Welspun Specialty Solutions Limited

Q2 & H1 FY27 Earnings Conference Call

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Moderator: Ladies and gentlemen, good day, and welcome to the Welspun Specialty Solutions Q2 FY27 Earnings Conference Call hosted by 360 ONE Capital Market. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Anandh Dharshan from 360 ONE Capital. Thank you, and over to you, sir.

Anandh Dharshan: Hello. Thank you, Aarav, and a warm welcome to everyone on this call. On behalf of 360 ONE Capital, I would like to thank the Welspun Specialty Solutions team for giving us the opportunity to host this interaction. Without taking much time, I would now like to invite Mr. Goutam to introduce the management team. Over to you, Goutam.

Goutam Chakraborty: Thank you, Anand, and good evening, everyone. On behalf of Welspun Specialty Solutions Limited, 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. Navin Agarwal, Chief Financial Officer; and Mr. Harsh Rungta, 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 website. During today's discussion, we may be making references to this presentation. 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. And now let me hand over the floor to Mr. Burakia. Over to you, sir.

Anuj Burakia: Thank you, Goutam. Good evening, everyone. A warm welcome to the quarter 2 and H1 FY27 Earnings Conference Call of Welspun Specialty Solutions Limited. 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's 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 the 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 financial year '27 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 points to 5.5%.

Against this backdrop, the export business faced 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 in a shorter period of time, 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 the sentiment in one of our most important markets and put pressure on finished product prices.

Weak sentiment, together with delays in finalizing contracts and in-delivery schedules hurt our Tube sales volume in quarter 2. Even so, our Bar business performed well. Bar sales volume in quarter 2 grew by about 20% year-on-year, driven mainly by our growing market penetration.

In Tubes, our closing order book is about four 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 & Gas, petrochemical, thermal and nuclear power, defense and other sectors.

Now to our performance for the quarter and half year. Total income for quarter 2 was INR242 crores on sales volume of about 8,800 metric tons. For half year, first half of financial year '27, total income was INR440 crores on sales volume of about 15,000 tons. The reported EBITDA was about INR4 crores for quarter 2 and INR19 crores for first half of FY27.

Cash PAT was INR1 crores for quarter 2 and INR10 crores for first half of financial year '27. We continue to widen our product range and grow our customer base. New products included vacuum degassed stainless steel forging ingots and heavy-wall P91 Tubes. We added 24 new customers during first half of financial year '27.

I'm pleased to share that ADNOC, the Abu Dhabi Oil & Gas major has approved our Pipes 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 these 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 long, Moderator Heat Exchanger Tubes for nuclear power and duplex finned Tubes, etcetera. 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. We expect the near term to stay challenging because of high energy and freight costs, trade barriers and cautious customer sentiments. At the same time, several aspects encourage us a healthy bid book, steady customer engagement, strong domestic market prospects, our progress on product and customer approvals.

Our priorities for the coming quarters are converting our bid Pipeline into firm orders, raising volumes and capacity utilization, keep 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 the 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 opportunity. We believe Welspun Specialty 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 to 2/3, that is about 67% of our total energy use in financial year '27, up from 58% in financial year '26.

With that, I would like to open the floor for questions, please.

Moderator: Thank you. We will now begin the question-and-answer session. The first question comes from the line of Jash Bhurjee from Jash Bhurjee Investments.

Jash Bhurjee: 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 also?

Anuj Burakia: So, Mr. Jash, these applications were all done in parallel and the evaluation is also done parallel. So we don't have access to their internal systems, but we believe that when the Pipe has been released, so Tube would be released anytime soon.

Jash Bhurjee: Okay. Great. And could you please walk me through the FY27 and FY28 capital allocation framework that we have internally thought of?

Anuj Burakia: So on the capital allocation, if you are talking of the capital investments, so I can say that except for some maintenance capex, which I would say not a significant amount. We have no plans for making any capital expenditure during financial year '27 and '28, unless there is very specific opportunity comes our way for a specific project, which entails some kind of an investment. I mean, in general, we don't have any plans for any significant capex.

Jash Bhurjee: Okay. And how does the management view the internal, basically the domestic pricing cannibalization that is happening for our products? Are we seeing a lot of competition in this or?

Anuj Burakia: See, I would put it very simple. It's always a mismatch between the demand and supply that causes the troubles, right? So what has happened at this point in time, this is an overall healthy segment and a healthy industry. Incidentally, given the situation outside, the demand is dry or let's say, the demand is coming even in India in pockets, sometimes you have good, let's say, RFQ load and sometimes it just dries up for in between patches.

