Management Discussion

Gavin Desa - Investor Relations, CDR India
Thank you. Good day everyone and a warm welcome to all of you participating in the Q2 and H1 FY27 earnings conference call of Triveni Turbine Limited. We have with us today on this call Mr. Nikhil Sawhney, Vice Chairman and Managing Director, Mr. S.N. Prasad, the Chief Executive Officer. Mr. Lalit Agarwal, the Chief Financial Officer. Mr. Manikantan Rajendran, Chief Marketing Officer. And Ms. Shreya Sharma, Head of Investor Relations and Value Creation. I would now like to hand over to Shreya to share some opening remarks.

Over to you, Shreya.

Shreya Sharma - Head of Investor Relations and Value Creation, Triveni Turbine Ltd
Thank you, Gavin. Good day everyone, and thank you for joining us for the company's Q2 and H1 FY27 earnings call. I hope you all had a chance to review the results and the accompanying presentation uploaded on the exchanges and on our website earlier. Our discussion on the call will follow that presentation. Before we begin, I would like to remind you that some of the statements made today may be forward-looking in nature and are covered by the disclaimer of the earnings presentation. Joining me on the call is the senior leadership team who will take you through the key business development and the performance for this quarter.

After the remarks, we will open the floor for the questions. With that, let me hand it over to our Vice Chairman and Managing Director, Mr. Nikhil Sawhney. Over to you, Mr.

Nikhil Sawhney - Vice Chairman and Managing Director, Triveni Turbine Ltd
Sawhney. Thank you very much, Shreya. Thank you, Gavin. A very good afternoon, ladies and gentlemen, and welcome to the Q2 earnings call for Triveni Turbines Limited. As we'd indicated in the, in the Q1 earnings call of this financial year, the performance in Q2 was similar to that of the first quarter. And it played out broadly in line with our expectations. For the 2nd quarter, revenue from operations stood at Rs 4.91 billion, 3% lower year-on-year, as strong domestic growth- as strong domestic growth of 51.8% to Rs 3.4 billion was offset by a 46.6% decline in export revenue to Rs 1.51 billion.

Export constituted 30% of revenue against 55% in Q2 FY26, reflecting the higher domestic contribution during the quarter. Product revenue grew 4.4% to Rs 3.43 billion, while the aftermarket revenue declined to 16.7% to Rs 1.48 billion. The EBITDA for the quarter was Rs 858 million at a margin of 17.5% against the 26.3% of the previous quarter of the previous year. Profit before tax was down 39.2% at Rs 757 million at a margin of 15.4% against 24.6% in the previous year. And profit after tax was down 41.7% at Rs 533 million at a margin of 10.4% Sequentially, revenue grew by 11% over Q1 FY27, while margins remained broadly at Q1 levels, consistent with what we had outlined earlier in the previous conference call.

For the half year, revenue from operations grew at 6.4%, and domestic sales grew by over 40%, while exports were lower by 24%. All of this, of course, ladies and gentlemen, has led to a decline in our reported EBITDA margins, PBT margins, and PAT margins, driven by a mix of- the mix between domestic and export, as well as the mix between the product sales as well as aftermarket, both of which have been lower in the current quarter as well as the half year compared with the previous year. While we look forward, and as I projected in our previous conference call, this is a reflection of our order book.

Our order book is with you, as you see, We have an expanded inquiry book and order book for the export market segment, as well as our aftermarket order book and inquiry book is quite robust. So we do anticipate a reversion to our mean, which would mean that the performance in Q3 and Q4 would be substantially better- Q4 more than Q3. On the order booking front, we recorded our highest ever quarterly order booking of Rs 7.64 billion in the second quarter as compared to Rs 6.52 billion billion rupees in the second quarter of FY26, a growth of 17.2%.

This was led by exports and the product business. Export order booking grew by 49%, over 49%, accounting for 48% of the total order book as against 38% in the second quarter of last year, while product order booking grew by 32.5% to Rs 6.01 billion. During the quarter, we made inroads in the combined cycle gas turbine segment as well as boiler feedwater pump segment for thermal power plants. These are both marquee orders and it places the company well for future orders in the space. I would very much like to get into details of our visibility into newer market segments and into certain geographies in the question and answers after my opening remarks.

The aftermarket order booking was lower by 17.8% and contributed to 21% of our order booking, while the domestic order booking was marginally lower by 2.5% at Rs 3.79 billion. For the half year as well, our order booking was up 12.2% at Rs 13.33 billion, and this has shown- this is a reflection of strong international performance across the North American, European, Southeast Asian, and Turkish markets. Our export order booking has grown by 51.6% to Rs 700- to Rs 7.52 billion and accounts for 56% of our total order booking as against 42% in the half year of the previous financial year, while aftermarket order booking grew 12.3% and maintains its 29% share in our order booking.

Domestic order booking was lower by 16%. With exports and aftermarket now making up a larger portion of incoming orders, our business mix continues to strengthen, improving the quality of our order book. The closing order book stands at 10.5% higher than at the same point of the previous financial year, giving us confidence in the growth in the coming quarters, and this stands at Rs 24.53 billion. Export order booking, as in the closing order book, is up 30%- 29.3%- and accounted for 59.2% of the closing order book compared to 50% a year ago.

The aftermarket business as well continued its strong momentum with the closing order book more than doubling to 105.4%, which is on a year-on-year basis, which is Rs 6.39 billion. On the back of contract wins in thermal renewable, combined cycle, utility, as well as certain niche segments of geothermal and other value addition services that we provide. This contributes now to 26% of our closing order book against 14% of a year ago. The company has undertaken quite unique opportunities in the refurbishment space, securing contracts for gas turbine refurbishment on a long-term contract basis.

While the potential of these businesses in our international gas turbine contracts could be up to between $80 to $90 million, this would play out over a 4 to 5 year period, and we would account for only that aspect of what can be billed in the current financial year from those contracts in that financial year. This is a unique opportunity for the company to be able to provide gas turbine services and parts to leading utility turbine- leading power suppliers. And we are confident, along with our partners in the gas turbine space, that we will be able to fulfill this.

The company itself actually has a strategy to push further into gas turbine services and into parts, as well as into potential development of small gas turbines, which we will continue to do with our focus on research and development and on the Brayton cycle. We will be working with our partners, academic as well as industrial partners, and we'll have a short time frame for development of product. But more importantly, the services will continue to grow in the short term. The company

itself is well positioned to leverage its capabilities both on the geographic basis as well as in a product segment basis, and we're confident that, uh, that, uh, strategic order with NTPC, which should be commissioned within the 4th quarter of this financial year will provide greater confidence into newer market segments for the company.

