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Date: 17th May, 2024

Corporate Relations Department BSE Limited 1st Floor, New Trading Ring Rotunda Building, P J Towers Dalal Street, Fort Mumbai – 400 001	The Manager Listing Department National Stock Exchange of India Ltd Exchange Plaza', C-1, Block G, Bandra – Kurla Complex, Bandra (E), Mumbai – 400 051
Scrip Code: 544046	Symbol: INOXINDIA

Subject: Transcript of Conference Call with the Investors / Analysts.

The Company had organized a conference call with the Investors/Analysts on Monday, 13th May, 2024. A copy of Transcript of conference call held with the Investors/Analysts is enclosed herewith and the same is also being uploaded on the Company's website at:

https://inoxcva.com/pdf/Transcript-INOXIndia-13May-2024.pdf

Kindly take the same on record.

Yours faithfully,
For INOX India Limited

KAMLESH MANSINGRAO SHINDE

Digitally signed by KAMLESH MANSINGRAO SHINDE
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Kamlesh Shinde
Company Secretary & Compliance Officer

INOX INDIA LIMITED • BARODA • (Formerly INOX India Private Limited)

"INOX India Limited Q4 FY24 Earnings Conference Call"

May 13, 2024

MANAGEMENT: **MR. DEEPAK ACHARYA – CEO, INOX INDIA LIMITED**
MR. PAVAN LOGAR – CFO, INOX INDIA LIMITED
MR. SUNIL LAVTI – IRO, INOX INDIA LIMITED

MODERATOR: **MR. SHALIN CHOKSY – AXIS CAPITAL LIMITED**

Moderator: Ladies and gentlemen, good day and welcome to Inox India Q4 FY24 earnings conference call hosted by Axis Capital 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.

I now hand the conference over to Mr. Shalin Choksy from Axis Capital. Thank you and over to you sir.

Shalin Choksy: Thank you Steve. Good evening, everyone and welcome to the Q4 FY24 Earnings Call of Inox India Limited.

We have with us the Management, represented by Mr. Deepak Acharya – Chief Executive Officer, Mr. Pavan Logar – Chief Financial Officer and Mr. Sunil Lavti – Head Investor Relations.

I will now hand over the call to Krishna Patel from E&Y to put out the cautionary statement and we will then proceed with the Management's comment. Thank you and over to you Krishna.

Krishna Patel: Thank you Shalin and good evening, everyone. I am pleased to welcome you all to INOX India Limited's conference call for the analyst and institutional investors to discuss the Q4 and FY24 Financial Results.

Please note a copy of the disclosures is available in the investors section of the website as well as on the stock exchange. Anything said on this call which reflects the outlook for the future, or which could be construed as a forward-looking statement must be reviewed in conjunction with the risks that the company faces.

I shall now hand over the call to Mr. Deepak Acharya,CEO for his opening remarks. Over to you sir.

Deepak Acharya: Thank you, Krishna. Good evening, everyone, and a warm welcome to all on the result conference call of INOX India Limited. The audited financial result as well the investor presentation for Q4 & FY24 have been uploaded on the stock exchange; hope you have had a chance to review the same.

I would like to touch upon the key developments that took place during the financial year 2024 at INOX India:

• The company successfully got listed on NSE and BSE on 21 December 2023.

• The company successfully commissioned the new plant at Savli, Gujarat in a record time of 6 months and have started receiving orders from various global customers.

• During the year, your company has maintained approval and received revalidation from ASME, DOT-US, EN, NSF Certification and approval from major Industrial Gas and LNG companies for supply of Cryogenic equipment's for domestic, global market and in addition have received patent approvals.

• Our design engineering team has exhibited its leadership position by developing new products for Hydrogen, Helium and LNG market.

• The company has received several engineering system projects for IG and LNG business for which we have taken requisite steps to augment resources in design engineering and project management to handle critical jobs meeting stringent quality requirements.

