

Date: 7th August, 2024

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Subject: Transcript for the Institutional Investors Meet

Dear Sirs/Madam,

In continuation to our intimation dated 29th July, 2024 and 02nd August, 2024 enclosing herewith the Transcript of the Institutional Investors Meet held and participated on 02nd August, 2024.

Kindly take the same on your records.

Yours faithfully,
For **KSB Limited**

Shraddha Kavathekar
Company Secretary

MANAGEMENT: Rajeev Jain - Managing Director
Mahesh Bhave - Chief Financial Officer
Shraddha Kavathekar - Company Secretary

Presentation

Unidentified Participant: Welcome all to KSB Institutional Investors Meet of KSB Limited today. KSB is one of the world's leading manufacturers of industrial valves and pumps. Today with us, we have on the dais, Mr. Rajeev Jain, Managing Director and Mr. Mahesh Bhave, Chief Financial Officer and Ms. Shraddha Kavathekar, Company Secretary. Thank you and welcome. And over to you sir for your introductory comments and then you can have a Q&A. Thank you. Welcome.

Mahesh Bhave: Good morning all. We start with the cautionary statement regarding forward-looking statements. This presentation may contain certain forward-looking statements relating to the company's future business developments and economic performance.

Such statements may be subject to a number of risks, uncertainties, and other important factors, such as but not limited to competitive pressures; legislative and regulatory developments; global macroeconomic and political trends; fluctuations in currency exchange rate and general financial market conditions; delay or inability in obtaining approvals from authorities; technical developments; litigations; adverse publicity and news coverage, which could cause actual developments and result to differ materially from the statements made in the presentation.

The company assumes no obligation to update or alter forward-looking statements whether as a result of new information, future events, or otherwise. So, today, we are going to cover, this is the agenda, the organogram, the KSB location, overview of KSB, highlights of quarter two, 2024, top 10 customers, order intake details, financial details, and ESG initiatives.

So organogram, you can see Mr. Rajeev Jain, who is with us today, Managing Director of KSB Limited, myself Mahesh Bhave work as a CFO and DTC Head, we have Mr. Mohan Patil as HR Head, Mr. Prashant Kumar as Sales and Marketing Head, Nuclear Operation is headed by Mr. Nitin Patil.

Valves, our Coimbatore factory that is headed by Mr. Raja, Quality Head is Mr. Philip, and Mr. Seshadri heads PMPS, that is Product Management, Shraddha who is with us, she's Company Secretary.

Mr. Sunil Bapat, who heads Standard Agriculture & Solar as well as foundry. SupremeServ is headed by Mr. Rajesh Kulkarni and Mr. Mukesh Pattewar, who heads the Contract Management. So this is the senior team, what we have. Moving ahead, we have, you can see on the screen that KSB Limited, this is established in 1960 headquartered in Pune.

And having a six manufacturing plant, six service stations, 350 plus service centres, I mean the dealer networks and 22 warehouses. We have four zonal offices, 14 branches, and around above 1,100 plus dealers. We also have a MIL Controls, which is our associate company, which is located in Kochi, which is into manufacturing of valves.

KSB Tech Private Limited is another associate company, which is into engineering services and IT enabled services for the group as a captive service provider. And we have a Liaisoning office in Bangladesh. So this is a overall group companies. EPD, our Energy Pump Division in Shirwal, you can see the photograph. And last year, we have integrated our new admin building, in this state-of-art plant, which is located in Shirwal. This is the flagship plant, which is we call irrigation and pumps process division, which is in Pune.

And the inside view of the Pune plant, mainly Pimpri plant. We also have at Chinchwad, which is again in Pune, which is into a SupremeServ that you can see the photograph, which is a Supreme's Excellence Centre Academy, what we have for the training and development. This is the central warehouse, which is located again in Chinchwad. Standard pump division in Sinnar, Nashik which is mainly into manufacturing of standard and domestic pumps. You can see the inside view of our Sinnar factory. This is the kind of overview of the factory.

Valves division, in Coimbatore. The inside view of the Valves factory in Coimbatore, Tamil Nadu. We spoke about MIL Control, which is the associate company in Kochi, and this is the inside view of MIL factory. KSB Tech, we discussed, this is a state-of-art design centre catering to the whole group worldwide into engineering service support and IT service support. This is located in Pune City. This is a photograph where we inaugurated, renovated our Jaipur sales office

recently. So, moving ahead, on the application in various sector. So first is energy. KSB Pumps and Valves ensure energy efficient and reliability, helps to achieve optimal performance and safety in power plants. So products include high pressure multistage pumps, FGD pumps, GGC valve and ball valves, and applications are FGD hydrocarbon services.

Industrial sector, variety indeed in the spice of life as it is in the case of our pumps, end suction pump, process pumps, non-clog pumps, high pressure multistage pumps confirming API 610, I mean 610, GGC, and ball valves. Applications, oil and gas, sugar, paper and pulp, thermic fluid, process application, hydrocarbon services.

Next sector is irrigation sector. Optimised product from a specialist for the entire water cycle, what we call. Products are submersible pumpsets, openwell monobloc pumps, mini-monobloc pumps, dewatering pumps, solar products, GGC, and ball valves. Applications are into irrigation, farmhouses, drinking water supply, etc. Wastewater, clean solutions. Products are submersible motor non clog pumps, horizontal non clog end suction pumps, GGC, and ball valves.

Application, various types of municipal and industrial wastewater, sewage, effluent, transport and treatment, storm water, drainage, and dewatering. Construction. So in all solution, always represent a sound foundation upon which you can build. Hydro Pneumatic system, fire-fighting pumps, listed as well as non-listed, HVAC pumps, panel for primary and secondary, and the applications are fire-fighting, HVAC, pressure boosting, water transport, and drainage.

SupremeServ, so it is a decentralised customer centre setup supported by lean and efficient processes, dedicated sales management, and spare part repair field services. So what it covers is basically service, spare business, and of course, the modification, replacement pump, footprint pumps, etc.

Moving ahead from applications, this is the highlight and low light for quarter two, 2024. So good growth in distillery and vegetable oil sectors with prestigious orders. Valves division achieved highest sales in quarter two, highest order intake for H1. TSG Regulation Audit has been carried out by CESI Agency for China export market for valves without any major observation.

Added spare parts of more products, that is MEGA and MEGACHEM, to E2E workshop, web shop in continuous efforts to

enable online ordering for all our product and spares. So this is a web shop what has been there added actually. Approval of KSB mechanical seal by our major customers. So these are the highlights. Moving ahead, top 10 customers. So you can see, not much of a difference. The only difference can be a solar business, which is added our customers.