That particular order, which constitutes a part of our domestic product billing for the current quarter, will diminish in the quarters to come. The amount of billing left on that order is approximately 15% of the order value, and it will be spread equally between Q3 and Q4 and will not impact margins as we will have a significantly larger contribution of exports and aftermarket to the billing in those quarters. The inquiry book is lumpy. The domestic market presents the same inquiry level as it did in the first quarter of this financial year.

And so we've not seen any decline. The pace of growth suggests that there is a little plateauing of the market in certain market segments such as Central South America, but that could be driven by political considerations and elections. Which lead to deferment of orders. Overall, the market for electrification is extremely robust, with newer market segments of electric vehicles and transportation as well as data centers adding to the entire requirement for electrification. The industrial requirement for power remains equally robust with high commodity prices, which you can see with not only a rise in our material cost, but that has also led to a burgeoning of demand from these segments.

Overall, our research and development and growth of the business in terms of personnel continues to be robust. We are confident of our growth in order booking in the quarters to come, which will exhibit not only on a year-on-year basis between FY26 and FY27, but the visibility that we have for order booking FY28 also does give us confidence towards the growth for this business in the quarters and years to come. Our new product and new technology developments also give us confidence that over the medium term we will be able to strengthen our product portfolio to be able to be more diversified in a product stream, to be able to cater to various different applications and solutions which our customers demand.

Overall, ladies and gentlemen, Q2 has been disappointing, but it was as expected. From a margin and as well as growth perspective. The company has its orders in hand as well as its inventory, which you can see from the, from the balance sheet, and it is, uh, it will be able to execute within the next few quarters to be able to exhibit the growth or the marginal growth that we do expect on a year-on-year basis for the company between FY26 and FY27. FY28 should provide us with a greater avenue for growth As we move forward, I would like maybe we could take some questions now and I'll get the management in to give more clarity around certain areas of order booking and growth, as well as as well as revenue billing in the current quarters.

As we take questions, back to you, Ak. Thank you.

Questions & Answers

Operator
We will now begin the question and answer session. Anyone who wishes to ask a question may press star and one on your touchtone telephone. If you wish to remove yourself from the question queue, you may press star and 2. Participants are requested to use handsets while asking a question. Ladies and gentlemen, we will wait for a moment while the question queue assembles. The first question comes from the line of Amit Anwani with PL Capital. Please go ahead.

Amit Anwani - Analyst, PL Capital
Hi sir, thanks for the opportunity. So first question pertains to the domestic order inflow, uh, if we see the trend, uh, last 2 financial year, the number is like 1,100-odd crores. Even for H1, the number is 580-odd crores. What is, uh, the- what are the underlying reasons here in terms of the kind of muted numbers in domestic? And if you could broadly highlight which sectors are really lagging and the inquiry book for the domestic market?

Nikhil Sawhney - Vice Chairman and Managing Director, Triveni Turbine Ltd
Okay, so I'm going to ask Mani to comment on the domestic market as well. But what you should recognize is that we actually see a growth in the domestic market, principally driven by the metals segment. It's just that our market share in that market segment has actually come down. So when we look at it on a year-on-year basis, our market share has come down, but there's been growth in the market. And this is despite the, the lower inquiry book that may exist, uh, for the domestic segment. But we're confident, given not only the, the, the number of thermal power plants that are going to be- that are under ordering, and therefore the requirement for boiler feed pump drives, which is our market segment, as well as a growth in the commodity as well as process cogeneration segments, that the demand in the domestic market is consistent.

Uh, Mani, would you like to add on the domestic market?

Manikantan Rajendran - Chief Marketing Officer, Triveni Turbine Ltd
Yeah, yeah. Okay, good afternoon. Now, to address to your questions, if you see, uh, as compared to Q1, the Q2 domestic has in fact, uh, gone up by 2 times. The domestic order booking for Q2 is much higher than Q1. So we had this Q1, yes, there was a number was low Because we found many of these sectors like cement and steel, in terms of order finalization, it was getting delayed. But going forward, we see the domestic to pick up, but we don't see much of a concern in that. Having said that, the international has performed well as compared to last year.

So on a comparative basis, you are seeing domestic to be lower vis-à-vis exports.

Nikhil Sawhney - Vice Chairman and Managing Director, Triveni Turbine Ltd
Money, why don't you talk a little bit more about the entire market, how you're seeing it?

Manikantan Rajendran - Chief Marketing Officer, Triveni Turbine Ltd
Yeah, in terms of market, uh, this year on our order booking front, uh, we've been very good in terms of Q2, highest order booking for the quarter. And we also see a similar sentiment in terms of order finalization going forward in Q3 across the market. International, starting from Southeast Asia, we see good opportunities in Europe and in US. Uh, in the last 5 weeks itself, there has been a considerable amount of order book which we have been able to do in the international market. Also, we see good numbers in the aftermarket as well as products in the domestic segment.

So Q3 looks very promising in terms of order booking as we proceed on the success of Q2.

Amit Anwani - Analyst, PL Capital
Understood. So you talked about some unique opportunities. One was the contract secured for the gas turbine, and second, you also spoke about the development of small gas turbines. So first, on the, the gas turbine contract, uh, what is the kind of size and these are which megawatt gas turbines more color in terms of pipeline here and which geographical markets we are going to penetrate this market. And second, on small gas turbine, by what- what are the timelines? Have we already started

working here?

And again, till what megawatt we are going to look, which market? Some color on these both aspects.

Nikhil Sawhney - Vice Chairman and Managing Director, Triveni Turbine Ltd
Uh, the gas turbine development on the product side is, is not for power generation. It will be more for the thrust application. Um, we'll come up with more clarity as we go down the path, but it is a multi-year product development cycle. Uh, it positions Triveni as an OEM, which we aim to benefit and leverage from our refurbishment business. The refurbishment and aftermarket side is, is of course, as you know, a very lucrative market. And something where we wish to participate. The current contract which we talk about is, uh, from our South African subsidiary, and in that SADC region with one of the largest utility providers there.

The contract itself is for parts upgrade and, and part replacement, and this we will do with, uh, with our European partner who will be providing us components and technology as well as certain knowledge and IP along the way. We're quite confident that this is a segment that once it opens up, it provides- allow us to actually cater and provide these services to other parts of the world. We'll have to wait and see how we actually leverage it. The size of the contract, like I said, is based on the total market.

The total potential of this is somewhere in the region between $80 to $90 million, and it will play out over 4 to 5 years. The actual requirement will be based on once overhauls are done and requirement is assessed. So it will be in that region. The contract, like I said, is part supply and manufacturing and installation.