• Supported by buoyant market situation worldwide for our existing products used in Industrial Gases, LNG, Hydrogen and evolving new other applications, we have a robust **order backlog** of Rs. 1,087 crore as on FY24 with 55% orders from Industrial Gas, 20% orders from LNG and balance 25% orders from Cryo Scientific Division. Export order comprised of 52% of the order backlog. We have actively participated in various public sector tenders which are at different stages of awarding. In addition, we are engaged in discussion with numerous private customers, for building LNG infrastructure.

• During FY24, the order inflow was at ₹. 1,193 Cr, up by 14% YoY.

Let me highlight certain key developments in each of our business divisions:

Industrial Gas (IG) registered quarterly revenue of ₹ 161 crore and full year revenue of ₹732 crore, contributing ~63% of the total income.

We are continuously working on green energy initiatives to reduce carbon footprint and have designed liquid hydrogen storage vessels which are certified by Korean statutory authorities and have been dispatched in timely manner with highest quality and safety requirements and are commissioned to complete satisfaction of the customer.

As part of the National Green Hydrogen Mission certain leading conglomerates are in process of setting up facilities for green hydrogen production capacity of 5 MTPA by 2030. This shall provide ample opportunity for us in the near future.

Standard storage tanks and micro-bulk continue to sustain demand from India, Middle East, North & South America, and advancements in Europe. There is consistent demand for engineered nitrogen storage & vaporization back-up system packages from EPC clients in FEA region and Majors IG companies in Middle-East, North & South Americas.

LNG division registered quarterly revenue of ₹ 74 crore and full year revenue of ₹ 320 crore, contributing ~28% of the total income.

During the year, the company has installed and commissioned large LNG Satellite Stations for key industry players.

During the year, the company has successfully increased footprint in Central America and Caribbean area substantially by commissioning several LNG Satellite Stations to meet the clean fuel.

The company also won key orders for LCNG Stations from CGD companies as well as installed & commission several LCNG Stations for CGD companies to enhance their reach of CNG and PNG to users in geographical areas where pipeline network does not exist.

With the stabilization of the LNG prices, the market for LNG Fueling Stations, LCNG Stations & LNG Fuel Tanks for vehicles would continue to grow in India.

In August 2023, the company signed MOU with Adani Total Gas to strengthen LNG ecosystem in India. This is expected to enhance the pace of adoption of LNG as fuel for trucks and mining applications. This is expected to enhance the pace of adoption of LNG as a fuel for trucks and mining applications.

LNG & natural gas continues to be the preferred low carbon footprint fuel in the near term as the world looks for alternate clean fuels towards the journey towards net zero. INOX's market for LNG Satellite Stations for industrial users & captive power generation in the Caribbean and South American region is expected to keep growing.

Cryo Scientific (CSD) registered quarterly revenue of ₹ 42 crore and full year revenue of ₹ 79 crore, contributing ~7% of the revenue.

During the year, the company signed a MOU with IUAC for Development of Superconducting Magnet based Systems. We are happy to inform that Cryo-scientific division has shown excellent quality performance at ITER site in France and has received major order for Vacuum Panel repair work.

On the financial performance, I am pleased to inform you that the company recorded its total income and EBIDTA of Rs.1,162 crore and Rs.282 crore during FY24. During FY24, the EBIDTA and PAT margins are at 24% and 17% respectively. The company recorded highest ever export revenue of ₹.641 Cr, up by 44% YoY. The financial year ends at a comfortable net cash position at ₹.253 Cr even after undergoing a capex of Rs 100+ Cr during the year. The year saw robust performance by all our major business segments. Historically, on an annualized basis, the total income of the company has been growing at a CAGR of 24% over the previous three years (FY21:FY24).

We at INOX gives high level of importance for safety of our employees and series of activities were planned during the year for improving their awareness on safety.

Lastly, I would like to acknowledge and be thankful to all our stakeholders who are associated with INOXCVA and above all, our employees. I am greatly thankful to the team for delivering good performance.

