"The Anup Engineering Limited
Q1FY26 Earnings Conference Call"

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MANAGEMENT: **MR. REGINALDO D'SOUZA – MANAGING DIRECTOR & CHIEF EXECUTIVE OFFICER, THE ANUP ENGINEERING LIMITED**

Moderator: Ladies and Gentlemen, Good Day and Welcome to the Q1-Ended FY26 Earnings Conference call of The Anup Engineering Limited.

As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing "*" then "0" on your touchtone phone. Please note that this conference is being recorded.

Before we proceed to the call, let me remind you that the discussion may contain forward-looking statements that may involve known and unknown risks, uncertainties, and other factors. It may be viewed in conjunction with a business risk that could cause actual result performance or achievements to differ significantly from what has been expressed or implied in such forward-looking statements. Please note that the company has uploaded the results, press release, investor presentation and also the outcome of the board meeting on the website of the stock exchange and website of the company.

I now hand the conference over to Mr. Reginaldo D'Souza – Managing Director and CEO of the Company. Thank you and over to you, sir.

Reginaldo D'Souza: Thank you. Hello, Everyone and a Very Warm Welcome to this Conference Call on our Q1 performance for the Financial Year 2025-26.

Historically, the period April-June Q1 has always been a weaker quarter for us, mainly due to high labor absenteeism on account of annual holidays. Moreover, this year had its own challenges from supply chain pressures due to wars and trade uncertainties due to tariffs. Considering these uncertainties, I believe we had a fairly decent first quarter of this financial year.

Now, let me quickly take you all through the "Numbers." The consolidated revenue was Rs.175.2 crores, a 20% growth, with an EBITDA of Rs.40.4 crores, a growth of about 22%, and a PAT of Rs.26.3 crores, a growth of about 21% as compared to Q1 of the last financial year.

Interestingly, the exports was at 72% of our revenue. Yes, this seems high, but I believe will normalize over the year to about 50%-55% considering our order book pipeline. This is fairly in line with our strategic intent of being a 50% export business.

The revenue contributions from all our three manufacturing locations was in line with our expectations, with Ahmedabad plant contributing at 58% of the revenue, our new Kheda facility at 37%, and balance coming from Mabel Engineers, Tamil Nadu. So, I am very happy to state that all our three locations have started contributing well to our business growth.

The sectoral revenue across industries was also as expected, with oil and gas at 44%, petrochemicals at 32%, and fertilizer and chemicals at 21%, and the rest from others.

In terms of the product mix, heat exchangers, which are predominantly manufactured in our Ahmedabad facility, was at 46%, and the vessels, reactors, and columns, which are largely manufactured at Kheda plant, was 44%, which signifies substantial contribution from our Kheda plant. The balance 10% products were silos from Mabel Engineers.

The working capital block was a touch higher for the quarter, mainly on account of a short-term increase in raw material inventory due to specialized material metallurgy buying for on-hand orders and also due to lower customer advances. This is a short term, and is expected to normalize in the coming quarters, with execution of these high-value orders and better order intake to our historical working capital terms of 3.5-plus terms.

Our manufacturing capacities have shaped up well, with all our three manufacturing locations, i.e., Ahmedabad and Kheda both in Gujarat, and Mabel Engineers at Tamil Nadu operating and contributing well.

The Phase-II expansion at Kheda is expected to be completed before time, and we should commission it in Q2 of this financial year instead of Q3 as informed earlier. With this, we will have a capacity to roll out approximately Rs.1,200 crores business per year from these three locations. A break-up for you all, if it helps, could be approximately Rs.600 crores from Ahmedabad, Rs.400 crores from Kheda, and Rs.200 crores coming from Mabel. And as we expand further, it would improve in line with our growth aspirations.

Coming to “Order Booking,” the order booking for Q1 has been a touch sluggish due to the current uncertainties, mainly on account of wars disturbing the supply chains, trade disruptions due to tariff concerns and other geopolitics.