Amit Anwani - Analyst, PL Capital
Understood. So lastly, on the- what should we expect in terms of growth now for full year? Will it be like mid-single digit approaching double digit. And second, you said there would be mean revision to margins and NTPC order, uh, only 15% is left. So, uh, is there any loss we are expecting in this order by the time it gets closed by 4Q? And, uh, is it fair to assume that H2 margins will be upward of 18-19%?

Nikhil Sawhney - Vice Chairman and Managing Director, Triveni Turbine Ltd
Well, actually, um, we have been already accounting for losses on the NTPC order. Um, we will have to put in claims later, but, but those will only be beneficial to the company. So as of right now, we've taken a conservative viewpoint from the perspective of accounting, um, and, and so that's already been accounted for in, in whichever manner it, it is. It's marginally a loss. As far as growth goes, uh, yes, we would- we anticipate some growth, uh, in, in this in this financial year. That's just driven by the fact that our commitments to execute what we have to execute for our customers.

The product mix will obviously mean that the margins will be significantly healthier in H2. And when we look at it on a year-on-year basis between, between FY26 and FY27, we would anticipate a growth in profitability. But it will not be significant, I have to point out.

Amit Anwani - Analyst, PL Capital
Yeah, thank you, sir. Thanks.

Operator
Thank you. A reminder to all the participants, please restrict yourself to 2 questions. Next question

comes from the line of Harshit Patel with Icarus Securities. Please go ahead.

Chirag Muchhala - Analyst-Equity, Centrum Broking Ltd.
Thank you very much for the opportunity, sir. So my first question is, uh, on the deferment of export dispatches. I think in the first quarter FY27 earnings call, you had expected that most of these, uh, deferrals which were due to freight-related issues, this will be executed within the first half of FY27. Would you be able to share how much of that deferred scope is still pending and what kind of export run rate we could see for the second half of FY27?

Nikhil Sawhney - Vice Chairman and Managing Director, Triveni Turbine Ltd
Oh, um, yeah, well, the deferments were to Q3, Q4. Um, the total quantum, I, I, I don't think I'm going to be able to share immediately right now, but, but what your insinuation is correct, that, uh, the second half will have much higher export as a percentage of revenue than H1. You want to add on this?

S. N. Prasad - Chief Executive Officer, Triveni Turbine Ltd
Yeah, you're right, because the deferment is to Q3 because there's a transportation things getting eased because the majority of these are into the Middle East customers. So these all will be seeing in Q3, Q4.

Chirag Muchhala - Analyst-Equity, Centrum Broking Ltd.
Understood. Secondly, uh, on our, uh, product inquiry book, uh, I think it stood at about 18 gigawatts at the end of FY26. With domestic at about 7 gigawatts and exports at about 11. And you had also mentioned that North America was about 15 to 20% of the inquiry pipeline. It would be helpful if you can share the updated numbers as on first half of FY25.

Nikhil Sawhney - Vice Chairman and Managing Director, Triveni Turbine Ltd
Yeah, you know, uh, I'm not fully ready to, to share it right now. We- I think we'll have to get back- get Priyanka to share the details. But broadly The numbers is about flat in terms of the inquiry book. The US market has gone up quite substantially in terms of, in terms of the inquiry visibility, which is again split between data center combined cycle operations as well as other industrial. And what we're finding as a very new segment in the US is sort of novel energy storage projects, carbon capture.

And I think these provide a very appropriate market for Triveni because it goes more in the electrification side as well as green green power, which I think is more sustainable from a, from a demand perspective than short-term power generation. I think at the same time we've seen it, like I said, a decline in inquiries from the Central South American market. You've had a growth in the sort of flat Southeast Asian market. Europe is, is, is, is largely flat as well. And India has been flat from inquiry base also.

Uh, I think, Prasad, you want to add anything on this question?

S. N. Prasad - Chief Executive Officer, Triveni Turbine Ltd
No, on the inquiry pipeline, especially now, uh, as we mentioned that domestic inquiry pipeline more or less at a stable level, whereas international inquiry pipeline we started seeing a good traction, more or less, uh, at around the same levels what we

Nikhil Sawhney - Vice Chairman and Managing Director, Triveni Turbine Ltd
Reported earlier. So it changes from geography to geography, but, uh, um, in general there is a very strong theme towards electrification. And energy, both for industry as well as for for for for independent power production.

Chirag Muchhala - Analyst-Equity, Centrum Broking Ltd.
Understood, sir. Thank you very much for answering my question. I'll get back to

Operator
You. Thank you. Next question comes on the line of Chirag Muchala with Centrum Broking. Please go ahead.

Chirag Muchhala - Analyst-Equity, Centrum Broking Ltd.
Yeah, thank you. Thanks for the opportunity. Uh, sir, the first question is on the combined cycle power plant order that we received in this quarter. Uh, so sir, is it, uh, for the same data center opportunity that we have been speaking about for the last 2 quarters and from the USA market? If you can, uh, just highlight more in detail. And also, uh, if this is our maiden order from that segment, then going forward, what kind of addressable opportunity opens up for us?

Nikhil Sawhney - Vice Chairman and Managing Director, Triveni Turbine Ltd
The addressable market opportunity is large. There is a segment of our order book which is- inquiry book which is driven around combined cycle. You see, for us at the end of the day, we would be quoting to EPCs or boiler manufacturers who would be the integrators to projects. Sometimes for simple cycle to combined cycle conversion, we would be quoting directly to the client. Which is a matter of- which is this order in particular. And I think this is 2 into 25 megawatts?

S. N. Prasad - Chief Executive Officer, Triveni Turbine Ltd
Yes, 2 into 25.

Nikhil Sawhney - Vice Chairman and Managing Director, Triveni Turbine Ltd
This is 50 megawatt capacity, and on a 3:1 basis, that would mean that it's a 150 megawatt gas turbine power plant which would be in front of this steam turbine requirement. We think that that requirement places us very well. The application is, is unique, and it allows us to compete in a market where the gas turbine OEMs, uh, have held a very strong, um, stranglehold. Um, we, we see this as a market, but very frankly, the gas turbine combined cycle market overall, uh, as part of our inquiry book- Prasad, I don't know what you'd say, but I, I think it'd be less than 5% of the entire inquiry book.

S. N. Prasad - Chief Executive Officer, Triveni Turbine Ltd
Yes, less than 5%. But as you rightly said, this will open the doors for It opens

Nikhil Sawhney - Vice Chairman and Managing Director, Triveni Turbine Ltd
The door. So you rightly say it, when we're not looking at very rapid, uh, growth in this market, I would have to say it's a tough market to enter. It would have a lot of challenges along the way, uh, but we think that, uh, that, that this provides us as well as clients confidence in our ability to be able to execute in this space.