So Thermax, the PSU's like HPCL, BPCL, dealers like Rushabh, Pooja, Patil. And as I said, Dakshin Gujarat company for solar and Maharashtra Energy for solar. IGSEC continues to be in the private sector and Toyo Engineering.

Order intake. So this is domestic plus exports in INR Mio's. So order in hand without nuclear, you can see a very robust steady order on hand, ₹11,948 million. This is YTD June 24. Export performance, this you can see, 24 YTDs around 11%, and we hope to maintain the ratio of 15%. This is a pie chart which is showing a sector wise percentage of orders. So more or less you can see the standard pumps, we have grown from 42 to 52, engineered pumps, you can see a reduction because standard pumps is on a more growth path.

Valves is more or less steady. Financial, I mean the numbers are already with you. This is only on net financial position, which is substantially improved. You can see from ₹2,746 million to ₹3,152 million as of YTD, June '24. Inventory, also there is a good improvement, good reduction to control the working capital as of end of June '24. So we end up at ₹5,636 million. And receivable, we end at ₹4,896 million.

Revenue from operations, you can see YTD June, we recorded ₹11,902 million, profit before tax, six monthly, we recorded ₹1,483 million again which is a good maintained and improved, you can see from the numbers. Some of the ESG initiatives, so downtrend observed in almost all environmental parameters like electricity, diesel, LPG. So you can see 50% reduction in KSB India Scope 1 emission in H1, 2024 and 29% reduction in Scope 2 emission, that is H1 2024 which is a very good, kind of development.

We have Idea Management. These are the highlights where employees use idea for saving and process improvements etc. So 927 ideas and saving, you can see ₹4 million plus saving, and around 416 employees contributed to this. Some of the highlights, idea campaigns and training sessions. Again, they give distribution events for idea management. So some of the photographs. So this is again a group

captive solar project update like we discussed last time. Construction work is completed. You can see from the photographs.

Obtained work completion reports from all the relevant authorities. And onsite pre-commissioning test for the transmission line, pooling substation, and remote end GSS Bay are ongoing. So, we expect to conclude this by mid of August. These are some of the events we have All India Dealer Conference, this is 2024, this time in Kochi, Kerala. And, the dealers who are our partners, who are instrumental in growing the standard business. So all the top dealers, they have participated.

And this is also Mr. Chairman, Mr. Swarup who has also attended this, conference. Yeah. So Valves Dealer Meet in Chennai. Some of the photographs and we of course had a West Zone Sales Meet. Some of the exhibitions, KSB Agri Intex Expo, which happened in Coimbatore. So this is one of the premier agricultural trade fair held in Coimbatore in July this year.

Chemtech Expo, which happened in Mumbai, Bombay Exhibition Centre and there we showcased our latest pump technologies, including the product range, what is mentioned here. So, these photographs, where our KSB U.S. Managing Director, Mr. Luis, who visited and he's the President of KSB North America. And he came to visit India to leverage collaboration between the two nations. So these are some photographs of his visits.

Success story, we're very proud to share this success story where KSB Shirwal plant Energy Pump division was credited with the distinguished ISO 19443 2008 Certificate. So the certification is KSB is becoming the first company in Indian pump industry to earn this accreditation, and the certification encompasses the development, production, marketing, and servicing of pumps, ancillary components, and system for nuclear applications, specifically for product systems classified as ITNS. So the Important to Nuclear Safety. So, thank you. That's it on the presentation, and then we move to a question-and-answer session.

Question-and-Answer Session

Kunal:

Thank you. Good morning. This is Kunal from B&K. My first question is relating to the growth that we have seen in the first half. I'm not referring to even the first quarter, the second quarter. We've done about 10% growth, which seems to be slightly on the lower side.

So is it the capacity constraint that is restricting this growth or there is external factors especially on the domestic side that is leading to some weakness in growth in the first half?

Rajeev Jain: I think it's mainly due to some project orders, which could not be delivered due to constraints at customer end, maybe payments or their project delays. So we hope all that will be recovered in the second half.

Kunal: Okay. And because, if I look at your order inflow, we've almost done equivalent to what we have done full last year, which essentially points to a very strong growth. So is it a fair assumption, that we will be able to deliver mid-teens kind of growth easily for the next few years?

Rajeev Jain: Yes. I think, our order booking is strong and we are targeting that we continue this growth, what we have achieved in the last seven, eight years. We want to achieve the similar growth in the coming years also.

Kunal: Sure. But capacity is not a constraint, right? We have enough capacity for this year and next year also to grow?

Rajeev Jain: Yes. We have enough capacity. As you know, we have bought additional land in Shirwal last year. We have two space still available yet to be built in our plant in Sinnar. We are building the last shed. So capacity is a continuous process of increasing, investing not only in the space, well as in the machinery also. We are replacing our old machines with better productivity or efficiency machine, multi axis 3-axis, 4-axis, 5-axis machines. So all these actions are being done parallelly with the order info.

Kunal: Sure. My second question is pertaining to margins. While this quarter we saw margins recovered to 14%, last two quarters we had struggled and come down to almost 11% margins. We've also seen gross margin improved. So if you can highlight what was a leading to lower margins and now what is the gross margin level we should work with? Is this number that we have reported around 43.5? Is it a sustainable number? And is it fair to assume that some of the low margin project business that was dragging the margin down is more or less behind us?

Rajeev Jain: I think one should not evaluate on quarter-to-quarter. It does not give a true picture, because our business it depends a lot on the product mix, project business, standard business, aftermarket business. So if you

look at year-to-year, we have been very consistent on an EBITDA of 13%, 14%, and that is what we feel is our target in the long-term sustainable to maintain that. And, yeah. I guess quarter-to-quarter, it will always differ, depending on what share of business gets realised in that particular thing.

But overall, it's a mix which will be continuously changing. And since we invest a lot into new business, new products, so that kind of development costs also get built in. When you bring in new products, you take new initiatives on market development. So the initial phase, of course, come with its associated cost, and that is basically for future till you get enough volume in that.

So having said that, that continues to be there as a part of our present results. But in future, I think that will result into the growth, what we are planning. As I said, we want to continue this growth, and that depends totally on what we invest today in this products.