So that has, in a way, created a little bit of an oversupply, you can say, or a desperate selling in pockets. But I believe this is not going to be a permanent situation. And we are sure, I mean, with a little bit of an improvement in the environment, I mean, we will see this trend continuing.

Moderator: The next question comes from the line of Shaurya Shah with Equirus Securities.

Shaurya Shah: So the first is with the tariffs and import duties from Europe coming in, so what portion of our historical kind of export revenue would be directly impacted because of this? And a connecting question is that are we kind of thinking about, internally thinking about any mitigation measures or any turnarounds to kind of get through this challenge?

Anuj Burakia: Yes. Good question, Mr. Shaurya. So see, first of all, let me put it this way that this challenge is not new. This had been there for a long time. And only thing is that it had been intensifying. As I would have also discussed in previous interactions that for a long time, like more than probably three to four quarters, in Welspun Specialty Strategy, we had already started to divert ourselves more to the non-EU markets like India and elsewhere.

What has happened in between is that whatever exports were still going into EU and which were highly competitive with the recent increase in the duty and reduction in the safeguard quotas, those capacities also are under tremendous strain. So whatever quantity was going out of the market into the EU is also going to now choke, you can say, our market. So that is how it is creating a strain in some way. However, this is true for the general sentiment.

As far as we are specifically concerned, of course, the products that we are selling and to the extent they are different from these general commodities, we will have our edge. So we are not going to be completely impacted. But yes, I mean, from the sentiment standpoint and especially now when the demand is weak, this is really creating a kind of a price pressure.

Shaurya Shah: Okay. Understood. And for the ADNOC approval, I wanted to understand more about this. So what would be the use case for the approval of the specific Pipes that was received from ADNOC. So this will specifically be for Oil & Gas applications, right?

Anuj Burakia: See, ADNOC is a major company and is in the Oil & Gas. like any other major Oil & Gas company, generally, the approvals are required if any company wants to supply anything directly or indirectly in the ecosystem. So our approvals are mainly targeted to supply Tubes and Pipes to, let's say, the fabricators who are fabricating equipment for ADNOC, for example.

So fabricators in India, fabricators in Europe or elsewhere, they get orders from Oil & Gas majors to sort of manufacture heat exchangers or condensers or other kind of equipment for them and in which they can only utilize the Tube or Pipes from the approved sources.

Shaurya Shah: Understood. So this as well might be able to kind of, let's say, reduce our exposure to Europe, right? Because it's not just Welspun Specialty, but I've heard many other companies as well, which are starting to get approvals from companies like Aramco and ADNOC. So I think that will also help us mitigate exposure to Europe, right?

Anuj Burakia: Yes. In a way, yes. And you see this trend is coming because now India is being viewed as a preferred partner for trade. And in a way, you can say that earlier, there used to be more business going into other than Indian market for fabrication or fabricated equipment. But now we can see that trend growing that more and more Indian fabricators are picking up businesses from these Oil & Gas majors and thereby creating better or higher demand within the country.

Moderator: The next question comes from the line of Parth Bhavsar with Investec India.

Parth Bhavsar: Sir, just my first question is on Q2, especially the Piping segment. So can you throw some light on why the Piping volumes saw such a big decline? Was it a very conscious call that we don't want to sell our Pipes and make negative margins? Was it pricing pressure? So if you could just throw some light on the Piping segment?

Anuj Burakia: So I think I spoke about it in good details in my opening remarks. However, you see, honestly speaking, this is not that we, by choice, would not want to do volume or go for low margins. But the fact remains that there has been pressure on, let's say, order booking and demand. And while the orders were coming in, the nature of, or the composition of order book is such that the deliveries have to happen in a scattered manner over the next couple of quarters.

As we speak, we have a four-month order book and which is scattered. And at the same time, the bid book is also equivalent to 10 months. So in a nutshell, I can say that perhaps the quarter 2 sort of turned out to be a quarter with the full condensation, and received the maximum effect. So things should start improving from here on, and we will see good progress coming our way during this quarter and the next.

Parth Bhavsar: When we say that, so can one expect your average numbers in Q3, Q4 to come back to maybe above 1, 1.3 sort of KMD numbers for Piping, which is the last 4 quarter average?

Anuj Burakia: Well, I would say, yes, I have that confidence.

Parth Bhavsar: Okay. And sir, just last one question. So if you just wanted to get a sense on how demand undercurrents are in like three, four pockets. So if we just had to rank India, Middle East and Europe, how would you rank these three places depending on their demand undercurrents?