This concludes my planned remarks and now I would like to handover the call to Mr. Pavan Logar to take us through the financial highlights before we open the floor for Q & A.

Pavan Logar: Thank you, Deepak Sir, and good evening to everyone present on our call today. I shall summarize the consolidated financial highlights for the quarter and twelve-month are as below:

Q4FY24

• During the quarter, total Income was at ₹ 287 crore, a growth of 19% from ₹ 242 crore in Q4FY23.

• During the quarter, EBIDTA was at ₹ 64 crore, a growth of 38% from ₹ 47 crore in Q4FY23.

• EBIDTA margin was at 22.4%, a sharp 316-bps increase from 19.3% in Q4FY23 due to decrease in COGS by 824 bps. However, the impact was partially offset by an increase in employee & other expenses by 508 bps YoY.

• During the quarter, PAT was at ₹ 44 crore, a growth of 44% from ₹ 31 crore in Q4FY23.

• PAT margin was at 15.34%, a sharp 268-bps increase from 12.7% in Q4FY23.

FY24

• During FY24, the company recorded a total income of ₹ 1,162 crore, a growth of 18% from ₹ 986 crore in FY23.

• During FY24, the company recorded highest ever EBIDTA of ₹ 282 crore, a growth of 25% from ₹ 225 crore in FY23.

• EBIDTA margin was at 24.2%, a sharp 145-bps increase from 22.8% in FY23.

• During FY24, PAT was at ₹ 196 crore, a growth of 27% from ₹ 155 crore in FY23.

• PAT margin was at 16.9%, a sharp 117-bps increase from 15.7% in QFY23.

• During FY24, the company recorded highest export revenue of ₹ 641 crore, up by 44% YoY and comprising 55% of the total income.

• Order Backlog as on 31 March 2024 is to the tune of Rs.1,087 crore with 55% orders from Industrial Gas, 20% order from LNG and 25% orders from Cryo-Scientific division. Exports comprising 52% of the total order backlog.

• The total debt as on FY24 is almost Nil providing adequate room to raise debt in future. Total Net worth as on FY24 is Rs.649 crore.

• The company has comfortable net cash position at ₹ 253 Cr as of March'24 end after incurring a capex of ₹ 100 Cr + towards Savli plant.

• In June 2023, CRISIL Ratings has upgraded our bank loan ratings from CRISIL A+/Positive to CRISIL AA-/Stable and reaffirmed short-term bank facilities at CRISIL A1+.

That concludes my update on the financial highlights of the company. I shall now request the moderator to open the floor for questions and answers session.

Moderator: Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Ankur Sharma from HDFC Life.

Ankur Sharma: I had a couple of questions. One is about your order book. It grew by about 8% YoY in FY24. So, how do you see your top line growth in FY25? Do you still see a mid-to-high-teens top line growth? Is that how we should kind of look at it?

Deepak Acharya: Normally based on the order book and whatever the new targets we have for the new year, there are products such as disposable cylinder and the new stainless steel containers line which we have started in Savli. The lead time for these products is very small.. We can start production within four weeks or six weeks after getting the order. I just wanted to tell you that apart from our normal products, we have disposable cylinders and the new plant where we have started manufacturing the stainless-steel containers has very small lead time and that means the productions time is very less for these products. So, as we get the orders, we can immediately dispatch it within four to six weeks' time.

Ankur Sharma: So, you are trying to say that you can actually get the order bill it in the same year, so the sales can be higher than your order book also. That's what how we should look at?

Deepak Acharya: Yes.

Ankur Sharma: In terms of order book, what are your goals? Order book were up 14% YoY, or if you can help us understand which regions or geographies are seeing significant growth?

Deepak Acharya: On order book side, as you can see, we already have a very strong order book as of today. Going forward we see that there are many opportunities for the LNG market. As you can see, there was a slight dip in the LNG order book in the last quarter. This could be because there are a number of large-scale projects in the pipeline that could not be realized in the fourth quarter of last year. However, we expect this to be completed in the Q1 or Q2 of this year.