Chirag Muchhala - Analyst-Equity, Centrum Broking Ltd.
Okay, and sir, so just to follow up on that, uh, is it from the USA market? And in terms of per

megawatt realization Will it be similar to had this order been of a steam turbine of 2 into 25 megawatt?

Nikhil Sawhney - Vice Chairman and Managing Director, Triveni Turbine Ltd
No, no, we are talking about steam turbines only. We don't make gas turbines. This would, this would, this would be correct, correct.

Chirag Muchhala - Analyst-Equity, Centrum Broking Ltd.
But in terms, since it's a combined cycle, so just wanted to know that had it been a normal steam turbine order and here the per megawatt relation would be similar.

Nikhil Sawhney - Vice Chairman and Managing Director, Triveni Turbine Ltd
It is a normal steam turbine order. This was already a pre-existing gas turbine and the steam turbine was added later. It was add-on. And but, but it, it follows the average, um, uh, uh, pricing that we follow in the export market, which is quite lucrative and has margins, as you can see, which is significantly higher and multiples of the domestic margin.

Chirag Muchhala - Analyst-Equity, Centrum Broking Ltd.
Correct, sir. Correct. And second is on, sir, the boiler feedwater pump plus drive turbine order that we have received from domestic market in the supercritical power plant. So, sir, here, what would our total scope of work be? So while, uh, I'm assuming drive turbines is something that we will give, but boiler feedwater pump, is it also a product that we have developed or will it be outsourced from somebody? And in that case, what would be the in-house manufacturing share of Triveni in this order value?

Nikhil Sawhney - Vice Chairman and Managing Director, Triveni Turbine Ltd
Also, as you know, a steam turbine when we talk about it is a package. You know, when we sell a steam turbine by itself for power generating applications, we have generators, we have gearboxes, lube oil systems, you know, the other packages that we don't manufacture. So you're very right, a boiler feed pump drive essentially has 2 basic rotating equipments there. One is, one is a steam turbine and it's coupled to a pump. We are not a pump manufacturer and we will not be a pump manufacturer. So we, we, so the package is either integrated by the EPC or it could be, it could be packaged by the pump manufacturer or it could be packaged by the steam turbine manufacturer.

So depending on order to order, and the scope and the liability that we wish to take along with the customer and the margin profile, we determine that based on order to order. So some orders that we've taken have been only supply of the turbine. Some orders that we take are packaged with the pump at Triveni's purchase order, and some of them are packaged by the pump manufacturer where we would actually send the pump to them. The alignment, etc., is essentially what has to happen from a perspective of quality assurance for these, uh, packages.

Prasad, anything you want to add here?

S. N. Prasad - Chief Executive Officer, Triveni Turbine Ltd
Uh, yeah, yeah, this is based on type of the order. So here, majority of the times, not the customers, the EPCs may package it as a case-to-case case.

Nikhil Sawhney - Vice Chairman and Managing Director, Triveni Turbine Ltd
But this is a large market. As you know, there's a, there's a very strong growth in the thermal power

generating segment in the country, and you have all the large utility power producers expanding capacity quite significantly.

Chirag Muchhala - Analyst-Equity, Centrum Broking Ltd.
Okay, okay, thank you, sir.

Operator
Thank you. A reminder to all the participants that you may press star and 1 to ask a question. Next question comes on the line of Mohit Surana with Munak Networth Capital Limited. Please go ahead.

Mohit Surana - Equity Research Analyst, Monarch Networth Capital Ltd
Um, thank you for the opportunity. Um, so my first question is with respect to your, uh, you know, response to the first question regarding the domestic market. You said the domestic market share has slightly come down for the company, but overall the market has grown. Uh, can you shed some light on how the competitive intensity has evolved? Uh, and, uh, are we facing pressure from internal players, or there's some import, uh, that is happening in India which is also impacting? And, uh, any kind of, you know, uh, comments on the pricing pressure, negotiation cycles, or the compromise on the order profitability?

That is my first question.

Nikhil Sawhney - Vice Chairman and Managing Director, Triveni Turbine Ltd
Uh, no, our principal competition is with, uh, with the largest steam turbine manufacturer globally who has an Indian operation. So the, the competitive- the competitive nature has not changed. The intensity is the same as it has been. It's just, uh, when demand comes up in certain, uh, market segments the market share and historic installed base is different. And so therefore, the intensity varies from where demand comes from quarter to quarter. We think it sort of averages out over, over, over some period of time, but it's nothing for us to be more concerned with than previously.

It's the same as what it has been. We compete intensely. The pricing is much lower than in global markets, but Uh, we respect them as competitors.

Mohit Surana - Equity Research Analyst, Monarch Networth Capital Ltd
Understood, sir. So in your presentation, um, you have shown the more than 100 megawatt segment, um, that has grown very strongly compared to the less than 100 megawatt segment where we are present. Um, any, any, you know, strategic thinking of moving up the value chain and manufacture the larger capacity turbines so as to cater to that, that market which is growing much stronger? Than what you're currently catering to?

Nikhil Sawhney - Vice Chairman and Managing Director, Triveni Turbine Ltd
You know, we have certain orders already which have been given by global OEMs to do certain manufacturing for them in this space. Do we actually become OEMs in the larger megawatt space? We haven't really disclosed anything as yet. It hasn't been taken up by the board. If market opportunities on a sustained basis remain we may, we may do it strategically. Otherwise, we would approach it opportunistically as a one-off. I think in general, the, the, the, the value that the Triveni turbine provides to its customers is more distinct in the industrial, in the customized space.

Once you move up to utility-range turbines, they become more standardized, and with customers who actually have a very standard set of requirements which is- which does not fully value the flexibility and the servicing that Triveni provides. Either way, we'd have to assess and see. Right

now it is, uh, it's not something that I- that, that is, uh, that, that we have a clear strategy towards.

Mohit Surana - Equity Research Analyst, Monarch Networth Capital Ltd
Understood, sir. So coming to your drive turbine, um, product, uh, which is not, you know, captured by the Macquarie report that is mentioned as a source in the presentation. So the drive turbine industry, which, which was expected to grow strongly mainly from the Middle East region as well. Now with the early indication of the USA's intent to end the war, do you think- I mean, are you getting some more inquiries from that market, Middle East, for our drive turbines? And how are you going to accelerate growth for this product going forward?