Anuj Burakia: See, as far as our product is concerned, and you see stainless steel industry as such is very big, metal industry is even bigger. So I would not include that. I would only restrict myself to the very specific relevant Bars and, let's say, seamless Pipes and Tubes. Of course, Europe is one big consumer. But so at the same time, then if a smaller percentage of demand drives in Europe will create more impact in the overall market than a higher percentage of demand drying in India.

So currently, demand is definitely slow in every portion. However, India, because of its current trajectory of growth, there is demand in India, but you see with a little dry spells, let us put it this way. So I think overall, we are very optimistic or very bullish on the Indian demand, if I look at next three to five years of scenario, not one or two quarters. And therefore, we are very focused on the Indian market.

At the same time, at some point in time, Europe will bounce back. See, for the last 2, 2.5 years, if you see Europe had been going slow on the overall basis, and which is what is also compelling the industry there to kind of lobby for bringing in these trade restrictions for imports.

But in the end, the overall demand and capacity dynamics, if you see, the markets will open at some point in time. Yes, near future looks to be a challenging in that sense. But in the end, the markets will definitely open up. So we would, for our business, be very, very bullish and relying on our own domestic Indian market for a larger share. And at the same time, continue to sell into Europe, Middle East, other markets and keep a watch for the right time to increase our exposure.

Moderator: The next question comes from the line of Anandh Dharshan with 360 ONE Capital.

Anandh Dharshan: Can you speak on the export business opportunities we have in the Europe and Southeast Asian markets, sir? I mean what is our right to win there? And do we need to have any technology partner to scale the business in those markets?

Anuj Burakia: Okay. So you see in the export, if I look at what we were doing three years back, I think more than 50%, 60% of our sales were going into export. And out of export, 90% plus was going into the European markets, which means that as far as the product is concerned, the acceptability is concerned, I mean that is nowhere a factor which is affecting our sales prospects there. So the real effect started to come ever since U.S. decided to impose 50% duty on every other country who was selling into U.S.A.

Now the moment that happened, the biggest impact that it brought was that while the European manufacturers of stainless steel were selling a large portion of their produce into the United States, suddenly found themselves standing with a very, you can say, shrunk market because with 50% duty, it was nearly impossible to continue to sell into a market. And that is where the availability in the domestic market in EU increased.

So two things happened. One is the availability increased, which means the prices in EU started to go under pressure, number one. And number two, the industry there, again, then they obviously represented to the government and asked for the protection for that industry in the wake of U.S. duties.

So that created kind of a total blockage or, let's say, a big restriction on the erstwhile supply chain, wherein Indian companies and other countries, they were selling into European market and also U.S. markets. Europeans were selling into U.S. market. U.S. was exporting very little. So this is how the whole thing was operating. And that really got choked.

The effect that we are seeing is this that in India, you say we are fortunate that Indian market is growing and our products are such that we are able to tap that opportunity. And the reduction in export has definitely affected us, but then not so much as if the Indian market would not have performed well.

So in the near-term, as I said earlier also, the exports are going to be a challenge, not because of the technical capability or because of absence of right to win as far as the technical aspects are concerned or the quality is concerned, but more to do with the protection of domestic industry, measures that have been implemented by various countries.

Anandh Dharshan: Another question I have, what's our growth outlook for this financial year? And are we on track to achieve our previously stated guidance, say that 20% to 30% of volume growth, which we had given earlier?

Anuj Burakia: Yes. So I would say, Mr. Anandh, I think whatever strategy we had and we were working on, we still continue to work on that. But you see the situation sometimes becomes such that despite whatever right actions one takes in business, the external environment pushes you back. So I think we are still on the path. Our strategy is very clear. We are working on that.

And the reflection is coming in our Bar product. But unfortunately, in Tubes, definitely, this quarter was a setback. Having said that, I mean, this is not a permanent situation. And I think we are already in a good shape. So we will definitely get there. Maybe that gets delayed by a couple of quarters. I mean that's about it. So we are on the path.

Moderator: The next question comes from the line of Dhiral Shah with PhillipCapital.

Dhiral Shah: My question is again pertaining to the European market. So in terms of the overall domestic demand in the European market, how big is the market opportunity over there? And how much they are sufficing from the domestic player locally and how much they are reliant on imports, sir?

Anuj Burakia: So, if I talk of Long products market in EU, so there are various ways in the market can be defined. So Long Product Bar, if I only consider as a topic for discussion. I think the total market, total production capacity in Europe would be about 0.5 million tons. But see, the market size is not about what a country or a region produce, right?