Kunal: So, I appreciate the 13%, 14% range that we are talking about in the long-term. But we also historically have spoken about increasing the share of SupremeServ overall target is to bring it to 20%, 25%. Nuclear aftermarket is a high margin business. FGD aftermarket is a higher margin business. So once all of those lever start to play, is it fair to assume that we can even take this margin range up further?

Rajeev Jain: I don't think so. Reason is the SupremeServ business is increasing, but that's always our other business is also increasing, the standard business. Plus, you mentioned FGD. FGD is not a very high margin business.

Kunal: The aftermarket on FGD?

Rajeev Jain: The aftermarket. Yeah. As the aftermarket increases, the margins will be better. But our Project business, the business for Oil and Gas, for Energy, these are very competitive business. And just few minutes back, I mentioned the investment in new product, new businesses which we do. Those development costs also are to be considered overall, because the growth is coming out of new segments also. And it could be Solar business, the investment which goes into Solar business, the investment which goes into mechanical seal business.

So these are the investments which are a good part of our present day development costs. And so that increase in the SupremeServ business compensates all that, so that we can maintain that healthy things. And

Nuclear business, whenever it comes in the sense that, hopefully, next year, the first few orders will have those associated costs due to the whole process of the development. Once it settled down in the future years, I think that would have a better product mix for the company.

But in the near future, I would say in the next one, two years, I would say a stability of 13%, 14% is a fair target for us.

Kunal: Sure. My last question, pertaining to the nuclear power order. So where are we in terms of order, sales booking there? This year we were supposed to book about ₹100 crores from nuclear power. Are we on track? Is there any further delay on that?

Rajeev Jain: Yeah. Basically, this first two pumps or the first pump takes time because of multiple factors. So it's not totally in our hands. The site needs to be ready. The site and the site Gorakhpur, Haryana, has got delayed. So there is not much sense of urgency, but I don't say that is the main reason. The thing is also at the customer's end, the test rig has to be ready for doing the testing. So that work, since I basically say this is the first time all these things is being done.

So many things, don't -- are not planned in that way and it new tests get coming up, new tests get added up. And it's fair, because we are making this pump first time 100% in India. And so even if there are not contractual requirements of testing, we need to honour that it's in the good for the company as well as the customer. So all those things are being accommodated.

I would say, the order is progressing well. There is no hold up. It's only accommodating new requirements, new testing, as well as some kind of little bit delay in also setting up the test bed. But I expect all these things also to get over by this yearend latest, and we should get the sales revenue in the first half of the next year. That is what I would give from a present situation.

Kunal: Okay. So, now we'll be able to book next first half, not this year?

Rajeev Jain: Not this year.

Kunal: Okay. Thank you. I'll get back in the queue.

Unidentified Analyst: I have a question. Which are the two, three sectors you are very bullish on? Because as you mentioned about solar, the government's Kusum Yojana is seeing traction for the last six months. Two, three

players have done wonderfully. Their utilisation levels are going up. States like Maharashtra, Rajasthan are seeing traction. So how do you see solar playing, hydro playing, or any other sector that you think there is compression also, but there is a lot of ordering possible?

Rajeev Jain:

Yeah. You mentioned it. Solar is I think one of our also sectors which we are looking forward to. We entered the solar segment a bit late, but we have got a good progress this year. Already, we have achieved a sales turnover of almost ₹80 crores this year in this business as an integrator, mainly. And we hope to achieve a turnover of ₹150 crores in this business by this year end. So this is a good progress for us considering the fact that we just entered in the segment one or two years back. And the biggest advantage is that we have already supplied 1,600 systems in this thing, and that entails us to be qualified on our own strength. And so we can participate in our own capacity in the future tenders, which are expected in Assam, in Maharashtra, in Punjab, all those areas. So we are well prepared there.

We see this market growing much faster than the other segments. And that learning curve, what we had this year, I think it should be almost complete in this year. So and once that is done, then maybe we will focus a lot into our local value additions, manufacturing to increase the local content, and that will also bring our competitive situation much better.

So, on that front, I would say work is being done in parallel to manufacture our own controllers and other accessories. So this should happen in the early part of next year. The prototype testing, everything should be finished this year, and we could release it by the end of the year.

So Solar segment is definitely something which we are very optimistic on. Other segments, as you know, KSB is well present in all segments. I would say, if you have to list it out, I would say water, wastewater. Wastewater is a very important segment. When I meet customers and the kind of investment and the projects going on in this segment is quite encouraging. They say only maybe 10% of the effluent, what we waste we generate, we treat in India. So the scope of this business is quite high.

And we have developed products, our submersible motor pumps and also the other application pumps in this segment. So wastewater treatment and sewage treatment, I think this is another sector which to us is a very good growth, which we are looking at. The building

service market, that infrastructure development, the investment in infrastructure. So all those segments are going to bring us a good hope for the coming years.

Otherwise, KSB, as you know, we are present in all segments. Better is energy, oil and gas, industry. Industry has been our forte for long. So in those segments also, we did well in the distillery. Distillery, of course is a bit slowed down, but continuing. Pulp and paper, there we are focused. So I would say all segments are looking, quite okay, but if you were to single out someone, I would put it as solar, I would put it as wastewater, and to an extent building services also.

Apart from, of course, the project business always has its ups and downs, suddenly.

Unidentified Analyst: Yeah. Thank you. So given our late entrained solar, safe to assume that the margins would be lower for the next 1, 1.5 year there? Margins would be lower in solar given our late entry competition. So the next 1, 1.5 year, the margins would be lower for solar?

Rajeev Jain: I don't think so. The margins are, of course, lower relatively compared to our Product business, because in this business more than 50% is bought out. Our own value addition may be 25%, 30%. But having a good volume gives us a chance to also have good partners, good supply chain. So I don't think margins would go down. In fact, we are aiming to make it better with having the supplies done, having the experience gained, and doing more of localisation or in house manufacturing.

So that is our goal to improve the margins with improvising our supply chain as well as increase localisation.

Unidentified Analyst: Thank you.

Unidentified Analyst: This is Sagar. Just going follow-up on Kunal's question on nuclear. So just wanted to understand if there are any contractual liabilities, which could come to us in, because of the delay in supply of this to us?

Rajeev Jain: The contractual delivery the delivery period official contractually was April, May this year. So which we are in discussion with NPCL for extension of delivery due to all these reasons, which I mentioned, and that will be done mutually with them.

Unidentified Analyst: But there is a risk that in case if they do not agree to?

