, this rather large number emerged. As a matter of prudent accounting, we decided to take the impact and move on.

That was not easy because it took away from a lot of other good work taking place in all other parts of Thermax. This is why we shared the execution profile showing how closely we are monitoring and managing almost all of our projects.

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Outside of this one project, less than 10% of our projects have movement of less than 5%. That is more than offset by many projects with movement of more than 20%, which have an impact better than 5%.

Management: Net-net, outside of this one project, our project execution adds to our as-sold profitability rather than taking away from it.

Your point about our not doing a good job overall in terms of what we are showing our investors is correct. This is not just a matter of this year. It is what has made us work extremely hard for the last four quarters. In fact, it started the year before, when we said no to many orders because we did not think they were the kinds of orders we should take.

Throughout FY25, we said no to orders. In FY26, when we started focusing much more on international business, we also said no to domestic NTPC orders for supercritical because they had all the characteristics that we did not like.

We were extremely patient about when we acted on our first opportunities in data centers and other areas, and none of those things have been delivered yet. The entire data-center backlog, which is now several hundred crores for the US and is extremely profitable, is sitting in our backlog and will be executed over the next few quarters.

We have not been able to show the positive portion to the extent we would like. Certainly, we are showing the negative portion more often than we would like. I do not know if you have any further questions—

Pankaj Tibrewal – Ichigai Asset Management: Thank you. I have only one observation or suggestion, whichever way you choose to take it. Whenever there is a significant divergence between what you have said previously and the outcome, as happens with IT companies, you can issue a profit warning at the beginning of the quarter so that every investor is on the same page.

A negative surprise of this kind affects everyone very negatively. A profit warning could be a better way to handle it rather than surprising investors every quarter on one issue or another. This is only an observation. It is good corporate governance and will help you in the future.

Management: This point was also discussed. A couple of our board members made the specific observation that IT companies and other companies take time out to issue such warnings. We debated this internally.

Going forward, I am not committing to it. It is for us as a team to decide, but I think this is something we could have done.

What also happened was that, as the numbers emerged and we had some idea of what they looked like, clearing the matter through our board and auditors took a couple of weeks because this was a surprise at many levels in relation to this particular project.

The questions were exactly the questions you are asking: Could it get any worse? Are you being conservative enough? How could the outcome be so adverse? All of those questions were valid.

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Some of that also took longer to conclude and finalize. Your feedback has been noted very seriously. Without committing to it, your suggestion is something we are considering strongly. If there are such surprises, we need to share them much earlier and do so appropriately. We will take this into account. Thank you.

Pankaj Tibrewal – Ichigai Asset Management: Thank you, Ashish. I wish you all the best.

Management: Thank you.

Operator: Thank you. Ladies and gentlemen, you are requested to restrict your question to one question per participant. I repeat, you are requested to restrict your questions to one per participant. We will take the next question from the line of Bhavin Vithlani from SBI Mutual Fund. Please go ahead.

Bhavin Vithlani – SBI Mutual Fund: If I look at Thermax pre-COVID and post-COVID as two halves, there was a difficult 6-year period during which a lot of talent was restructured. In the pre-COVID era, projects were taken in a difficult environment at 4-5% margins, but ultimately they used to come out at 6-7% margins.

Have we seen an issue with the restructuring of talent? Is that the reason why Thermax, which had an impeccable execution track record, has become completely different over the last 6 years? We have consistently seen disappointments over the last 24 quarters. Could you discuss the talent aspect?

The second point is that while we have seen a few mistakes, and you have identified those mistakes in the public-sector area, the concern is whether, because of one or two mistakes, you will significantly compromise growth.

In hindsight, you could say that these were things that could have been corrected. However, if you do not take public-sector projects or projects with these characteristics, would you be compromising growth and hampering Thermax's underlying long-term growth simply by being conservative?

Management: These are good questions, and thank you.

First, on talent, in this particular area I do not see that as a concern. At least, it was not the concern in this case. The mistakes were made by the same team that was handling these projects.

The top 5 people involved had all been with Thermax for more than 20 years and had relevant project-execution expertise. It is not that they did not have a project background; they did.