The market is how much can they consume and how the demand-supply balance still exists that, okay, if I consume 100,000 tons and if we produce 200,000 tons until I have an outlet for this additional 100,000 tons elsewhere, the markets remain healthy, right?

So as I explained very, very, just two questions back, that this disruption has all been caused because of some trade actions that were initiated primarily by U.S.A. to start with and which were then followed by various other countries to protect their respective industry.

But one thing is a fact, after this has been done, what we are seeing is that in some of the locations, and especially in U.S., if you see the price run-up of commodity and steel and it's perhaps significantly higher than the rest of the world, which means to me, it appears to be like an unsustainable situation.

If, let's say, we are selling something in India for INR100, in Europe, it sells for INR120, it's okay. But in a third location, if it is selling for INR200, right? So you can imagine that ultimately, the burden is going somewhere on the capital goods creation and ultimately getting transferred to the consumers. So this imbalance we feel is at some point in time will correct itself. And that is where we will see the churn of export and imports again coming back to some extent.

Dhiral Shah: Okay. So again, sir, as you mentioned that on the Long Bar, the market is almost 0.5 million tons, how about the case of stainless steel Pipes and Tube?

Anuj Burakia: So stainless steel Pipe and Tube global market is about 0.5 million tons. It's not a very huge market. It's a limited market, and of course, it is growing. It is growing by, if I go by some data of some, let's say, analysis done by some of these companies. It's about 4% to 5% global growth.

I would not include last one or two years because this has been really disruptive. So that is the total market. And we don't see new capacity getting created other than what got created in India in the last two years. Other than that, we don't see any great capacities that are getting built.

Dhiral Shah: Okay. And sir, apart from India, are there any other competing nation who is also getting this incremental duty which European Union has put upon. So are other n competitors are also facing the same duty when it comes to export to the Europe market?

Anuj Burakia: It is, so the quota effect that has come has come on every other country which are exporting to EU, some more, some less. The real competition now is not with a third country who is also exporting into EU, right?

The real competition now is that with the average duty incidence, which has now become, you can say, anything between 20% to 30% because it is a formulaic calculation that happens every quarter. That difference is too much to be absorbed by an importer in EU compared to the local EU mill prices. You understood my point.

So, if I sell 400, they are anyway going to be lending it at about 130. And here is the European mill who says, okay, I'm prefer to sell at 125. So for them, it doesn't make sense to buy from India and incur this kind of duty. This duty before the increase of the recent increase used to be in the range of anything between 6% to 10% maximum, right?

So there was a room for us or for Indian industry to sell still keeping some amount of delta between the European mill price and the Indian cost. So which now has got disrupted, and that is how we are seeing this sudden die down of the export volumes to Europe.

Dhiral Shah: Okay. And sir, lastly, just one question on the domestic side. So as you mentioned that overall volume will come back. So in the domestic market, which are the sectors that you are witnessing that there could be a good demand going specifically to the stainless steel Pipes and Tubes segment, sir?

Anuj Burakia: See, if we look at the bulk consumption, that is definitely happening into thermal energy and other energy sectors. Nuclear is coming up, but volume-wise, it is not huge at this point in time, but at least it is much better than, a lot better than what it used to be three years back or two years back or last year.

So it is gradually increasing. More and more reactors are coming for offering and then, but it's a slow process. Let's put it this way. So we are expecting this business to grow with every quarter or every year.

And the third is the fabrication industry, there is a traction. We can see both from, let's say, the heat exchangers and the other equipment, the heaters, high-pressure heaters, which business is getting generated again from the thermal and nuclear segment and wherein they are in the market to buy Tubes to be able to, for fabricating these equipment.

Also, these fabricators are receiving a lot of business from Middle East and elsewhere for fabricated equipment for Oil & Gas refineries and things like that. So I think Indian market overall is buoyant. But yes, there are patches which are like dry spells in between. But in overall, I mean, market looks promising, and we are very bullish on the overall Indian consumption.

Moderator: The next question comes from the line of Jash Bhurjee with Jash Bhurjee Investments.

Jash Bhurjee: With respect to the Middle Eastern EPC contractors, how soon do we expect purchase orders from commercial tenders, wherein translating to purchase orders?

Anuj Burakia: Just, I think a bit difficult question to answer, but let me put it this way. This Middle East is a large geography. And I'm sure all the Oil & Gas companies there, they are buying for their equipment from various fabrication suppliers, including in India. And that is how these fabricators are generating inquiries for buying Tubes and Pipes to be used for fabrication.