Ankur Sharma: Secondly, when I look at your other expenses, there seems to be a significant jump in Q4 on a QoQ also, on a YoY basis. So, any reason for this big jump in other operating expenditures?

Pavan Logar: The other expenses amount was high because the final audit has now been completed and as now we are a listed company, certain expenses such as debtors, etc. are now subject to new rules. As a result, we have booked this amount as an expense. This is the reason why in Q4FY24, the amount is slightly higher than the previous quarters.

Ankur Sharma: On a quarterly basis do you expect this number to be in this Rs. 90 crore range or do you think it would go back to the Rs. 60-70 crores quarterly run rate where it was previously?

Pavan Logar: It will remain higher but not at these levels.

Ankur Sharma: And thirdly, when I look at your overall sales for the year, it seems obviously exports have done very well. So, there's a very strong jump of 44% there. But clearly domestic sales have seen a slight decline. So, is it just the mix of the order book which is driving this or is there anything else you want to talk about there?

Deepak Acharya: Mainly it depends on quarter to quarter, there are some export orders or some domestic orders. As far as export orders are concerned especially when there are big custom-built equipment and when they get dispatched there is an immediate sell which increase the sales figures. The domestic market is like standard tanks is the most conventional tanks which we are selling. These tanks are mainly sold in the export markets, such as the Middle East, Latin America, and South America. This is why you can see the difference between the export and domestic sales figures But otherwise, you can see on an average 55% is our export and 45% is our domestic sales.

Ankur Sharma: And just the last question on the BSE release you mentioned some CVD and some investigation by the US Trade Commission. So, if you could just help us what exactly is that? What could be the outcome and what is your exposure to that market in that sense?

Deepak Acharya: Actually, what happened, if you know that we have one product of disposable cylinders which was under anti-dumping case to INOX India. We have fought this case very clearly with them and on overall basis now the results are out. Last quarter was a preliminary investigation result. But now with this final verdict which has come from US-DOC, INOX India has received 0% anti-dumping whereas CVD is 2.26% and cash deposit rate of 0%. We could present our case very strongly and we received 0% anti-dumping duty.

Ankur Sharma: So, there would not be any material impact for us?

Deepak Acharya: Yes. This is basically disposable cylinders to US market and hence our order booking from this product will be stronger now. Our competitors have got little higher percent of anti-dumping and CVD.

Moderator: The next question is from the line of Deepesh Agarwal from UTI Asset Management.

Deepesh Agarwal: My first question is, if I look at the EBITDA margin excluding other income, you have been doing somewhere around 24% margin in the last three quarters. However, in this quarter the number is more like a 22%. So, is there a kind of a quarterly seasonal weakness in the margin in fourth quarter or there was some one-offs during the quarter?

Pavan Logar: It is one-off only. We are normally getting the EBITDA margin in the range of 21% to 25% and it depends on order to order also. So, what we dispatch and what we got on that order that is the only reason otherwise there is no seasonal impact on this.

Deepesh Agarwal: So, it would be an order mix not a one-off expense?

Pavan Logar: It is order mix only.

Deepesh Agarwal: And for the year if I see the export order book it's down 13%. So, what led to this kind of a weakness in the export market?

Deepak Acharya: Our export market, there is no weakness but there are certain times big orders which are more, and the small orders are less. So, that extent slight variations take place. But overall if you see the average yearly percentage wise exports, they are almost at 55% exports.

Deepesh Agarwal: With this the order book would it be possible to grow at that 20% kind of a mark which were guiding earlier?

Deepak Acharya: We are very confident because there is a lot of movement which we are seeing in LNG as well as in Cryo Scientific Division and both these divisions are growing very strongly. We also have hydrogen as the main thrust area. So, we are hopeful that all the three divisions will really push us and help us in growing at the rate of what we are doing in the past.