- Rajeev Jain:** Yeah. That risk is always there. I would not term that as a high risk. It would be a low risk for in my opinion.
- Unidentified Analyst:** Okay. Got it. And my last question would be on the SMR, Government of India in the budget spoke a lot about SMR. So what are your thoughts on that? And can that be a very big opportunity for us?
- Rajeev Jain:** Yes. For KSB, yes. KSB in SMR, you know our group is very well much ahead, and in fact on the brink of booking a good order for SMRs for supply to, in fact, U.S. also. So that SMR technology for pumps and all is very much available in the group KSB. And of course, we here in India would have access to that knowhow and technology once this becomes to that level or developed here in India.
- Unidentified Analyst:** But that's different from the pumps that we supply to the nuclear?
- Rajeev Jain:** That will be totally different than the pumps we supply.
- Unidentified Analyst:** So nobody else has that, in India.
- Rajeev Jain:** Maybe others have it. I'm not sure internationally. People may be having it.
- Unidentified Analyst:** But domestic, in like, domestic competitors?
- Rajeev Jain:** I'm not so sure.
- Unidentified Analyst:** Understood. Sorry. Just last question on the green hydrogen part. The last time, I think you mentioned that green hydrogen also, we would be developing the pumps for that. And, this year, you are expecting some revenue booking from this year?
- Rajeev Jain:** We have started that revenue booking. It is low because the market as in India is also growing gradually for that. So we have already booked orders in the range of small orders in the range of ₹50 lakhs to ₹1 crore. These are specifically no new pumps, basically. They are pumps from our existing range, which we have developed locally. And only these pumps have some special treatment and special quality requirements, which are established by our group and then we follow that requirement for the customers, international customers also locally.

So this segment also, we have elaborate product range. We don't need to develop today per se. We are developing small products. It's like the magnetically driven pump, Bloc type versions and things like that. These are small developments which are underway. But having said that, I don't think we have any new product development on this. So I think whenever the market or the inquiries come, we will participate in all those enquiries.

Unidentified Analyst: And any sense on how big can the opportunity be for green? Like, India is talking about 5 million tons of green hydrogen. So in terms of pumps, what can be the opportunity?

Rajeev Jain: The pumps, the opportunity will grow as the capacity and the install and the localisation will happen. But, the pumps are not big. The pumps used are small pumps here in those process. So if you compare to energy plant and a nuclear plant where you sell a pump for very big values, the values here would be much small. But of course, the volume would be much bigger. And the size of the business would totally depend on how fast we grow and implement all those CapEx and investments here in India.

Unidentified Analyst: Thank you.

Sagar: Hi, this is Sagar from Phillip Capital. Can you share your thoughts on the export outlook in general, like in terms of the order execution, any, challenges that you're witnessing and any new launches that you plan ahead, that is one?

Second on how is the progress on the new businesses like railways and fire-fighting pumps? Your thoughts on that as well.

Rajeev Jain: Yeah. Export is always a good opportunity for us because being a global company, having the global network, and having a good cost, production sites here. So that is continuously an endeavour by us. Recently, we are taking initiatives to go, sell our submersible borehole pumps in the African market. That's a new initiative which we are doing. We are participating in a lot of energy projects, and we are successful in getting some projects in Greece, for example, and also one project in USA. So the group is taking a lot of initiative in developing this market overseas, and we are being preferred as a supplier for these energy projects.

So these initiatives are continuing, and I see a good possibility because we have a very comprehensive product range. It depends on

how we are doing the marketing internationally, and that is with our new organisation based on segments. It is happening very well. We also booked a good valve order from Poland, which was booked partially last year. This year almost €4 million, so these opportunities are growing, I would say.

Growing because, because of the organisation, global organisation and secondly, because of the product range which we are developing. And as you develop these references, the acceptability and the confidence also increases. So export will be continuously an opportunity which we will target everything. And it takes a lot of efforts in terms of quality, meeting the delivery requirements. And those are much tougher conditions than the domestic market.

And our expectations on quality, surface finish, packing, delivery times, those are not comparable to what is expected from the domestic, even though we try to keep similar qualities and everything. Your second question was on the newer segments. Yes. Fire-fighting, I mentioned this all these new developments we are doing. Our plant in Pune has got qualified for FM as assembler.

We are bringing in, FM and UL licensed products. We are under the stage of development, prototypes. So all those activities are going in parallel. We have already done some business of ₹25 crores in this segment in this year up to first half, which we want to double it.

And, once we have the complete UL and FM range of products, I think, this business will definitely go up. Fire-fighting is a segment with awareness is growing, compliance is growing, and so I think this market will be huge and continue to grow in future. And other segments, yes, we are also participating in other segments.

Navy, defence, we have got some orders where we were not participating. Pumps for submarines, pumps for Navies. LSA hygiene products, which we have started selling non-metallic pumps. These are small segments. What I intend -- what I want to say is that, we are looking at all opportunities, whichever we can fill the gaps and grow in these markets.

Sagar:

Railway pump business has started?

Rajeev Jain:

Railway has been good success. We made the breakthrough long-term contract with Siemens. These pumps are so critical. And following Siemens' example, we got also orders from ABB now. So the progress

is well. And I think step-by-step for all the locomotives and Made in India, I think we would be a good supplier at least with the international players. So that is a business, which is doing well, I would say from today's perspective, and the growth will depend totally on how our customers grow and invest and succeed.

Sagar: So I just have one follow-up question on my first question. In exports market, is there any product gaps which you would like to fill in next one year? Can you highlight that as well? Thank you.

Rajeev Jain: Yeah. Product gaps keep on happening in API product range, whichever products are still to be developed. We will develop that. So product development is a continuous process. It is happening, because the product range is vast and KSB has the complete basket of product baskets. And we are looking at the vertical turbine pump now. So there are many products. The list is exhausting, and those development is continuously happening.

Nirav: Hello, this is Nirav from ASK. Would it be possible for you to share some insights on the pipeline that we have for thermal power?

Rajeev Jain: Thermal power? The coal?

Nirav: Yeah. Coal fired.

Rajeev Jain: Coal fired, I think you've seen recently there is boom in this coal fired, but maybe a bit unfortunately for us, there is only BHEL who is one who is successful as an EPC. All the other private EPCs, GE, Toshiba, Doosan, L&T, all they have not been so successful. So and BHEL makes their own pumps. So for us, the opportunity is not there if BHEL wins the contract. The only opportunity comes is FGD pumps, which we are the main supplier to BHEL. So for the coal thermal plant, I would say the opportunity for us is mainly on the FGD pumps and the small auxiliary pumps.