We have some good opportunities in the United States under negotiation, and we had hoped to close them in Q1. But with current developments on trade agreements with India, we may have to wait a couple of months for our customers to proceed with ordering. Not that these CAPEX projects in the United States will not see the light, but the delay is probably on account of reassessing the budget or the ROI, and approval of the same to proceed.

As you all are aware, almost all our export contracts are FOB India port, and hence the duty needs to be borne by the customers in the United States, which inflates the landed cost for them. Even with a higher tariff of about 25%, India would still be competitive, as largely the supply options for these kind of capital equipment we offer to the United States are probably coming from countries like India, Europe, China, Korea, and Mexico, largely. To give an example, as late as last week, we got a confirmation for an order of about USD1 million for supply into the United States. Hence, it is likely more about uncertainty that is bothering our customers than the real tariff.

Our pending order book as on date after Q1 execution is about Rs.604 crores. This will surely see a good traction in the coming months.

We have seen a strong enquiry inflow from Middle East and domestic markets. The domestic market has picked up quite well after a slow last three quarters with considerable amount of enquiry inflow. For example, projects like the Bina Refinery, Petronet LNG, Reliance PTA, BPCL Kochi PP plant, and a couple of other chemical and fertilizer plants provide good business opportunities.

We have an encouraging enquiry bank of about Rs.1,020 crores for global projects where we are bidding very strongly. All going well, these should fuel our growth plans for this and the start of the next year. Hence, at the backing of a robust enquiry pipeline and customers moving higher risk projects, especially in domestic and Middle East markets, there will be good business opportunities in the near future.

With due consideration to these uncertainties, especially on trade due to tariffs and supply chain challenges due to wars and geopolitics, our guidance for this financial year FY25-26 would be 15%-20% revenue growth with an EBITDA of about 21%-22%. Of course, we will try and keep this at 20% growth. Exports shall be in the range of 50%-55%.

Having said this, we as a business are mindful of the risks and challenges that can come our way. We are cautious of the geopolitics and how it could impact trade and hence we are using strategic levers to maneuver the short-term uncertainties.

On the long-term strategic initiatives towards sustaining our growth, we have been working relentlessly over the last few months on the diversification and inorganic growth opportunities.

As mentioned earlier, we are looking at opportunities in the space of energy-related technologies, special chemical sectors, packaged process systems, etc., We will surely keep you all informed of the progress as we get closer to a certainty.

To conclude, the current uncertainties may have a very short-term impact but with a strong proven execution, necessary capacity in place for our growth plan, and an encouraging pipeline globally, we should see good business prospects in the future.

With these pointers, I wish to thank all of you for your presence and patient listening. Now, I would be happy to have your questions. Thank you.

Moderator: We will now begin the question-and-answer session. The first question is from the line of Jaiveer Shekhawat from Ambit Capital. Please go ahead.

Jaiveer Shekhawat: Sure. Thanks a lot. Regi, my first question is just with respect to the order booking. While you highlighted that you would expect a lot of these projects to get finalized over the couple of few months, is it that some of that growth will get pushed forward to the next year, let us say FY27, which is why you brought down the overall growth guidance for this year?

Reginaldo D'Souza: You are right, Jaiveer. So, as you have heard me on the last call, we were expecting some good order intakes from the United States, which we had almost reached closer to finalization. Unfortunately, those have not gone through. We should get hands on them maybe in a couple of months, but then we have less time for execution. So, to be more certain, we have brought down the guidelines to about 15% to 20%. Of course, internally, we will gun for 20% growth, but you could expect the guidance anywhere between 15% to 20%.

Jaiveer Shekhawat: Sure. Very well understood. Second, if you could also highlight what has been happening on the newer verticals that you had earlier highlighted about, especially your AC HE business and also on the services business, is there any update, there any new orders that you are receiving there?