Nikhil Sawhney - Vice Chairman and Managing Director, Triveni Turbine Ltd
I think from the Middle East, which is API requirement would be for both power as well as drives, but I'll let Prasad and then Mani comment on the Middle East in specific.

S. N. Prasad - Chief Executive Officer, Triveni Turbine Ltd
Yeah, Middle East, as you rightly said, now in the current scenario we anticipate inquiry pipeline will increase. Definitely that both in power generation rather than the drive turbines. We see Middle East as a power generation, uh, in those opportunities as well as some of the refurb opportunities what we are anticipating inquiry pipeline will increase. When it comes to drive turbines, maybe India plays a bigger role in drive turbines. Basically as we are talking of an 80 gigawatt addition and all.

So there we have boiler feedwater drive turbine opportunities. So that is the thing. So Manik, you'd like to add some points? Manik, are you there?

Manikantan Rajendran - Chief Marketing Officer, Triveni Turbine Ltd
Yeah, yeah. Okay. In terms of drive turbines, as Mr. Prasad said, we see these thermal power plants coming up in large numbers. So we see a lot of inquiries and we have bid to EPC companies and those will come for order finalization in Q4. We expect those. These are big large ones for the ultra-power plants. And in terms of the other ones for pumps, compressors, we do see inquiries. The inquiry level has not gone down as compared to last year. However, in case of Middle East, Due to the war-like situation in the H1, we saw some dips, but, uh, with the war threats coming down, we hope the inquiry pipeline will increase in Q3, Q4.

Mohit Surana - Equity Research Analyst, Monarch Networth Capital Ltd
Understood. So I have more questions, but maybe I will fall in queue and ask later.

Operator
Sure, thank you. Thank you. Next question comes from the line of Asalil Desai with Masterless Investment Managers. Please go ahead.

Chirag Muchhala - Analyst-Equity, Centrum Broking Ltd.
Thank you, Nikhil. Hi, one question on, you know, if you can explain how this aftermarket order-to-execution cycle works, because last 2-3 quarters we have seen the order inflows growing very, very strongly, but some of the revenues haven't kept pace at the same levels. So what is kind of the gap, or what's, uh, constraining execution then?

Nikhil Sawhney - Vice Chairman and Managing Director, Triveni Turbine Ltd
Okay, so when you look at the order booking for the aftermarket segment, it constitutes 3 different segments by themselves. The first is spares, which is for the company's own installed base. The

order delivery cycle there is at a maximum, I'm going to say, 3 to 4 months. 3 to 4 months is what we, what we take for the order to execution cycle for spares. The servicing is equally going to be a quarter or so, uh, in terms of the execution cycle. So, so that service is a provision of, uh, physical manpower.

And the third is refurbishment. Now refurbishment is a space which of course is what we pointed out is what's going to be growing faster for us, and it's a segment that will be Uh, that has a much larger market for us to cater to, which is doing third-party, uh, services for rotating equipment, which could be lower value additions such as overhaul or could be higher value additions such as upgrades. Now depending on the type of service that you provide in the refurbishment space, the time is significantly different.

So it could be, I would say, anywhere between 5 to 6 months to 9 to 12 months. Depending on the type of contract that you are doing within, within the refurbishment space. So it's very difficult to generalize because we don't provide the breakup within our aftermarket as to what, uh, uh, what is the delivery cycle. But maybe let's- let us think about it if we can provide more visibility to you too, because ultimately the way that we- I would like investors to view the company is our order booking gives you the visibility of revenue.

On the product side, as we go higher, as we go higher in the megawatt scale, that execution cycle becomes a little bit more prolonged. As you would imagine, it takes more time to make a 100-megawatt turbine than it does to make a 20-megawatt turbine than it does to make a 5-megawatt turbine. Uh, at the same time, increasingly also in the refurbishment side, as we go into more refurbishment, more value addition, that delivery cycle will become a little bit longer. Um, so we'll have to just think of some way to provide greater visibility as to, as to how much revenue visibility does our order book give us.

But you have to recognize that as we get, um, a significant amount of spares and servicing orders annually, that of course will be booked and billed in any particular year. Uh, maybe Prasad, you could give an indication as to how you look at book and bill within a- within any financial year for revenue in that financial year itself.

S. N. Prasad - Chief Executive Officer, Triveni Turbine Ltd
Yeah, well, as you rightly mentioned, that spares and service, majority of the things now get into the same financial year. But refurb based on the current whatever we are offering is, uh, high value-add, uh, uh, solutions to the customers. So that is taking normally around 3/4 sort of a delivery cycles today what we are having. So going forward, so there further complex projects if you take, probably that 3/4 to 4 quarters will be the, uh, delivery cycles for that revenue recognition.

Nikhil Sawhney - Vice Chairman and Managing Director, Triveni Turbine Ltd
Typically we take, uh, order book and like, you know, 80% of the order book can be in the beginning of a financial year, will be executed in that financial year. Then you have book and bill of the first quarter for product and for spares going up to Q3 and for refurbishment up to Q2. That's how we typically look at-

Operator
Understood. Great. This was helpful. Thank you very much. Thank you. Next question comes from the line of Arun with Unifi Capital. Please go ahead.

Arun - Analyst, Unifi Capital Private Limited
Hi, thanks for taking the question. Um, just following up from the last quarter when, um, you had mentioned that there were certain lower margin orders in first quarter of FY26 due to competitive environment at that time, which were taken at that time. So because of execution of that in the first quarter of this financial year, there was a drag on the margin per se. So are these orders completely executed now? So is that drag completely gone?

Nikhil Sawhney - Vice Chairman and Managing Director, Triveni Turbine Ltd
So there was one major order which was a very large order, which was our strategic order with NTPC, which was at a low to negative margin. We already tried to clarify that earlier in this call. Apart from that, domestic orders typically tend to be around the same margin range, which is significantly lower than our export margin. So actually, the export to export and aftermarket as a percentage of sales is what drives our margin, uh, for the, for the company. And we see that, uh, reverting, like I said, in H2, uh, significantly more in Q4 than Q3.

But, um, but we're quite confident that, that very frankly, margins- the, the company is, is, is from a margin perspective is fine. It's, it's what we see in the market is what it is. There were some disruptions in commodity price increases. That we saw in Q1, which will get normalized by the time we get to Q4, which will provide visibility- better visibility for FY28. You've had certain- we follow a conservative principle on accounting for warranty and other contingencies. And so we're consistent on those costs which we take.

And they're fine as far as the company is concerned. We've had some tax refunds which we haven't accounted for also because we'll just wait for the time to expire for- before we account for it in our P&L. But I think in general, from the margin perspective, the company is, is all right. There is, there is of course competitive intensity in the market that we operate in. I think at this point in time, we're driven more to ensure that we can get a larger installed base to grow our top top line to grow our references in the high megawatt space.