Nirav: Adani Group is also quite aggressive in that space, and they have given only supply contracts to BHEL. So can we get orders from them as well?

Rajeev Jain: No. BHEL, when you give the supply there, as I said, BHEL makes the pumps.

Nirav: The scope is mainly to the best of my understanding, limited to BTG.

Rajeev Jain: Correct. But those pumps also are supplied by BHEL. Adani would not buy the pumps directly, I think.

Nirav: Got it. Thank you.

Mohit Surana: Thank you for the opportunity. Mohit Surana here. Just wanted to ask about the nuclear power order. Last time you mentioned we have an order book size of around ₹1,000 crores. The first couple set of pumps that we have supplied, there's a delay. And you said next year, we'll be likely booking those. Also, what about the balance ₹900 crores? How much time will we take to book?

Rajeev Jain: Those will be delivered over a period of two to three years. So '25 to let's say, '27, these deliveries would continue. Our order booking for nuclear is more than ₹1,000 crores. It's almost, ₹1,300 crores. We booked for Kudankulam as also an order. So that would go next year. So that would be a good sign.

Next year, I think we should achieve a good sales revenue from nuclear, if all goes to plan because that project is on fast track, and we're getting a good support from the customers in expediting. So that plus the pumps which have got pushed to next year together would give a good healthy revenue from this nuclear business next year.

But, based on the orders on hand, I would say they would go up to '27, But there are so many other orders on the pipeline which will happen. So for the next seven, eight, 10 years, there's a good optimistic pipeline of these business.

Mohit Surana: So I just wanted to understand the timeline. So whenever a new order comes from a new nuclear power plant that is being built, will that take same amount of time that has taken this time? I mean, like the first set of pumps that will be delivered for a new nuclear power plant, will that take another two years for testing and then the whole process? I mean, because it will have different specifications.

Rajeev Jain: It is very normal. Only the first time it takes that much time, that provenness. Once you establish the provenness, there's no reason to repeat that test again.

Mohit Surana: Understood.

Rajeev Jain: So this is the first time a pump is being made 100% in India. And the customer also wants to make sure, and when it is Made in India, we

were reporting in Germany, they wouldn't have asked so many tests. They would accept it because it's coming from Germany. But now it's Made in India, there are tests which are being added because, not even in the contract, but it's fine for us. It's good. It also helps us to learn more. And we're going through that phase. And once we're done, then we'll be thorough 100% expert. But, the remaining things then automatically get solved.

Mohit Surana: Understood. So just another question on the margin front. So your valves margin has, we have seen expansion in that valves margin. Have we reached the sustainable level of margins there or we can see further improvement or, if you can give some insights on that?

Rajeev Jain: I think we have reached a very good level in valves. You remember valves was always a very, up and down. It was sometimes even in red. And today, it is at a level of double-digit, not even double-digit, 12%, 13%. It's a good sustainable level because we have achieved that improvement in our supply chain, our internal process, and all those has been standard, standard layouts and a lot of internal improvements. And that process is being continued now. We are replacing old machines, trying to improve the productivity, where we used three or four manpower. We are going to do it with one.

So all those improvements over a period of time, digitisation, the warehouse digitisation, the order processings digitisation, introduction of S/4HANA, all those things are happening. So, I think the internal efficiency will be there, and these margins definitely should be sustainable.

Mohit Surana: Understood, so just one last question. If you can give some sense on the order book size potential from Siemens and ABB with respect to the locomotives order. So last time you mentioned it will be a long-term order for eight to 10 years, which will also include the servicing component. So if you can give some sense of the order book process.

Rajeev Jain: I will not be able to give any value on that. It may be a UPSI or it may be helpful to my competitors also.

Mohit Surana: Understood, no problem. Thank you.

Vipin Goel: Yeah. Hi. Vipin Goel from Mirabilis.

Rajeev Jain: Yes. Yes.

Vipin Goel:

Yeah. So I had question on this Kudankulam award that we recently won. So this was in May, I suppose, when the news was out. And in terms of the nature of the order, is it like usually different from the fleet mode reactors that we do? Because this was a part of the strategic type up with Russia and then we have a Russian entity as well. So is it like that something has changed on a strategic level? The nomenclature also has kind of changed from to a fast track from a fleet mode. So has the opportunity size or the strategy in terms of the tendering has changed?

Rajeev Jain:

I think it's a different not comparable to what we have for heavy water orders for the NPCL. This Kudankulam order is completely different product range, specifications, different from a different customer. So I would not make a comparison of that. I think it's a separate order with separate specification, separate pumps. The difference is it's on a fast track. And as I mentioned, because those projects are got delayed, and there is a real push to finish that earlier. So that motivates us that there is some hope that this can be invoiced or turned into revenue next year.

But in terms of execution of the orders, since it's a first time customer, we are going through that phase. But our first opinion is that there is urgency on both sides to speed it up. So and since it is first time again, though them understanding us, us understanding them, those issues will be there. So but at the end of it, ultimately, they want some pumps definitely next year. So they will also make that effort apart from us to make that happen.

Vipin Goel:

And does this change the overall opportunity size, the number that we used to mention ₹3,000 crores? So has that increased?

Rajeev Jain:

Could be. But I reserve the comment right now, because the time it takes to develop other segments opportunities. But in general, nuclear is a very big opportunity, I would say. It's not only about existing projects, Kudankulam light water reactors. It's about SMRs. It's about also smaller nuclear plants. Now to fill that energy need as I have understood that there is also a possibility of the smaller 250 megawatt and other plants being introduced to fill the gap in the meantime, which are very well established. All the engineering and the provenness is there. So that also could be an opportunity.

So nuclear is a big opportunity in general, I would say. From every aspect, there is positive will and announcements and investments. It's

only thing whether how fast we can implement it. That is the only question which comes to it.

Vipin Goel: Suppose in today's newspaper also, NITI Aayog's ex-CEO had commented on inclusion of private into the overall system. So does that also change any of the moving parts for you or is it like that even if private gets involved, then there's a possibility of more MNCs coming in and setting up their own reactors, which will be on this SMR basis?

Rajeev Jain: Yeah. I'm not sure about MNCs coming in setting up reactors, but private sector would definitely help. You must have also seen that other EPC contractors are being successful in the bidding recently for the Kaiga ones also. So, traditionally, what is happening is the business, NPCL does it, used to do themselves everything that they are now giving it as a lump sum EPC contract to bigger EPCs. So the idea is to speed up those process and the projects.