Reginaldo D'Souza: Yes, so on the services business, surely, we have three enquiries right now on board. One, we have already got the order. It is a small one. So, as I explained initially for the first year, we are not looking at a very large volume coming from service, but we are trying to build our credentials for service business in this market, which in three years' time, all going well, we should reach about Rs.200 crores. So, we made some good inroads into the service with a small order intake already. Two, we have executed. One, we have just received, and two inquiries are in the pipeline. And also on the new product side, we have made some good inroads also in the power sector. We were completely missing on the power sector and happy to say that we bagged the order close to about Rs.7-8 crores in the power sector already in the last month. So, that is also an inroad for us into power. AC HE, your specific question, we have three enquiries already quoted for. Hoping something will turn around for us in the coming weeks.

Jaiveer Shekhawat: Sure. Lastly, on the gross margin side, I think I see a lot of volatility across quarters. This quarter, it has sort of surprised significantly on the positive side. If you could highlight the reasons there and also given that you had a new appointment of Mr. Mathias as the Chief Marketing Officer, what would his role be and then which are the newer markets or possibly segments that you are looking to sort of target along with his expertise?

Reginaldo D'Souza: From the margin side, yes, we had some profitable orders executed in Quarter 1. That is where the gross margins have reflected better. But based on our pending order book position, we think it will normalize anywhere between 21% and 22% and that is the reason for our guidance. In terms of

Rudolph Mathias, he comes in as Chief Marketing Officer for us to take care of our sales and business development side, the content of the business. And he comes with a lot of international experience, being in Canada for a pretty long time, worked in Middle East. Also on overall experience globally, which would augur well for us for pushing our growth plans into the international markets. So, his role in short would be to head the complete front end with sales and business development.

Jaiveer Shekhawat: Thank you so much and all the best.

Reginaldo D'Souza: And just to add to what I said about AC HE earlier, we also built up a team for designing and estimation of these products. So, our technical offers are well accepted by customers, which says that we built pretty good capabilities in-house in terms of understanding this product and also offering a good proposal to our customers. I believe it is just a matter of time that we will end up on an order.

Jaiveer Shekhawat: So, in terms of the initial signs of pickup, I mean, when do you expect that it will start meaningfully contributing to revenues, will it be by end of the year?

Reginaldo D'Souza: So, contribution directly to the revenue part, I believe it will be in Quarter 1 of next year, because generally the cycle times would be anywhere between seven to eight months. So, I believe even if we bag an order by the end of this quarter, so we should be good to go with Quarter 1 revenue coming in from AC HE.

Jaiveer Shekhawat: Sure. Thank you so much.

Reginaldo D'Souza: Pleasure. Thanks.

Moderator: The next question is from the line of Mohit Surana from Monarch Networth Capital Limited. Please go ahead.

Mohit Surana: Thank you for the opportunity. My question is with respect to the order book. Is there any chance of order book cancellations going forward from the orders that we have already received? And keeping in mind the global supply chain issues and the tariff-related uncertainties, can there be some more erosion in margins in order to get the orders?

Reginaldo D'Souza: Let me just clarify. So, your first question was basically any chances of order cancellation, and second, based on the current supply chain concerns, whether there could be any erosion on the margins, right?

Mohit Surana: Yes, that is correct.

Reginaldo D'Souza: Okay. So, on the order cancellations, the answer would be no. By and large, these are the orders that we have booked are large petrochemical, hydrogen projects and also refineries. So, these are large scale projects and where the investments have gone ahead to a large extent. So, the possibilities of cancellations are very rare, if I have to say. In terms of profitability, also, we have things protected because these are all, as you know, estimation models and we generally go back with our suppliers for all the critical items. And based on the pending order book position, almost 70% to 80% of our raw material is from sourcing domestically in India. So, in that sense, we do not see much of an impact to us coming from the supply chain. Of course, a little bit of delays in case if the wars and others elevate to different levels, we could see a little bit of delays into the supply chain, but in terms of the profitability, no, I think we are fairly well covered for this year.