Uh, the margins would also be impacted with our new product entry which we are launching, uh, extended, uh, uh, advanced platforms which will have a significantly better cost to the, to, um, to our current product, uh, to our current, uh, uh, platform. Uh, and we, and we see as, as those get rolled out that those, they'll, they'll impact margins in the in the coming quarters, uh, positively.

Arun - Analyst, Unifi Capital Private Limited
Sure, sir. Just one more thing on the US data center order. There was an expectation, um, that it will combine in this financial, uh, year, the first data center order. So you'll still maintain that expectation, sir?

Nikhil Sawhney - Vice Chairman and Managing Director, Triveni Turbine Ltd
No, we already talked about that, that we, we got that in this Q- this was in this quarter, Q2, which was a combined cycle operation. So

Arun - Analyst, Unifi Capital Private Limited
That's for the data center application. Okay.

Nikhil Sawhney - Vice Chairman and Managing Director, Triveni Turbine Ltd
Yeah, but in general, you know, we're quite agnostic as to the end use. You know, it doesn't make a difference to us who the end user is. Um, uh, it- the applications are what is more interesting. Uh, so

this is a combined cycle operation. The end user is, is, is, is a data center.

Arun - Analyst, Unifi Capital Private Limited
Perfect. Thank you so much. Thank you.

Operator
Thank you. Next question comes from the line of Julie Paviskar with Ashika Institutional Equities. Please go ahead.

Julie Paviskar - Analyst, Ashika Institutional Equities
Hello.

Arun - Analyst, Unifi Capital Private Limited
Hello. Yes.

Julie Paviskar - Analyst, Ashika Institutional Equities
Yeah.

Arun - Analyst, Unifi Capital Private Limited
Thank you.

Julie Paviskar - Analyst, Ashika Institutional Equities
Yeah. So, uh, I just wanted to know on the order booking side. So this time order booking was a record this quarter. So is the Rs 7 to Rs 8 billion per quarter a reasonable steady state run rate going into the FY28? Or did this quarter include any lumpy large orders that won't repeat?

Nikhil Sawhney - Vice Chairman and Managing Director, Triveni Turbine Ltd
Uh, no, there are no lumpy large orders. Uh, this is regular. I, I think you have 2-3 factors that you have to keep in mind. One is that the inquiry book suggests growth, and so therefore we're responding to the market, and our market share remains reasonably consistent, and so we participate in that, uh, to that extent. Uh, you also have had certain commodity price increases, so even though the megawatt size of the market has grown, so has the price market grown also. As we look at the steady run rate, we respond to the market as demand comes up.

And so it's difficult for me to say what to expect, but I feel that there's nothing wrong in what you're assuming.

Julie Paviskar - Analyst, Ashika Institutional Equities
Okay, okay. And another question is, how do you see the steam turbine market evolving given the rising gas turbine and combined cycle demand globally? So does Triveni Turbine see this as a reason to strategically diversify Uh, whether that's a deeper into combined cycle, BFW-type packages, or any other adjacent segment. So I just wanted to know your perspective on it.

Nikhil Sawhney - Vice Chairman and Managing Director, Triveni Turbine Ltd
No, we're very much a steam turbine company, and we will make sure that we are consistent in terms of being able to deliver better value with our focus in the segment. The, the refurbishment, the aftermarket segment can have different strategies, uh, but at this point in time, we are a single product company. And even our gas- even our carbon dioxide turbines and other carbon dioxide-based work is based on a similar principles of, of, of, uh, turbomachinery that we manufacture. So it's, it's consistent from a manufacturing research development perspective.

We'll stick around that line. We may move a little bit more into solution orientation, uh, to provide greater value to the customer and move up that value chain, as long as we don't take on more liability and become EPC. So our fear is that we don't want to change the nature of our balance sheet. We remain focused in trying to be able to capture greater market share in the higher megawatt segment, penetrate more global markets, develop new applications that we would be able to cater to. But I think all in all, there's ample growth for us if we look at from the medium term within the steam turbine space before we actually have to get a significant amount more revenue from new technologies, which will have to come about.

We will eventually have to find newer revenue streams which we are- as we keep talking about our development, but by the time that they contribute significantly to our turnover, it is still going to be 3-4 years away.

Julie Paviskar - Analyst, Ashika Institutional Equities
Okay, thank you, thank you so much.

Operator
Thank you. Next question comes from the line of Mohit Surana with Monarch Net Worth Capital Limited. Please go ahead.

Mohit Surana - Equity Research Analyst, Monarch Networth Capital Ltd
Um, thank you for the opportunity again. Um, sir, on with respect to our top line growth for this financial year, first half year grown by roughly 6 to 7% on the top line. Um, considering our H2 will be very strong, can you give some indication on what kind of growth we can expect for this year as a whole? And, uh, also EBITDA margins, uh, if you can give some indication on, on, uh, how much will be the EBITDA margins for the full year and on a normalized basis what can we expect? Can it go back to the 20%+ kind of level?

Nikhil Sawhney - Vice Chairman and Managing Director, Triveni Turbine Ltd
I think that we gave an indication of this earlier in the call as well, where we're looking at growth for the full year FY27 over FY26, and the profitability should be robust and higher than FY26 as well. This is of course going to be a mix of operating income performance as well as other income performance. But when we look at it on a consolidated basis, EBITDA should be roughly consistent with last year. Yes,

S. N. Prasad - Chief Executive Officer, Triveni Turbine Ltd
Around that.

Nikhil Sawhney - Vice Chairman and Managing Director, Triveni Turbine Ltd
It'll be around that only. NTPC would have taken a little bit of a hit on the entire base. But there are certain things that we have to still execute in Q3, Q4 which could have better implication on margins. In general, yes, you would, you, you would see a reversion to the higher margin level, as I've already indicated, based on product mix execution.

Mohit Surana - Equity Research Analyst, Monarch Networth Capital Ltd
Right. But so in terms of growth for the full year, on H2 we can expect somewhere around 25% plus kind of growth for H2?

Nikhil Sawhney - Vice Chairman and Managing Director, Triveni Turbine Ltd
I've given you the indication, you can work it out. I've given you the indicator, I'm sure you'll be able to work it out.

Mohit Surana - Equity Research Analyst, Monarch Networth Capital Ltd
Sure. And sir, regarding these NTPC orders, um, I mean, this was the first of a one-of-a-kind order that we've- that we are executing right now. Are we getting indications of more orders going forward from NTPC for these kind of products going forward, long-duration energy storage?