Not everyone on the team is still with Thermax. We have also announced some restructuring and some consolidation in the way we work. That was announced as part of the restructuring of our business and the way we report and bring things together.

I do not think talent by itself was the problem. If anything, we are seeing an environment where, in some cases, talent that had left Thermax is looking to return from multiple parts of our business.

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Certainly, in these large project executions, there were no people who were not long-term Thermax employees. Even in the Bio-CNG business, in the way it was incubated and led, the entire initial portion of the business was managed by legacy employees with Thermax project experience. Only now are we bringing in one or two people from outside.

FEPL is the only area where we have had leadership come from outside, and TOESL is another area where leadership has come from outside. TOESL has performed spectacularly well. Even in this last quarter, TOESL booked two very good marquee orders, one of which was TOESL's largest order, worth more than 120 crores, with a 10-year revenue outlook of 2,000 crores.

Those are the kinds of numbers coming into the business, and we are very pleased with that. Overall, I do not think FEPL was the right business for Thermax. That is the only way I can put it.

The second part of your question is whether we will be conservative. In some areas, conservatism was also the direction of the business, and that was more related to 20-25.

If you remember, 20-25 was a very muted year for orders at Thermax. Even at that time, there were multiple government projects on which we bid. If the price was not right and we lost them, we were perfectly comfortable losing them.

In FY26, almost everything we undertook was something we liked. We will not compromise on growth as long as it is in the right areas and in ways that we like.

The focus is on having technical differentiation and capabilities that are worthwhile, and on continuing to become better at project execution.

The mistakes have happened, and we cannot continue to discuss them throughout every quarter and the entire year. However, there is a significant focus on executing projects better.

This is not only a Thermax issue. The entire Indian ecosystem needs to become much better at project execution because we are operating in an environment where weather patterns are fluctuating and labour is not easily available. We need to bring much more automation and digital capability into the way project execution is structured.

That entire model needs to shift in the post-COVID environment. It does not mean that we will not undertake projects going forward.

Certainly, you will see us take projects in TBWES where we believe we have good capabilities and can execute well. We will take projects this year as well where the customers are good, we know how to price the projects correctly, and the projects are in areas where Thermax can perform well.

This is why, Bhavin, I was saying that on the order side, I still see a pipeline that is better than what we delivered last year.

Bhavin Vithlani – SBI Mutual Fund: Thank you very much for taking my question.

Management: Thank you.

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Operator: Thank you. The next question comes from the line of Amit Mahawar from UBS Asset Management. Please go ahead.

Amit Mahawar – UBS Asset Management: This is Amit from UBS Securities. Ashish, one question has already been discussed extensively: the legacy orders and how they will progress. Thank you for that.

Following up on Bhavin's question, there is significant demand and growth in the industrial space around compliance, ZLD, and ETP. You have a significant industrial products pipeline. I know these discussions are getting overshadowed by a very difficult quarter, but could you shed some light on this segment and, most importantly, on the TBWES scale-up? That is where the core of profitability could lie as we look beyond the legacy orders.

Could you spend some time on 3-4 important segments and the colour of the pipeline?

Management: I will use your first question to discuss industrial products and what is happening in industrial products, and then I will spend time on TBWES. That is how I will structure my response.

Amit, you are right. The broad trends relating to sustainability, cleaner air, and cleaner water continue to drive a very healthy pipeline.

ZLD, for example, was a very small and negligible portion of our water business even 2 years ago. The combination of ZLD and ETP, with ZLD as a core component, has now become the single biggest part of our water business.

If you add solutions around desalination and other emerging areas, these have become the drivers of our domestic and international water business.

Similarly, on clean air, the emphasis from many states on better control of what is exhausted from our plants is improving. I do not think enforcement is yet as good as it can be. In my opinion, significantly better implementation is needed in the northern part of India.

The policies may be in place, but enforcement is not as good as it can be. We have the technology to visit every one of those plants and retrofit them with air-pollution-control equipment. This would significantly reduce emissions and bring the plants up to the strictest possible norms, which would help during the winter months when pollution becomes very high.

In cooling, there are similarly positive trends around data centers and our heat-pump technology, which has good potential going forward. There are also CFC-free technologies that can deliver significantly lower cooling requirements at plants and commercial locations.