Mohit Surana: Understood, sir.

Reginaldo D'Souza: And if you see the reflection of that, in fact, we have kept our guidance 21% to 22%, almost similar to what we projected at the beginning of the year.

Mohit Surana: Absolutely, sir. Yes, that is fair, sir. Thank you. So, just one more question. So, you have given a guidance of 15% to 20% revenue growth for this year. Just thinking of a slightly longer term, a three year to four year kind of perspective, what kind of revenue CAGR we can expect from a longer-term perspective?

Reginaldo D'Souza: So, on a three year perspective, as a business, we are still at 15% to 20% kind of growth plan for the next three years. As a business with all the diversification plans in place, which should be inching towards 20%, but I would keep the guidance of 15% to 20% over the next three years.

Mohit Surana: Understood, sir. That is helpful. Thank you.

Moderator: The next question is from the line of Gopalakrishnan from Uthramush Investments. Please go ahead.

Gopalakrishnan: Yes. Excellent afternoon to all of you. And first of all, thanks for the opportunity given to me. First question is regarding the profit growth and sales growth of the company for three years and one year period. I find that the profit growth is lagging the sales growth. For example, for three years, the sales growth is 35% and profit growth is only 22% and for the trailing 12-month period, the sales growth is 29%, whereas the profit growth is only 9%. I would like to know why this profit growth is lagging behind the sales growth? This is question number one. Question number two is, in the last quarter, there was a consignment which was held up close to around Rs.200 crores impacting the financials of the company. Has that consignment been dispatched this quarter? And another question is about the order. The order book size is Rs.600 crores, whereas the turnover that we are going to do this year is around Rs.840 crores, i.e., Rs.700 crores plus 20% growth if I take, around Rs.840, 850 crores.

So, how will the company, even if they get the order of Rs.250 crores, can they execute it within this financial year? This is my third question. Thank you.

Reginaldo D'Souza: Yes. So, on the first part, in terms of the sales growth and profitability, of course, profitability I am sure you understand it will all depend on the product mix that we go with. So, as we grow and get our growth at the rate of around 30% that we had over the last three years, we have to get more aggressive in the market, number one to win contracts, because as you know, these are all estimated contracts. We estimate the pricing, we negotiate, and we win contracts on negotiable bids. So, as we grow, we have to take orders at aggressive pricing for our growth plan. That is one. Second, I am sure you would have heard me in the calls of the previous that as we are growing, we have decided to take up a more large volume product, which may be lower in profitability, maybe about 15% profitability, but the churn cycles are more. And that is the precise reason which we have been able to grow over the last three years with 30%-plus CAGR. So, the difference between the growth and profitability, I think it all depends on the product mixes that we choose, depending on the projects that hit the ground in that particular year or a period. Yes, so the larger order that we spoke about in the last quarter, that was on hold or delayed for dispatches from the customers. Still not been dispatched. We are talking to our customers, but they have requested us for some more time to be able to pick up the equipment. But at the same time, as I said, we have been covered in terms of payment for a large extent and also the storage clause is in the contract. So, we are safeguarded in terms of our cost and margins due to this delayed pickup from our customers. And the third one, the order book has slowed down. Yes, of course, as I explained, there has been some uncertainties. In fact, over the last three quarters, as you know, we are largely 50% domestic and 50% export. That is our strategic roadmap. Domestic over the last three quarters has been really stagnant. But touchwood now, as anticipated, it has started moving well. And in international business, mainly because of the current trade uncertainties, first quarter, as explained, has not been that great. But the kind of enquiry pipeline that we have today, close to about Rs.1,020 crores, which is one of the historical highs, we believe that the strike rate and the conversion rate that normally we have, it should fuel our growth journey. And how we will achieve the numbers of 20% growth? So, if you look at Rs.175 crores that we have done, and if we add the Rs.604 crores pending order book, which is completely executable in this year, we are already at about Rs.780 crores, what we need to get is only about Rs.70 crores. And we have a large portion incidentally. We generally do not get that. But incidentally, a lot of enquiries are very, very short-term delivery items. And I am sure you will be surprised when I say that we have large enquiry banks which are as low as five months' delivery for the customers. Maybe the customers have delayed the ordering because of the uncertainties. But now the run rate remains the same and we have to deliver it quickly. So, obviously, it is sort of a blessing in disguise for us that we have got this opportunity of short-term delivery items. So, with that, we are confident that we should be able to hit the guidance of 15% to 20% growth rate for this year.