So private participation and setting up, the intent is to have more partners, more players, and also speed up and increase the capacity. That is the basic intent. So we are also preparing ourself to be future ready. I mentioned that we have increased the capacity at our existing plants. We are investing in new machines, space, building up sheds, recruiting people because competency is very important, experts and people with knowledge are know how in this nuclear things.

So all that is giving parallelly, because it takes time to develop that total overall competency.

Vipin Goel: Sure. So just one last one on the solar piece. Do you record it under the standard pumps division or is it under the engineering pumps?

Rajeev Jain: Standard pumps.

Vipin Goel: So is that also the reason why H1 has done relatively better?

Rajeev Jain: Yes. Yes.

Digant Haria: Yeah. Hello. So this is Digant Haria from GreenEdge. My question is, since 2019, Chinese competition has not been a problem for us or for the entire capital goods ecosystem. Do you now see any signs of Chinese activity happening especially in India in some pockets of pumps or not really?

Rajeev Jain: Not really.

Digant Haria: Okay. Second question is on the BPCL acquisition that we did. It's almost 1.5 years now, so any colour you can give on how many designs have we actually localised and of the 4,000 installations which they already have how much have you been able to reach in terms of spare parts sales? Any such colour on that?

Rajeev Jain: So I'll paint that colour. We are very bullish on that acquisition, because they have a good install base 3,000, 4,000 pumps. And to develop, we got seven containers of drawings to convert these drawings into electronic forms. And then converting them into 3D models, converting them into patterns is hell lot of work, and that is what is being done. And apart from that, it becomes so satisfying if you are enlisted as the proprietary supplier in all the PSUs.

So these are the successes, which we have gained in these years. It's not that we acquire and we start supplying the next day. I'm trying to explain how this whole thing is working. It took us a lot of efforts to be a part of the PSU's vendor list and as a proprietary vendor. In this year, we set a target of ₹25 crores, what we should get.

And on half yearly, we are on track. We got our first order for reciprocating pump. Can you believe it? That we never have made reciprocating pump in our, and the customer gave the confidence, and we are building a completely new reciprocating pump. So this business has opened a lot of opportunities for us, and where we are very well on track, and we are going step-by-step, because it is a pump being made from scratch. It's only the drawing which we have. We have to make this drawing to a proper form, convert patterns, make patterns, find suppliers who can do those things.

And the progress is very good, as I said. So it will be like our good profitable, sustainable long-term business for many years to come. And we are very fortunate, and along the way, you get a chance to develop some new products like a reciprocating pumps, and where you don't have say. So there are many other pumps, which we will develop, which even KSB does not have in its range. So that's matching your colour, I hope.

Digant Haria: Yes. Thank you. And last question is on the valves division. What part will be captive? What do we sell outside to others? And is that part specially selling to outside KSB ecosystem? Is that a big opportunity for us or not really?

- Rajeev Jain:** Sorry. Valves, captive means?
- Digant Haria:** We use it for our own pumps.
- Rajeev Jain:** Those are very small for those piping system. Let's say we give an API pump, you have those piping and small, small valves. So as far as possible, we try to use our own valves. But that is not a very big quantity compared to our total business, very small quantity. But we ensure that all pumps which go from KSB, have KSB valves installed on it. And so I would say captive in our internal market is very small. What was the second part of your question?
- Digant Haria:** How fast is that opportunity growing, the non-captive part of the valves?
- Rajeev Jain:** The valve is a huge market. So many players in that market. And, I'm very happy that we are growing. Valve has been a really true success story for us today. Last year we did ₹350 crores turnover. And on the same plant, which was for years doing ₹100 crores, ₹150 crores, with a lot of product basket, branded products also. So the opportunity for valves is huge, because there are very few good players, I would say. More is the smaller players, and the market is quite big. So I see the same, if not more, the same trend of growth continuing there.
- Digant Haria:** Yeah. In early last year, you mentioned that foundry availability was a challenge for this division. That problem is solved, right?
- Rajeev Jain:** That problem was a temporary maybe. So we are making our supply chain better to having two vendors developing two patterns. So we are making it robust so that we don't have such kind of issues.
- Digant Haria:** Thank you.
- Unidentified Analyst:** Hi. I have a follow-up on exports. We did mention that we have developed new product range for exports and we have also booked an order from Poland. So how does the relationship with the parent work? Are we allowed to bid directly for a lot of these orders or parent bids for these orders and we supply to them?
- Rajeev Jain:** No. It is a mix of everything. The decision for our participation in projects or business, the decision is with the parent company. So we have a supply chain metrics where it is identified which countries we can export, which we cannot. And the countries in which we cannot, if

the opportunity comes up, the parent company refers to us in case they feel that the products from their side or any other location cannot be competitive, then they add our name, and they refer the enquiry to us.

So it is all guided, balanced by our central department, so that there is equal loading of factory loading for all KSB entities in the global manufacturing.

Unidentified Analyst: But, from India, we are directly allowed to in the SAARC region, right? That we are allowed without the...

Rajeev Jain: Only in Bangladesh and Nepal that is off. Sri Lanka is part of Singapore territory. Myanmar is a part of Singapore territory. So only what is under our responsibility is Bangladesh and Nepal and Bhutan.

Unidentified Analyst: Okay. Thank you.

Unidentified Analyst: Hi, there were certain pumps which were technology transferred to us, BB3, BB5 and CHTRa. So how has been the update? How has been the offtake of those pumps from the global market? Point number one.

Point number two, do we expect further technology transfers from parent to India, which will specifically will be manufactured in India?

Rajeev Jain: Yeah. First question, BB3, we are quite successful. We've got good orders from Taiwan and other export countries. So that business is growing. It is good that we are developing references, and then this will allow us to participate in Indian market also. So we are satisfied that the initiative, which we took in developing BB3 that has given us good positive results. And, yes, transfer of technology, absolutely no question that the principles will support any of our request. Because in KSB, the advantage, of course, is there with the manufacturing site in India, which helps to can supply globally.

Unidentified Analyst: Understood. And the second question is the pumps you are talking about from Siemens and ABB, is it for the local needs or is it for the global needs of Siemens and ABB?

Rajeev Jain: I think it's both, but mainly to the local need. Today, what they are doing for the big market which is growing in India, they are doing that. But when they enter a rate contract, we would never know where these things are going. I am presuming that it is mainly for the domestic market, because our domestic market itself is growing huge. But, I am also sure that once they have tested out in the local market,

they have good references, then they would not mind using it in the exports market as well.