In boilers also, the entire bio—

Management: Regarding boilers, every one of these areas has good growth potential. This is the kind of growth we have been seeing for the last 2-3 years. Solid double-digit year-on-year growth is the trend I am seeing in this part of the business, both domestically and increasingly internationally.

We are becoming more competitive internationally, which is also good to see.

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In the same breath, I would say that profitability in industrial products could be seen declining in Q1 because of some exposure to commodity prices and because we were unable to shift as much as we wanted to.

In two parts of our industrial products business, namely pollution-control equipment and design and engineering, we can perform well, but the cost base is largely steel. When steel prices increased by 18%, plate prices moved from 52-53 to more than 61 in just 2 months. That affected a couple of those businesses.

We need to work through those impacts. In our cooling and heating businesses, particularly cooling, we have an opportunity for significantly higher margins given the areas in which we operate. The backlog there is more weighted toward Q3 and Q4.

Management: I see some pressure in Q2 on industrial products margins, which should be cleared in Q3 and Q4. For the year as a whole, I remain confident that industrial products can deliver good profitability growth, good order growth, and good revenue growth.

TBWES is an area where a structural shift is taking place. We are adding capacity, and we are also looking to work with our ecosystem to significantly increase capacity through the ecosystem.

We are seeing a large pipeline of thermal projects. We are seeing the international pipeline, including the Middle East and Africa, increase substantially. Waste-to-energy opportunities, both domestically and internationally, are also increasing substantially.

Finally, we are seeing a pipeline for data centers beginning to emerge in the US. This is specifically for the US, where natural gas-to-power is a significant area.

In TBWES, we are increasing capacity at our plant, as I said, and are also looking to increase capacity through our ecosystem.

What I would say is that you should look for measured, continuous growth in industrial products. You should look for discontinuous growth on the TBWES side, which is what we are going through.

Even on the project side, in areas where we can execute well—power plants, private customers, and domestic and international projects taken at reasonably good margins—our pipeline is also now increasing.

Amit Mahawar – UBS Asset Management: Thank you, Ashish, and good luck.

Operator: Thank you. We will take the next question from the line of Aditya Mongia from Kotak Institutional Equities. Please go ahead.

Aditya Mongia – Kotak Institutional Equities: Thank you for the opportunity. Ashish, my question relates to your competitive positioning in two key markets: data centers and hydrogen.

I ask this because, a few years ago, you discussed heat pumps, where you explained your position and the kind of temperature from which you could extract heat. You also explained how capable you were.

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In these two segments, data centers and hydrogen, there is a combination of capabilities being developed inside the company. One of them was fairly informative in that respect. I would like to understand how much better you are than others and, accordingly, how large these businesses could become for the company over time.

Management: Four parts of our business have exposure to data centers.

The first is our cooling business, where we provide absorption chillers and hybrid {? CLCTs ?}.

The second is our TBWES business, which can provide boilers and boiler pressure parts for large power projects that power data centers. These power projects are specifically for supplying power to data centers.

The third is water, and the fourth is chemicals, where water-treatment chemicals are needed for the water that supplies power plants serving data centers.

These are the four parts of our business that have exposure to data centers. All four are critical to a data center. You will see a great deal of discussion about power, cooling, and water as drivers of data centers.

Among these, the order I mentioned is also the order in which we have differentiation. The greatest differentiation is on the cooling side. In particular, where power is co-located with the data center, what we can do for international markets, especially the US, can be done by very few companies.

The competitors are at most 1-2 companies globally, not just domestically. The question is how you get in front of the customer and establish a position from which you can explain and integrate your technology into the overall data-center design.

We had our first win in this area last year, which was very exciting for us. Even now, the overall pipeline of such projects that we are working on is significant.

There are two major solution providers in the US, both of which have signed MOUs with us. They will incorporate our technology as part of their overall cooling-execution approach for data centers, and we are making increasing progress with them.

If I had to commit, although the range is wider, I would expect us to show 2 more wins between Q3 and Q4 relating to cooling solutions for data centers in the US. That is my expectation.

We expect handshakes in this quarter and the next, followed by order booking in Q3 and Q4. I hope that pipeline will continue to grow each quarter.