Nikhil Sawhney - Vice Chairman and Managing Director, Triveni Turbine Ltd
Well, there has been cost increases, etc., so we have to look at the ultimately what is the, the viability of solutions like this. We also need to commission it to ensure that we're able to get the, the recorded performance, uh, that we've committed. So there it's a little, little- it's a little early Um, of course everyone's interested in new technologies and to a diversification of what is a, a very definitive market, which is energy storage. Um, we, we think that this is one of many solutions.

The question is how, how it can perform, uh, from a life cycle cost basis. Um, we- let's- it's a little premature. Maybe we can answer this after Q4.

Mohit Surana - Equity Research Analyst, Monarch Networth Capital Ltd
All right, sir. Thank you. That's all from my end.

Nikhil Sawhney - Vice Chairman and Managing Director, Triveni Turbine Ltd
Thank

Operator
You. Thank you. Next question comes from the line of Mahesh Shah with Banyan Tree Advisors. Please go ahead.

Chirag Muchhala - Analyst-Equity, Centrum Broking Ltd.
Yeah, good afternoon. Thanks for the opportunity. I just had a couple of questions. Firstly, I think earlier on the call you were mentioning that there was a decline in our domestic market share. So could you just help us understand what has driven that decline? Was it mainly because of some kind of order deferment, or, or, uh, that existing competitors were winning orders, or was there any entry, uh, by new players? And specifically, in which capacity band? Or was it under the sub-30 megawatt segment, or the 30 to 100 megawatt segment that we lose market share?

Yeah, that was the first question.

Nikhil Sawhney - Vice Chairman and Managing Director, Triveni Turbine Ltd
So do you mind to give all your questions and I can answer them all together?

Chirag Muchhala - Analyst-Equity, Centrum Broking Ltd.
Sure. The second question was, uh, mainly on the US subsidiary. So just to say, over the next, say, 5 years, what would be the strategy for the US business? Do you see it as primarily an aftermarket operation, or will you soon move into manufacturing and selling, uh, new turbines locally? And just in the aftermarket segment, what specifically differentiates Triveni from other manufacturers or other service providers, and how durable is that advantage? Thank you.

Nikhil Sawhney - Vice Chairman and Managing Director, Triveni Turbine Ltd
So I'll start with reverse of your questions. The fact is that we are an OEM, so when we provide third-party services as an OEM, we bring a different technology lens to the solution, uh, as well as the capabilities and the pricing that we are able to offer is amortized over a greater degree of sales. So we're more cost competitive and we're more flexible and we're able to provide that which I think distinguishes OEM providers of third-party services. The US market, you see, we'll have to respond to the investments that we made in the US market and the return on equity and capital employed out of that before we actually look at changing the nature of the business from focusing on the refurb- from the aftermarket segment.

As you know, the US market has possibly the largest capital stock of any country in the world. And so we want to cater to the requirements that they have for servicing aftermarket for their installed bases there. Will we do packaging? We have the flexibility to do packaging. It's a question that, that we respond to any tariffs and potential tariffs. We have the potential to do so. At this current point in time, we think that we would be servicing most of America via India from across product perspective, uh, the aftermarket will be provided locally.

Um, but right now we don't have any, any way to, to, to look at that differently apart from saying that we will view it from- view fresh investments from a perspective of return on capital employed and ensure that, uh, that we achieve what are the margins that we, that we anticipate for the company as a whole. Uh, on the domestic market share, um, it's driven by segment demand. So in certain segments, like I said, in steel our competitor has a higher market share and historically it keeps that. So it's just a response to where the market comes from.

It's not to say that we're not making entries into that space. Uh, we will, and we, we will, we will get market share because it is a market that we compete in,

Mohit Surana - Equity Research Analyst, Monarch Networth Capital Ltd
Right? But it's nothing larger

Nikhil Sawhney - Vice Chairman and Managing Director, Triveni Turbine Ltd
Than mine. There are no, there are no, there are no new competitors in the space. Um, we don't see the intensity changing in any manner.

Chirag Muchhala - Analyst-Equity, Centrum Broking Ltd.
Right, right. And the market is-

Nikhil Sawhney - Vice Chairman and Managing Director, Triveni Turbine Ltd
I'm sorry, and your question?

Chirag Muchhala - Analyst-Equity, Centrum Broking Ltd.
Yeah, sorry, uh, is the loss in market share in the sub-30 megawatt segment or the larger turbines?

Nikhil Sawhney - Vice Chairman and Managing Director, Triveni Turbine Ltd
I think it's the larger turbines, larger turbines, 40-50 megawatts.

Chirag Muchhala - Analyst-Equity, Centrum Broking Ltd.
Sure. And if I could just squeeze in one brief question, uh, according, according to you, what is going to be the main driver for the export markets Is it going to be the Middle East market? Is it going to be the Europe market, the US market? If you could just provide a brief long-term view.

Nikhil Sawhney - Vice Chairman and Managing Director, Triveni Turbine Ltd
Oh, in my particular income, it's going to be decarbonization actually requirement for turbines, which is both pushed by efficiency as well as newer applications for both energy generation, energy storage. That is what the long-term growth of the market will be. If I look at 5, 7, years down the line. But in the meantime, you will have industrial requirements, you will have a lot of other requirements as well.

Rolin Nanu - Analyst, Edelweiss Alternative Asset Advisors
Sure, thank you.

Nikhil Sawhney - Vice Chairman and Managing Director, Triveni Turbine Ltd
Thank you.

Operator
Thank you. Next question comes from the line of Prolin B. Nandu with Edelweiss Public Alternatives. Please go ahead.

Rolin Nanu - Analyst, Edelweiss Alternative Asset Advisors
Uh, yeah, thank you for taking my question. Uh, on this, uh, uh, the order that you have won on the combined cycle in US, which is related to data center I wanted to understand, uh, what was the models of branding of how did we win this order? Did we do it through our, uh, some other, uh, player, uh, in terms of partner, or was it directly through a customer? And also, uh, is the US market or the combined cycle market which is reaching the stage wherein, uh, we could see at least on the pipeline side more and more such orders coming in, right, more in terms of the timing of when the combined cycle, uh, uh, orders or combined cycle projects are going to get executed.

So, uh, what is your sense on the timing side and what was the modus operandi of winning this order?