Unidentified Analyst: I understand the Siemens part for the locomotive, but where does a pump will help ABB?

Rajeev Jain: ABB is also in the same locomotive market.

Unidentified Analyst: Understood. Okay. Sure. And the next question is on the FGD. How much ordering we can expect on the FGD side, since we have a dominant market share? How many pumps are yet to be tendered out?

Rajeev Jain: I think the most of it has been ordered out so far based on the, if you ask me, maybe it's already 70% has been ordered out based on the existing power plants, which had to be done. The remaining would be ordered out in the next two, three years mainly state governments once. But the good opportunity would come in the new power plants, which are going to be built in the next five years. So that would add a new FGD plants. So I think, maybe in a two year, couple of years' time, this market would again grow depending on the implementation. Now the future growth depends on how fast these coal power plants are implemented. So far, it was for the existing sites, which was easier, because you have to just put a FGD plant but setting up a whole greenfield project would be much longer.

Unidentified Analyst: Understood. And just last question from my side is on the sorry -- lost my chain of thought. Sorry.

Rajeev Jain: Thank you. Yes, please.

Unidentified Analyst: Can you talk about opportunity for river linking and the flood control?

Rajeev Jain: Yes, flood control, we are studying a possibility of rental business. We are studying the possibility of developing a rental business, which is under consideration, those which can be mounted on trucks and can be taken to different locations, a self-contained system. So those under our thinking. But other than that, for normal flood control projects, we have the necessary pumps. We have those motorised pumps which we have supplied to Kolkata Municipal Corporation, where those are submersible pumps, Amacan type. So those product range are there. We are bidding for many municipal corporations, specifically in the Eastern zone. So that will continue on that.

Unidentified Analyst: Second is, basically, are we seeing some competition coming in the nuclear business?

Rajeev Jain: Maybe you know it better. Competition is always there. Competition, in any business is always there. So nothing new about it or nothing strange. Competition is healthy. It keeps us more efficient and improves our own efficiency. So I would make only a general response to your question. I think competition, we should expect everywhere.

Unidentified Analyst: I wanted to understand the service business. When we do the service business for projects, do we have the capability to remote control those pumps and, monitor the performance? And do we, like over a long period of time, do we keep that data with us to be able to help the customer to improve the performance of those pumps? And just want to understand this segment better, like how we?

Rajeev Jain: Good question. I think this is where the service business is changing. Now we have developed products, which are mounted sensors, which are mounted on the big pump specially. And all the data is collected and given back to our head office. Head office means in Pune. And we have, people working around the clock who are monitoring this data and analysing this data. And if they find that the pump performance is deteriorating, for example, if the vibrations are increasing, if the temperature is increasing, we can give an alert to the customer that there's time for a change of a spare part or overhauling.

So that all has started happening. And, this is the change which is happening in the industry that we have started offering the remote services. Sitting in our offices, we are monitoring their pumps at their locations. So this is something which is a change. And this is becoming quite common now.

Unidentified Analyst: So, can we do it for other companies' pumps as well or we can do it?

Rajeev Jain: Yes. Yes. Everything. Means, the devices are the same, and what they have to measure, the parameters are the same. So whether it is our pump or competitor's pump, it hardly matters. So it's possible. And in some cases, maybe we are doing that. But today, we have established a team of, in fact, three engineers who are setting it. And we're not doing it domestically. We're doing it internationally also for all the customers globally. And that's why we have two people working in shifts because of the time zone. And not only that, they also provide

some solutions also, diagnosis as well. So this is the change which is happening in the service industry today.

Unidentified Analyst: My last question is on valves. So could you give a like how big is this segment and what is our market share and which are the sectors, which really are the contributing ones for this business?

Rajeev Jain: It's very difficult to make a prediction, valves overall could be ₹20,000 crores plus whatever because valve is a huge market. We are focused on the Gate, Globe, Check. Gate Globe check, domestically. And there our share is quite good, 8% to 10%, for the products which we have. But having said that, I think the market is so huge. Now we entered into ball valves. We're not manufacturing it, but we are partially assembling and labelling it. And that itself, that business is for us, around ₹70 crores. And the ball valve market is a huge market. So I would say opportunity is huge, but we intend to go in a gradual way, to grow this business.

Because apart from growth, you need to also generate your capacity insight, where we have the plant. So I would just say that the market opportunity is huge for this. And there are I mentioned it, there are very few, good quality players. So it becomes a good chance for us to increase our share also there.

Unidentified Analyst: If I may, one last small question. On the railways, you've talked about Siemens and ABB opportunity, and you're not able to share the total value because of the competition. But could you share like value of like a single train set? Like, what would be the?

Rajeev Jain: You're coming around the same question in another way. These things are very confidential, the price information.

Unidentified Analyst: Usually, we talk about 1% or 2% value of pumps for any kind of project. So is it a similar kind of?

Rajeev Jain: Could be. Could be. Normally, you're right. It could be 2% to 3%, the pumps portion in any refinery or any other projects, or similar things you can assume. Yeah.

Unidentified Analyst: So just a question on services business again. If you could just explain very basically, if ₹100 is a cost of a pump, over the life cycle of the pump, what is the service opportunity and over what time frame? Is it ₹20, ₹15? How to think about the service opportunity for pumps?

Rajeev Jain:

Service opportunity, more than service opportunity, the spare part opportunity. Service opportunity, the customer doesn't want to pay you for the service. He will say [Hindi Language] [1:07:40]. That is our Indian setup. The people don't want to pay for service. So you combine it with spare parts. Because, in spare parts, you cannot service. If I charge him ₹10,000 per day, he will not pay me that service. So to judge that, it is very difficult. And our span of life, we focus more on the spare parts, replacement, and that depends on the application. If it's a rough application, abrasive, corrosive, then the business opportunity like FGD. That's a huge opportunity. Means, you can recover the cost of the pump in two, three years, for example.

But if it's a water pump or a chemical pump, then it may take some years to fulfil the 100% of the pump value, maybe five, six years. But if it's energy pump, boiler feed pump, then the pump runs, KSB pump runs for years and years and years. And the opportunity example, we supplied the pump NTPC barred 600 megawatt. And the opportunity came after 10 years, 12 years. But when the opportunity came, it was a good value, similar like to this. So it varies from application-to-application. It varies from the pump types and things. But whenever it is come, it is a good windfall of business for all of us.

Unidentified Analyst:

So when we talk about taking this income from 15% to 25%, is it the existing stock of pumps that's why the life cycle is coming towards an end or it's like market share from other pumps, which have been not KSB pumps. How do we when we think about 15% to 25%, what is the math behind it or what is the framework behind it? That's what one was trying to...