Currently, our order book also comprises of, I think, more than 60%, 70% of the volume, which is from this segment that you just mentioned about. So the orders are already getting converted, right? And so we are only to see as to how much this volume really how it pans out in next few quarters, whether the volumes increase or they remain stagnant or how the market moves.

But I think overall, Middle East is buoyant. Of course, they are currently passing through a very difficult time with all the war and all that situation. But on the whole, I think that is another region to be kept under watch.

Jash Bhurjee: Got it. Perfect. And I think the presentation mentioned the order booked for heat exchanger for nuclear. So is this the same order that we had got from NPCIL or this is through a Tier 1 fabricator like BHEL or someone?

Anuj Burakia: See NPCIL directly buys very rarely, right? So the order will definitely only come through Tier 1 fabricator, which is approved by NPCIL and also the Tube Source is approved by NPCIL. And generally, NPCIL undertakes specific approval equipment wise. So I'm happy to announce that for Moderator, which is one of the critical heat exchanger, also we got a specific approval after due audit and validation of all the aspects from NPCIL.

Jash Bhurjee: Okay. This is a separate order, right, from a previous order that we've got?

Anuj Burakia: Previous, I'm not sure which one you are referring to. But I mean, we have been picking up nuclear order from time to time. This one from the criticality standpoint is quite important for us. And also important because as the nuclear demand is increasing with time, this one particular equipment is such that after having done this, your positioning within the nuclear framework becomes very, very strong.

Jash Bhurjee: Got it.

Anuj Burakia: So from that aspect, I mean, not only commercially, strategically also, I think this is an important project for us.

Moderator: The next question comes from the line of Parth Bhavsar with Investec India.

Parth Bhavsar: Yes. Sir, I just had one question. I wanted to understand the competitive landscape in India. So I believe a lot of demand or incremental demand that we are looking at is from thermal energy. So just wanted to understand how the landscape has changed over the last three- or five-year period? Has it become more intensive? Or is it that we are just not, our product offering doesn't compete with the likes of guys who make Pipes through piercing route?

Anuj Burakia: See, generally speaking, piercing product is obviously cheaper to produce and has its own characteristics. I will not get into details of the let's say, merits, be merits and all those things. But the fact remains within thermal, there are both category of products, right?

One where the extrusion is compulsory and obviously, there the competition landscape is entirely different from the one that you referred about is where both the routes are accepted. And then there is a third differentiation whereby the different OEMs, different OEMs when I say, for example, NTPC is the owner of a project. Similarly, there could be another owner, which could be, for example, Adani Power.

Third could be Reliance Power. So different owners also define their own specifications. So for the same product, there are still some OEMs that prefer the route that we employ. And I think if I make a sum total of the opportunity that we as extrusion player have from the overall thermal power sector, I mean, it's significant.

Parth Bhavsar: So is it safe to assume that it is enough for each -- all the players to grow over the next maybe whatever, three to five years?

Anuj Burakia: I would think so. I would think so. And if, I mean, just for the benefit of everybody's information, those who have not read this, this very recently, I think beginning of this week, the government

has announced revising the plans, the erstwhile plans of 90 gigawatt to be completed by 2035 has been now revised to 150 gigawatt.

So this segment will definitely generate a lot of business. The only thing that government needs to see is how to speed up the execution part. And for that, I'm sure we are working with many EPC companies to find out solutions and like it happened in case of highways, the speed of highway construction, how over a period it grew like it multiplied. So it seems that with the thermal power sector, a similar story is going to repeat.

Parth Bhavsar: Sir, if we assume that 150 gigawatt does get in executed, is there a way to understand what would be our TAM?

Anuj Burakia: Sorry, what would be?

Parth Bhavsar: Basically, our market that we can cater to?

Anuj Burakia: Okay. What I can say is approximately 1 gigawatt normally entails, if I say very simplest product, including the stainless steel and high alloy boiler Tubes, approximately 3,000 tons and maybe another 500 tons for other equipment, non-boiler equipment, which requires the stainless steel seamless Tubes. So each Gigawatt, approximately 3,500 tons to 4,000 tons depending on the design.

Parth Bhavsar: Perfect. This is very helpful. Sir, thank you so much for answering my questions.

Moderator: 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.

Anuj Burakia: Thank you. The first half of financial year '27 has tested us and the wider industry. Energy and freight costs rose, trade barriers went up and demand stayed 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'll be happy to help. Thank you once again for joining us today. We look forward to speaking with you again soon. Thank you.

Moderator: Thank you, sir. Ladies and gentlemen, on behalf of 360 ONE Capital Markets, that concludes this conference call. Thank you for joining us, and you may now disconnect your lines.