Similarly, for cooling in India and other markets, our hybrid {? CLCTs ?} give us a differentiated technology position. Traditional cooling towers cannot do the same thing. The core question is whether we can save the power required at the data center. In cooling, we therefore have a unique position.

The next area is boiler pressure parts supplied to the US. Very few Indian companies have that exposure and capability. We have achieved a breakthrough in this area. The competition is not from China; it is actually from US-based companies and relates to what we can supply.

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There could be competition from China going forward as well, but even there the question is not as much about price. It is about how quickly you can deliver and whether customers trust our ability to engineer the equipment.

In water and chemicals, we have a pipeline, but it is not highly differentiated in the sense that the water required has to meet the same water norms that any other water-treatment plant must meet.

This is called raw-water treatment, and it is a relatively standard configuration for water. It is competitive. Similarly, once the raw-water-treatment plant is established, supplying it with chemicals is also relatively straightforward.

In water-treatment chemicals overall, we are one of the larger players in India, so we obtain a share from that perspective. However, it is not an area where we believe the technology is particularly demanding. Have I answered your question? That is a fair amount of detail.

Aditya Mongia – Kotak Institutional Equities: Just the hydrogen part. Through the MOU, I could see your presence in that area, and a lot is happening from a capacity perspective.

Management: I would put hydrogen and Bio-CNG together as two areas where we are saying that we will focus intensely and work through the challenges because we do see light at the end of the tunnel.

In hydrogen, in my view, there is only one other company in India that has assembled a team and capability of the nature that we have.

We have already reached an understanding on one project, which we cannot announce yet. Hopefully, we will announce it in the next quarter because it will take some time before it becomes bookable.

We are beginning to see some success on the hydrogen side based on our partnership with Hydrogen Pro.

In addition, on {? SOEC ?}, our demonstration plant is scheduled to come up at the end of this year. It will be a showcase plant built to global standards. It will not be only for India; it will be a showcase for global standards.

We expect a couple of very large names to partner with us on that demonstration project, where we will be able to demonstrate our capabilities.

On hydrogen, we are currently working through the development phase and carrying a team of approximately 40-50 people focused on engineering, development, setting up the demonstration plant, and related activities. However, next quarter we should be able to announce an order, and next year we should begin showing hydrogen-related revenues.

Aditya Mongia – Kotak Institutional Equities: Very helpful, Ashish. Best of luck. Thank you.

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

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Amit Anwani – PL Capital: Thank you for taking the question. You alluded to the products business in terms of margin and growth. I wanted to understand, based on the current order book in industrial infrastructure and the slide you provided on margin changes, what is the margin expectation based on the current book?

My second question is about your statement that you will exceed overall order inflow compared with last year. You also highlighted the change in PSU orders and the focus on private-sector orders.

For the remaining 9 months, what are you factoring into order inflow? Which segments will contribute? Will it be the data-center opportunities you highlighted, or will other segments contribute to the expected order inflow based on the guidance you have set for yourself?

Management: As I said, not only this year but also over the last 2 years, we have completely walked away from large, multi-year government projects involving civil construction.

It is not that we say no to all civil and construction work. Wherever civil and construction are involved, we are proceeding with our eyes wide open.

Let me first focus on industrial infrastructure because that is where we booked large orders last year. I would like to explain how the current opportunities compare with those orders.

In industrial infrastructure, we booked a supercritical project last year. I suspect that we will repeat a supercritical project this year, at least one and possibly more than one, because we have multiple active opportunities.

Given the overall capacity outlook in the market, I believe more customers will look to work with us in this area. At worst, that portion will be equal to what we did last year.

We also had one relatively large international project for the Middle East and one relatively large refining and petrochemical project for Africa. We expect both of these areas to be equal to or larger than they were in the coming year.

Our pipeline in Africa continues to grow. Of the projects I discussed, we have already reached an agreement on one in Q1, but we did not book it because we are waiting for the advance. The project is signed and complete from that perspective, and we have more opportunities in the pipeline for the remaining quarters.

Similarly, we see a good pipeline in the Middle East, so we should be able to do more than we did last year.