Gopalakrishnan: Sir, one more just follow up. Our dependence on the U.S. is close to 27% if I remember it right. Has it increased or are you going to diversify geographically, say to Europe? I think Saudi Aramco is one of our major customers, that is what you mentioned in one of the calls. So, with OPEC deciding to increase their output and all of that, I think we should have more opportunity from such geographies. Is my assumption correct?

Reginaldo D'Souza: Yes. So, the first point you made about the U.S. contribution to our revenue about 27% to 30%. Yes, right. Last year, if you see of the total exports, the U.S. was about 30% last year. But this year, we had that large orders coming in. This year, what we had factored in, into our workings was anywhere between 5% and 10% order booking from the United States. So, having said that, as I mentioned, we do not see those projects going away, but maybe a touch delayed by the two to three months, that's what we are expecting. But at the same time, we understand that we need to course correct and diversify. So, we have already taken initiatives to focus more on Middle East, where there are many enquiries on the table at the moment. So, as I mentioned earlier, we have taken course corrections to diversify and focus on the other regions to fuel our growth and order intake.

Gopalakrishnan: Oh, that clarifies my doubts, sir. Thank you. Thank you very much. All the best to the entire team, sir.

Reginaldo D’Souza: Thank you. And I think I missed mentioning about Saudi Aramco that you mentioned. Yes, it is the first order that we are executing for Saudi Aramco, close to about, I believe, 26 heat exchangers. It is a very critical piece of equipment for us, important project, we should be delivering it all by Q3 of this year.

Gopalakrishnan: Superb, sir. Superb, sir. Superb, superb, sir. All the best. All the best. I am extremely happy.

Moderator: The next question is from the line of Ravi Naredi from Naredi Investments. Please go ahead.

Ravi Naredi: Thank you very much to give me a chance. Sir, just a previous question I may forward. This Rs.200 crores order delay, how much we received against this order and whether this Rs.200 crores order include in Rs.600 crores order?

Reginaldo D'Souza: Yes, so this Rs.200 crores that we are talking about, we have not closed everything, it is on the pipeline, because customer pickup has got delayed for the ready items, we have slowed down the production. The revised completion date for all these equipments is December end, which is almost in Q3 of this year. So, we would be closing up all the equipments by Q3 and customers would pick up. So, this is a request that they have made against which we have in the contract storage clause. So, they are paying us on the cost and the storage clause as per the contract. So, we are safeguarded in terms of the contractual terms. So, a short answer, we should be able to execute this complete order by December-end and customer has agreed to pick up all the equipments.

Ravi Naredi: How much we have received against this Rs.200 crores order?

Reginaldo D'Souza: So, the equipments which are ready and where we have issued the IRMs and waiting is 75% of the payment we have received. Generally, we receive only 35% to 40% in advance. But in this case, we have been paid close to about 75% to 80%.

Ravi Naredi: 75% we already received?

Reginaldo D'Souza: Yes.

Ravi Naredi: Okay. Thank you, sir. One more. After Rs.50 crores to Kheda CAPEX done, how much top line we may expect in financial year '26 and '27?

Reginaldo D'Souza: From Kheda plant?

Ravi Naredi: Yes.