Rajeev Jain:

The maths behind this is to take the business away from small players who are doing this business from pirated spare parts who are doing this business, because maybe we have not -- availability. Our delivery times can be long, so the customer is forced to go and take this from a pirated person in the market. It could also be from a competitor's pump where we try to replace. So there are a couple of factors. One is your increased install base. Your increased install base in a recurring spare part requirement, like FGD again I see. So that can be one area which gives us promise.

BP&CL a pump which is highly engineered, which is prone to wear and tear, and which is very specialised. The customer will come to the proprietary, because it is related to the performance and engineered pumps. So that acquisition which we take helps us to give that confidence that it'll go from 15% to 25%.

Third important thing which you have all missed to ask me is about mechanical seal. We have gone into mechanical seal manufacturing. This market is huge market. Today we are doing, maybe business of ₹15 crores, ₹20 crores, but this mechanical seal is the first item, which wears out in a pump. And we have added this mechanical seal in our portfolio. So this business is also going to grow exponentially. So this is going to be our aftermarket business.

And the other regular business, which was being served by others, because of our non-presence, being in a passive mode, all those things we are changing. And lastly, competitor pump is always going to be there. That is always an opportunity if we are better than our competitors in terms of our response time, our competency, our knowledge and infrastructure. The customers would definitely prefer us.

So this way, I'm not worried about 20% to 25%. I feel, on a group level we do 32%. But we have a lot of standard business in our portfolio, borehole pumps, which the customer doesn't repair, they replace it. So that get hidden. But if we achieve 15% to 20%, I don't see a risk at all or any questions in my mind. This is mechanical seals, BP&CL business, all the warehouse which we have made in our central, Chinchwad plant. Warehouse which we are doing now ₹100 crores of standard business. Water pumps, where we used to take 14 weeks, 16 weeks for delivery. They get it ex stock from the warehouse. So they have no reason to go to some other one and get an impeller made from this foundry or that foundry. So all that is a part of our SupremeServ business, apart from many other initiatives, which I've not talked about. So that gives me absolutely no in fact, I am very bullish on that SupremeServ business.

Unidentified Analyst: Two more questions. One is on the valves, you mentioned ₹20,000 crore market. Pumps is a ₹20,000 crore odd market. How related are these two businesses?

Rajeev Jain: Valve market is much bigger.

Unidentified Analyst: Much bigger?

Rajeev Jain: Much bigger. I don't know whether pump market is ₹20,000 crores. I estimated it between ₹15,000 crores, ₹16,000 crores. Valve market can be ₹20 crores, ₹25 crores. I've just given an approximate figure. Don't, you may take the experts who do the analysis on this thing. But

in general, if you have one pump, you have so many valves around it, so valve market is definitely bigger than the pump market.

But again, it depends. There are in valves, you have very standard valves, throwaway valves, it's a big segment, so you have to see where you position yourself.

Unidentified Analyst: And the last question is that it's a very fragmented market. Pumps is a very fragmented market. You have players from Coimbatore, Rajkot, all sorts of applications. Do you see a consolidation happening or this will remain a fragmented market?

Rajeev Jain: I think, it may remain as it is except that the quality or the level will improve over a period of time. This is what I expect as the customer expects also, because Indian market is a very price sensitive market. And slowly, slowly the acceptance or as the energy conservation gets that importance, the sustainability gets importance. So customers now are looking at the life cycle cost than the initial cost. So this awareness is improve changing.

India has been traditionally a very price sensitive. And I mentioned about firefighting, the data awareness is increasing. Sustainability awareness is increasing. Even in our own plants, customers, we are doing energy audits to replace the pumps. So as the awareness increases, the pump suppliers who are all from small locations will also have a challenge to increase their efficiencies or their qualities. So I think that will happen over a period of time. Two, three decades back, this chunk was very big, but they have established themselves, the ones who survive long, and they come in the elite group of the pump suppliers also. So that happens, and that will happen in India. Yes.

Unidentified Analyst: Hi, one question on the Solar Pump business. What is your aspiration to on Solar Pump business? Can we expect this business to be 5 billion, 10 billion over next two, three years, given that the opportunity is huge?

Rajeev Jain: \$5 billion?

Unidentified Analyst: ₹500 crore.

Rajeev Jain: ₹500 crores no doubt.

Unidentified Analyst: What are the working capital requirements and challenges, and how are you managing it?

Rajeev Jain: Working capital is a challenge, not like product business, but KSB is a very strong company, financial company, process wise strong. So [Hindi Language] [1:16:21] to bring it in the proper way. So working capital is definitely an issue. I fully agree with you that we can try to solve it by having our own manufacturer, local manufacturer. But 50% is that PV panel, whose prices are valid only for seven days, whose payment terms is only two weeks. [Hindi Language] [1:16:47]. That is all the challenges. So it depends on our efficiency [Hindi Language] [1:16:52]. That is also a challenge. And then fulfil all the documentation requirement and formalities of the government. So this is to improve our own internal process, but that challenge will be there compared to our product business, because we are supplying a system there.

Unidentified Analyst: On the energy pumps, does the client gives you a combined order for the supply and O&M? Less the SupremeServ...

Rajeev Jain: Sometimes. Yes.

Unidentified Analyst: Sometimes. Is it happening more often? Is it do we think that changing?

Rajeev Jain: Normally, [Hindi Language] [1:17:27]. We don't do a EPC kind of a turnkey job. [Hindi Language] [1:17:33] we have to replace a pump. If we go to our energy power plant [Hindi Language] [1:17:37]. So then they say you take a complete lumpsum turnkey job and do the whole thing. But when you give a new pump, they already have teams there at the site. So they only need our expert supervisor who will just guide [Hindi Language] [1:17:51] and that way it happens.

Unidentified Analyst: Understood.

Unidentified Participant: Yeah. Thank you. I think we've run out of time completely. I would request, Mr. Goswami to just thank the management and end the presentation.

Unidentified Participant: Thank you. I think it is a very nice fantastic conversation on various business aspects. Really our pleasure and honour to host the top management of KSB Pumps. And we wish to continue this lofty tradition year-after-year. So thank you very much for excellent session today. Thank you so much.

Rajeev Jain: Thank you from our side also. You have been with very nice questions and inquisitive questions, and I hope we could have clarified most of them. Thank you very much.

Unidentified Participant: Thank you.