On top of that, we have the data-center pipeline opening up in the US and India. Sub-supercritical and captive thermal opportunities are also coming in, in addition to waste-to-energy and some areas where we believe we can execute a couple of EPC projects.

Overall, the pipeline is very healthy. We were very patient in Q1 and wanted to focus on booking the order profile that we like. That is why the quarter looks relatively muted. As the year progresses, our pipeline continues to be strong, and I expect us to perform better than last year.

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In industrial products, you can see that even in this quarter we showed double-digit growth over last year. We will continue on that path for the remaining year as well.

There are some short-term issues. Some sectors, such as rice, from which we receive a significant amount of business, have customers who are concerned about exports to the Middle East and other regions. However, these are timing movements and are not too significant.

Overall, our industrial-products pipeline continues to be good and will grow year-on-year.

In chemicals, we delivered a much better Q1, and some of our volumes have returned. I expect chemicals to grow by at least 20%, hopefully.

In green solutions, Total had good success in Q1. Total's revenue does not decline; it continues to increase. Total had a very good Q4 in order booking, a very good Q1, and a very good pipeline going forward.

Total is on track to become an 800-1,000 crore business over the next 2 years on a consistent basis. It is already running at more than 600 crores, and the outlook is that it should reach 800-900 crores. As it continues to perform well, it could reach approximately 1,000 crores on a continuous basis.

On Bio-CNG, as I said, we have not taken a meaningful number of orders. If Bio-CNG opens up as a sector, the expectation is that some of the pricing changes the government wants to implement will come into play in August itself. In Q3 and Q4, a good pipeline of Bio-CNG projects should also begin to develop.

I have already shared my outlook on hydrogen. Other than FEPL, and even within FEPL as projects are completed, enter execution, and begin producing power, we expect that business to show improvement as well.

That is the reason for my confidence across the board and why I believe we will have a reasonable year in terms of orders.

Management: This outlook does not include anything from the PSU segment.

Mohit Kumar – ICICI Securities: Just a follow-up on data centers: what is the size of the power plant that you are—

Operator: Sorry to interrupt, sir. May I please request you to rejoin the queue for any follow-up questions? Thank you.

Operator: Thank you. The next question comes 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. In your opening address, you mentioned that significant policy changes could create a major pipeline for Thermax. Could you provide an update on that? What kind of policy changes are you expecting, and in which segment?

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Management: I did not say that significant policy changes were expected to affect all of Thermax. The only policy change I was referring to was specific to Bio-CNG, and I will repeat that.

Beyond that, the point was not policy-driven. Three years ago, in the post-COVID period, India was doubling down on thermal power. We were actually building a Thermax where thermal would have no role to play. Today, one of our largest pipelines is from thermal.

This includes not only supercritical but also sub-supercritical and captive power plants. A very large thermal pipeline has emerged. That was my only point.

Nuclear and many other sectors will also be relevant for Thermax, but not over the next 3 years. They will become relevant later.

Policy will play a role largely in the green-solutions area. The biggest area will be Bio-CNG. The government has said that it wants 5,000 Bio-CNG and waste-to-energy plants.

The reality is that India has 150 plants, most of which are not achieving the economics that were originally envisioned. They are effectively not loss-making, but they generate extremely low returns on equity. That is the reality.

As a result, no one has been putting up large-scale plants recently, including the large players.

Meanwhile, India's import bill for natural gas continues to increase. We do not have an effective use for rice straw, so there is a question of what to do with all this rice straw.

There is a high degree of expectation and confidence that the government will seek to address this. What is expected is that the price of Bio-CNG will increase by more than 20%, somewhere between 20% and 30%.

If the price increases by more than 20-30%, that is direct money going into improving the economics of the project. It does not affect costs; it is simply a price increase for Bio-CNG, along with higher mandates for mixing Bio-CNG into the overall CNG mix.

There would also be state benefits and other benefits under what is called the {? Sampoorn ?} scheme, which the central government is expected to promote.

Many of us expect that there will be announcements on August 10, when there is a major conference in New Delhi. Even if announcements are not made there, the expectation is that they will come in August.

The second area is green methanol. The government, as part of SECI, is looking to create momentum around green methanol so that India can become a green-methanol hub.