Reginaldo D'Souza: So, Kheda plant for next year will be anywhere between Rs.300 crores to Rs.400 crores depending on the product mix. So, the plant capacity would be Rs.400 crores. Depending on how the order intake goes, it can be anywhere between Rs.300 crores and Rs.400 crores. But largely it would be towards Rs.350 crores, 400 crores mark.

Ravi Naredi: Okay. And sir, in longer time, any plan to shift Ahmedabad unit to other place and monetize land value?

Reginaldo D'Souza: No plans at all. Ahmedabad plant is a very strategic location for heat exchangers, because it is very close to the tube manufacturers. So, it is a very, very strategic location and we have no plans to capitalize on the land.

Ravi Naredi: Thank you very much. All the best, sir. All the best.

Reginaldo D'Souza: In short, the Ahmedabad facility will be dedicated for all heat exchangers because it is in the city limits and heat exchangers are smaller in sizes, so transportation would be easy. All reactors, vessels and columns, which are generally larger in size and heavier in weight, they will be made in our Kheda location, which is on the national highways. And all the silos and chemical items would be made in our Chennai Mabel Facility because that is also on the national highways.

Ravi Naredi: Yes, sir. But lastly, I am asking, this Rs.200 crores order, which we delivered in Quarter 3, is it included in Rs.600 crores order book?

Reginaldo D'Souza: About Rs.50 crores to Rs.60 crores is included in that.

Ravi Naredi: Okay. Thank you very much. Thank you very much.

Moderator: Thank you. The next question is from the line of Naysar Parikh from Native Investment Managers. Please go ahead.

Naysar Parikh: Thanks for taking the question. So, I heard obviously your comments around order flow and things like that. But, if I just compute based on your opening and closing order book and what you have booked, it seems like it is less than Rs.50 crores or Rs.40 crores of new order booking in this quarter, and for exports, it seems like it is nil really. So, can you just throw some light, overall how do you see things moving forward and specifically on exports, did we not book any orders, were there cancellations or what happened?

Reginaldo D'Souza: So, to be precise, we had an order booking of Rs.74 crores in Quarter 1 up to this period for this year. And you are right. It was more domestic because as I mentioned in my call, there were many domestic projects which picked up in line with our expectations. I do understand the concerns of the order book, but as I mentioned, as per our view, this is a short-term uncertainty because of the current trade. Domestic has picked up. And if you look at the enquiry bank position that we have of Rs.1,020 crores, generally we have a strike rate of anywhere around 20%. So, considering the enquiry pipeline and considering the projects that is getting a go-ahead, especially in domestic and the Middle East market… when I say Middle East, it is largely the Saudi Aramco and (ADNOC), that is Abu Dhabi National Oil Company. And in India, the projects that I did mention on my earlier remarks, that gives us a lot of confidence that we will be able to run a good order book. And at the same time, because of our capacities already in place with phase-II extension, we have flexibility to execute much ahead of time. So, even if we are running short of time, we will have a little bit of better flexibility now, with added capacity to be able to turn around the revenue to the guidance that I have provided of about 15% to 20% growth for this year. So, you expect us to close anywhere Rs.840 crores around that number for this year.

Naysar Parikh: Yes. Just to clarify. Your March end order book was some Rs.741 crores, right? And you booked some Rs.175 crores in Rs.604 crores. So, if you book Rs.74 crores new order, your order book should be closer to Rs.600 crores. So, just if you can explain, were there some order cancellations which is bringing the order book down?

Reginaldo D'Souza: No, there was no order cancellation.

Naysar Parikh: And if I can, on the domestic side, can you just talk about any sectors or something that you are seeing traction and do you expect that it will be domestic largely that will help you get to the Rs.840 crores or you think that export market may recover, how are you looking at it?