Nikhil Sawhney - Vice Chairman and Managing Director, Triveni Turbine Ltd
Yeah, so actually I, I don't think it's necessary to go into how we won the order. It's, it's a normal sales process that we run, you know. It's like one is not more unique than the next. It's- we have a mixture of agents We have a- we have our own personnel and we have our institutional relationships that we follow. So there's nothing very unique about this, this particular order. I, like I said, I don't think the data center market actually represents a very large part of our inquiry book. So we're following a theme of both behind-the-meter and front-of-the-meter electrification and requirements.

The requirements that I think Mani spoke about in terms of the wins that they've had even in the first 5 weeks of this current quarter be it from the United States, have actually been for energy storage projects. Now, those energy storage end users, data centers, that's not fully disclosed to us also. You know, a lot of sites are kept confidential, etc., until detailed engineering comes about. So there's a degree of confidentiality that we can't really talk about also in terms of end use, where the market is.

But I feel that, that the level of technology that is going into the electric electrification globally will mean that if there has to be a redundancy of capacity, it will happen for older capacities which are more inefficient. So these capacities are always going to be much more efficient, and so we're confident that these will come up in whichever manner.

Rolin Nanu - Analyst, Edelweiss Alternative Asset Advisors
Understood. Thanks, Nikhil, for that. The second question would be on the US pipeline, and while you have touched upon it, right, that, uh, in one of the previous answers you mentioned that US pipeline is very healthy and growing, right? And one of the drivers, uh, you mentioned is the energy storage, right, uh, where the pipeline is coming from. But apart from that, uh, what are the other segments in US, uh, where we are seeing very healthy pipeline? Is it coming from API? Is it coming from, uh, refurbishment of some of the larger turbines?

So just some qualitative color on how healthy and why is the US pipeline healthy and where is positivity coming from? That would be helpful.

Nikhil Sawhney - Vice Chairman and Managing Director, Triveni Turbine Ltd
The positivity is coming from general electrification. You also have energy requirements from industry, which is also quite robust. We did get orders in this current quarter as well from the US for industrial applications for process cogeneration requirement. So that is also- and that is at the same pricing. The fact is that right now internal efficiency is not as as high in the- like efficiency upgrades are not as high in the demand, uh, uh, in terms of demand as, uh, fresh new CapEx for, for more electricity production.

Uh, so we're just, we're just riding the coattails on, on increased demand, um, on, on generally more energy requirement. The mix is going to change from- because you have requirements coming from geothermal markets to industrial energy requirement to electrification. IPP is driven by a variety of different segments, be it combined cycle or energy storage. So we're seeing this- actually, it's also geographically split. It's pretty much around the US. I have to confess that on the refurbishment side, our visibility into the market is more limited.

We're hopeful as the quarters pick up that we'll be able to get more get more, uh, order- get, get more visibility and inquiry book in the US on the refurbishment side, that which is our principal reason for the investment in the US. But we're quite confident that it's quite diversified both, uh, sector-wise as well as within the US geographically, um, and in terms of how it represents, uh, our inquiry book at this point in time.

Rolin Nanu - Analyst, Edelweiss Alternative Asset Advisors
Sure. Anything on US and specifically in API segment. Anything that you want to comment on there?

Nikhil Sawhney - Vice Chairman and Managing Director, Triveni Turbine Ltd
No, I mean, I, I believe the API segment is not, is not, uh, a significant part of our US, uh, demand.

Rolin Nanu - Analyst, Edelweiss Alternative Asset Advisors
Thank you. Thank you so much. That's it from my side.

Nikhil Sawhney - Vice Chairman and Managing Director, Triveni Turbine Ltd
Thank

Arun - Analyst, Unifi Capital Private Limited
You.

Operator
Thank you. Next question comes from the line of Kenneth Mendonca, LIC Mutual Fund. Please go ahead.

Chirag Muchhala - Analyst-Equity, Centrum Broking Ltd.
Hi, uh, I just wanted to, um, if you could qualify your earlier statement on, uh, we expect to, uh, make some advancements in solutions as well, right? What sort of investments we've made there, is it contributing to us today, and, uh, what do we do different or what do we do new here?

Nikhil Sawhney - Vice Chairman and Managing Director, Triveni Turbine Ltd
So you're talking about what, what did I mean about moving to a more solution orientation, is that, is that the question? Yes. Yes. So for example, our project that we're doing with NTPC in my mind is a solution orientation around energy storage. The product, the supply and scope of the business has taken on a role of a mini EPC, but the learnings around that are that ultimately if you can get closer to customers in terms of demand, you're able to then actually drive demand more than we can just as a pure steam turbine manufacturer.

So that was a point of what we meant. There's no additional capital utilization from an R&D perspective. Yes, you need to be able to integrate the solution better and be able to do better vendor engineering and better cycle engineering so that you're able to take guarantees on the entire scope. It will naturally be a little bit more working capital intensive because the scope is larger and therefore the payment terms will be different. We don't- as we go down, we have to ensure that if we do go this route that we keep the financial discipline that is necessary and only provides solutions to where we are able to have a technology leadership so that we can retain the margins, retain the cost structure, and retain the return metrics that are necessary.

Uh, so that is a- that is the view that we were taking so that we get- we're able to drive demand more. That is the point of being more solution-oriented in the way that we approach it.

Chirag Muchhala - Analyst-Equity, Centrum Broking Ltd.
There is nothing similar currently which we are pursuing.

Nikhil Sawhney - Vice Chairman and Managing Director, Triveni Turbine Ltd
No, but there are lots of conversations that we're having. So there are lots of conversations that we're having around the area of, let's say, energy storage itself is a very broad space where we can be able to add value to our customers while actually ensuring that we don't take excessive risk is the way that we'd like to do it. You have certain applications which will be around the steam turbine itself. And expanding scope where we can provide a better solution to our customers and then be able to partner with them in their growth.

Because you see, ultimately what we want to see is it shouldn't be one-off, it should be a validation of our capabilities but then be able to scale a market also by itself.

Chirag Muchhala - Analyst-Equity, Centrum Broking Ltd.
Thank you, sir. That is all. Thank you.

Nikhil Sawhney - Vice Chairman and Managing Director, Triveni Turbine Ltd
Thank you very much.

Operator
Thank you very much,

Nikhil Sawhney - Vice Chairman and Managing Director, Triveni Turbine Ltd
Ladies and gentlemen.

Operator
Ladies and gentlemen, that was the last question for today. We have reached the end of question and answer session. I now hand the conference over to the management for closing comments.

Nikhil Sawhney - Vice Chairman and Managing Director, Triveni Turbine Ltd
Thank you very much. Thank you for joining, ladies and gentlemen. Uh, I look forward to speaking to you again, uh, and at our Q3, uh, conference call. I hope you all had a, had a happy Diwali, and I wish you a happy New Year as well. Thank you very much.

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