SECI is collecting tenders and creating a major pipeline for green methanol. Both versions of green methanol—e-methanol and biomass-to-methanol—are areas where Thermax will have a role to play.

We will be very careful about the kinds of projects we undertake and the risks we take. Our first focus is on executing our first project in Kandla and making it a showcase project.

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Kandla was specifically chosen as a small-sized project in which we can clearly demonstrate our technology. Our portion of the Kandla project is expected to be executed between Q4 of this year and Q1 of next year.

It is not delayed by us. The potential delay relates more to the site and the activities that the customer needs to complete.

We have already discussed hydrogen at length. Hydrogen is another area where government policy can influence the size of the market. However, there is no dependence on policy in the traditional portion of our business.

Mohit Kumar – ICICI Securities: Understood, sir. Thank you, and all the best.

Operator: Thank you. The next question comes from the line of Sudhadeep Mitra from Nuama. Please go ahead.

Sudhadeep Mitra – Nuama: Good afternoon, and thank you for the opportunity. I wanted to check your understanding of the point in your opening comments that there are only about 300 crores of {? ESC ?} and government-related orders out of a total 40,000 crore order book.

Is it correct to understand that this is the only painful portion of the legacy projects remaining, which could be exposed to cost escalations and margin pressure? Beyond the 300 crores, does the pain hopefully end?

Also, what is the new normal in terms of consolidated EBITDA margins that you would expect once all the legacy projects are completed?

Management: The answer to the first part is yes. On the industrial-infrastructure side, this is the last portion. It comprises a mix of NRL and FGD projects, and these are the last remaining parts.

The two last Bio-CNG projects are also relevant. I discussed four projects, of which two are going through PGTR, one is complete, and one is well advanced through PGTR.

The last two are the remaining projects. We are confident about them, but until we complete them, they remain an area that we need to close out. They should be closed out by Q3, which is the expectation.

With that, it would be the end of the legacy issues we are addressing.

Not everything we bring in will have the same high quality and high margin. However, if I look at the blended number across exports, private projects, and all the areas we are considering, I can finally see a line of sight to taking the industrial-infrastructure business to 10% and beyond in terms of profitability.

This is not only in terms of EBITDA but profitability itself.

On industrial products, as I have shared in the past, the focus is on increasing profitability in each part of the business.

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There are two parts of the business where growth is high but profitability is lower from a mix perspective. These are water and air-pollution control, which we {? call our ?} clean-water and clean-air businesses.

They tend to have lower profitability than cooling and boilers. There is a mix impact because these two businesses are growing slightly faster than boilers, while boilers already have a very high share and finding new areas of growth is not easy.

Cooling is both profitable and potentially a high-growth area. We need to continue accelerating there to ensure that the blended mix also continues to grow in terms of profitability.

If you ask me for a consistent number, my view would be that we should continue on the profitability path and the growth path. We should maintain profitability and continue growing industrial products.

We have already shown double-digit EBITDA in chemicals in Q1. I would like to continue that.

Chemicals had a good Q1, and we see some visibility of continued improvement. However, there is commodity-price pressure. At one point, it appeared that this pressure would ease as the war situation and crude prices improved. In the last week, that situation has started changing rapidly again.

A significant portion of our chemicals business is exports, and we compete with Chinese players in export markets. That creates some concern about whether our customers will continue to absorb the price increases that we are implementing.

We have also faced the pressure of the 10% tariff that is now being imposed by the US. It is very difficult to determine how the US will act.

So far, our customers are holding on, and in a couple of cases, some of our largest customers do not want to work with Chinese companies anymore.

I am happy with where we are today and remain optimistic, but I am concerned about whether we will continue to be able to pass on price increases to customers if this situation continues for too long.

Operator: Thank you. The next question comes from the line of Dhavan Shah from Alpha Accurate Advisors. Please go ahead.

Dhavan Shah – Alpha Accurate Advisors: Thank you for the opportunity, sir. My question is on the 300 crores of orders that you mentioned were delayed last quarter because of logistics-related challenges. Have they been shipped now?