Reginaldo D'Souza: Yes, so domestic, the larger traction that we are seeing is on the petrochemicals side. Of course, there are options of refinery expansions, but largely what we are seeing is petrochemical plants. So, if you see the projects that I have named, Reliance PTA, if you see the PP plant of BPCL Kochi, if you see Petronet PP plant, so all these are projects mostly on the petrochemicals side. So, the larger traction, of course, is coming from petrochemicals and domestic will surely be driving in this quarter in terms of order intake, plus some extent from the Middle East. And that is the reason if you see an export, which is at about 72% in Quarter 1, we are saying by the end of the year, it will be roughly about 50% to 55%. So, obviously, there will be more contributions coming from domestic, both from the pending order book as well as the new orders that we are expecting, which are short delivery items. So, from that context, your assumption is right.

Naysar Parikh: Okay.

Management: Hello! And just to clarify on that order part, if you refer to our last investor presentation of Q4, the closing order book as on 31st March was at Rs.700 crores, and Rs.741 crores was the closing order book as on 30th April 2025. So, probably that is a Rs.40 crores which probably you are finding as a difference. So, Rs.700 crores was an opening and then the order inwards, the minus revenue will match exactly the amount which we have reported.

Naysar Parikh: Got it. No, that helps. Just last question is on the EBITDA margin. What you mentioned, maybe closer to 21%, 22%, is it just because new plants and economies of scale, or even at a gross profit level, are you seeing that there is pricing pressure or customers are demanding some relaxation on pricing?

Reginaldo D'Souza: So, to a large extent, as I said, we already have Rs.604 crores pending order. And being an estimated model, we very clearly have an understanding in terms of the margins. But, at the same time, since we have to get orders in the next couple of months, we believe that we will have to be a little more aggressive in the market. And that is what we have factored on a conservative basis when we talk about 21% to 22%.

Naysar Parikh: Right, right. Because 21% at Rs.840 crores is basically a single digit EBITDA growth, right, which is a bit far off from the earlier numbers that obviously historically you have done and what you have been expecting. So, that is the reason I am asking. So, there is a possibility that we can have a single-digit EBITDA growth here, right?

Reginaldo D'Souza: Yes, so 21%, 22% that we are saying is a conservative number. If the order intake spirals out into profitable orders for us, we may see numbers better than that. But, at the moment, we would keep the guidance at 21%, 22% and we will try to get it on the higher side.

Naysar Parikh: Okay. Thank you so much.

Reginaldo D'Souza: Pleasure.

Moderator: The next question is from the Gopalakrishnan from Uthramush Investments. Please go ahead.

Gopalakrishnan: Yes, sir actually, my question is just a follow up. See, you are saying the export will be 50% by the end of this fiscal. Now, in this 50%, what will be our dependence on the US, will it be the same 27% or it will be less, what it is?

Reginaldo D'Souza: Mr. Gopalakrishnan, there will be no dependence on US. So, in this number for exports that we are talking about, we have discounted assuming that the uncertainty would continue for a little longer period, and even if we get those orders, we may not be able to execute in this financial year. And that is the precise reason we are seeing a guidance of about 15% to 20% as compared to our earlier guidance.

Gopalakrishnan: Oh, sir, there is a headline, sir. That is a headline. You are not going to have any dependence on the US. You are not going to be impacted by the tariff. My God! This is a headline actually. Great.

Reginaldo D'Souza: For this particular year.

Gopalakrishnan: Yes, this is great, sir. That gives me a lot of relief as an investor. Thank you. Thank you for this clarification.

Moderator: As there no further questions from the participants, I would hand the conference over to Mr. Reginaldo D'Souza for closing comments. Over to you, sir.

Reginaldo D'Souza: Thank you. Thank you all for your insightful questions and I hope we were able to clarify to your satisfaction. In case, if you have any further queries, please feel free to connect with us and we would be happy to respond. I take this opportunity to thank my wonderful team at Anup and to each and every stakeholder helping us deliver performance. A big thank you to all our shareholders for your trust and support as always. Thank you. Take care and stay healthy.

Moderator: Thank you. On behalf of The Anup Engineering Limited, that concludes this conference. Thank you for joining us and you may now disconnect your lines.