If you had recorded that 300 crores of revenue, is it fair to assume that the adjusted EBITDA for last quarter could have been approximately 290-300 crores, since the fixed costs had already been incurred and the gross margin is approximately 45-50%? Would that have flowed directly to EBITDA? Is that the right assumption?

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Management: I do not think our gross margins are 45-50%. Only two of our businesses have gross margins of 45-50%. In the rest of our businesses, gross margins range from 15% to 30%.

In our projects business, for example, gross margins are approximately 15%, with 5% G&A and 10% flowing down to the profitability line. That is an ideal type of business in {? bridge ?}.

The range is therefore within those levels, but your thinking is correct because in some cases, particularly the export cases, the profitability on what we could not ship was better than our average profitability.

We have not been able to ship all of it even now. There is a possibility that some of it has moved. In Q2, we will have to remain doubly aware because not only do we have the 300 crores shifting from Q1 to Q2, but we already had a relatively large number scheduled for Q2.

With a 14,000 crore backlog, even after removing approximately 2,500 crores relating to deliveries in future years, we have a large number due for shipment during the year.

Each quarter, we should be looking to deliver more than 3,000 crores. That number puts a significant burden, in a positive way, on our entire supply chain and ecosystem.

We therefore need not only to bring in the 300 crores, but also ensure that the orders due by the end of September are shipped. From an execution perspective, there will continue to be visibility and pressure throughout the quarter.

The last point, as I think aloud, is that our first shipment for the US data-center business, a significant portion of which was supposed to ship in Q1 and be recognized in Q2, is now shipping in Q2 and will be recognized in Q3.

This is something we already know, and it was not a delay on our part. We were ready on time. The customer delayed the project. As you are hearing consistently, US data-center projects are being delayed because of environmental constraints and customers slowing down projects.

The customer's project was therefore slowed down. The customer has finally agreed to take the equipment. It will ship later this month, but it will be recognized only when the customer takes possession of the equipment. Rajendran, our expectation is Q3.

Management: You are right, Ashish, in terms of revenue recognition.

Management: Revenue recognition and margin recognition will also appear in Q3. That said, Q2 includes a lot of good orders and some other adjustments relating to LD reversals and cash collections.

We expect a good Q2 in terms of profitability, especially given some of the impacts we took in Q2 last year. Therefore, Q2, Q3, and Q4 should each show a significant improvement over last year.

Dhavan Shah - Alpha Accurate Advisors: Understood, sir. My second question relates to slide 17 of the presentation, where you have provided a table of projects above 100 crores in the industrial-infrastructure segment, including changes in margins and the number of projects. Could you share the absolute value of those projects? I do not think we can understand it based on the

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number of projects alone.

Management: There were two other metrics—the absolute amount and the profitability of individual projects—that we thought we should not share because that would reveal competitive information. We did not think it would be appropriate.

However, I understand your point that the absolute amount would be helpful. I cannot commit to this right now, but I will discuss it with Rajendran and see whether it is reasonable to share.

Dhavan Shah – Alpha Accurate Advisors: Thank you, sir. That is all from my side.

Management: What I can share is that, in absolute terms, if I remove this 97 crore number, our total execution adds to our margin rather than subtracting from it. That is something we can share.

The PSU projects were the only exception. Until this 91 crore impact, even including the PSU projects, our aggregate execution was adding to our margin rather than subtracting from it.

Dhavan Shah – Alpha Accurate Advisors: Understood. Thank you, sir.

Operator: Thank you. Ladies and gentlemen, in the interest of time, we will take that as the last question. I would now like to hand the conference over to the management for closing comments. Thank you, and over to you.

Management: We received many questions covering our margins and profitability. I hope we did justice to sharing every aspect of them with complete transparency.

This is not a quarter that we are proud of, nor is it reflective of the company we are building at Thermax or the performance that Thermax can deliver. All of us, including the board, understand that very well.

I will leave it at that. Thank you very much for your questions.

If, over the next month or so, you have additional questions or require more in-depth discussions compared with previous quarters, we will be more willing to have those discussions.

Please be patient. We are going through this period and need to focus on the business itself, but throughout the remainder of the quarter we will remain open to sharing more from Thermax. Thank you.

Operator: Thank you. On behalf of Dam Capital Advisors Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your line.

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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