Deepesh Agarwal: And what was the revenue for beverage KEGs, and can you just highlight the timelines now for the scale up?

Deepak Acharya: Actually, last year, we were hardly able to produce in 3 to 4 months. We have an order book of about Rs. 9 Crores. We have sold about Rs. 12 Crores of KEGs from our plant. This year, we are expecting to ship around 200,000 cylinders.

Deepesh Agarwal: This will translate into what kind of revenue?

Deepak Acharya: Somewhere around Rs. 80 to Rs. 100 crores.

Moderator: The next question is from the line of Suraj, an Individual Investor.

Suraj: My query is regarding the CAPEX plan what you are going to have it and one more thing is that regarding the transportation of hydrogen we are talking about. So, in current scenario the hydrogen tank the only way to transport hydrogen at the moment or do we have another mode of transport for hydrogen transportation that we have?

Deepak Acharya: Like see we are into the business of liquid hydrogen. We are not in the business of gaseous hydrogen. So, what we have done is we have developed various products for hydrogen. We have like storage equipment where the liquid hydrogen can be stored. We have developed now trailers for carrying out the hydrogen and IMO containers. So, these are the two main products which will be used for transportation of liquid hydrogen from one place to the other. We find that over a period there will be substantial improvement in the requirement of these products in the market as hydrogen is the future fuel which will be very soon implemented all over the world.

Suraj: And what would be the CAPEX plans?

Deepak Acharya: CAPEX plan for the next year is around Rs. 100 crores. For our new Savli plant, we have already started expanding our additional sheds with a tune of around Rs. 80 crores and other maintenance CAPEX and other CAPEX for other plants is around Rs. 20-Rs. 25 crores.

Suraj: And all these are going to be internal accruals?

Deepak Acharya: Yes, definitely.

Moderator: The next question is from the line of Darshil Jhaveri from Crown Capital.

Darshil Jhaveri: So, just wanted to understand, currently with our order book from current existing businesses, could we see a growth of mid-teens and another additional Rs.100 crores from a new Savli plant? Is that a fair way to look at it?

Deepak Acharya: Yes, in Savli plant we already started manufacturing of the stainless-steel containers. At the same time in our Cryo Scientific Division we have started repair work of vacuum vessel panels which we have received from ITER and that itself will cover up this whole requirement. So, we are very confident that we can definitely achieve Rs. 100 Cr from our Savli plant this year.

Darshil Jhaveri: Any kind of revenue guidance that you would give for FY25 and also just wanted to know EBITDA is what we said right now on the call 21% to 25%. So, that is the range that we would look at it. So, any more operating leverage or higher value orders that we can expect?

Deepak Acharya: There are many higher value orders which we are expecting but that will not be finished in this financial year because there are big projects which will take at least 18 months to 24 months time. And on the EBITDA levels yes definitely we have very positive mindset on this, and our products are very high technological products where the EBITDA levels you can achieve in the

21% to 24% range and what we have achieved in the past with the consistent results so far. So, we don't expect that it is go down in the near future.

Darshil Jhaveri: I just wanted to know that we will see a recovery in public sector orders after the election. What kind of orders could we expect to see maybe in Q2FY25 or something similar?

Deepak Acharya: Today only I have come across it in the Times of India that public sector units are going to invest heavily because they have not been doing it for last couple of years. So, if you see like Petronet, GAIL, IOCL, BPCL, HPCL, everybody is putting a lot of investment in the LNG sector., So I think that is going help us in the LNG sector.

Darshil Jhaveri: In terms of 3-year vision, where do you see the company in the next 3 years? Can we achieve the sales target of Rs.2,000 crores? Do you have any internal targets for next 3 years?

Deepak Acharya: I hope every we should surpass all these numbers what we are thinking.

Moderator: The next question is from the line of Nikhil Abhyankar from ICICI Securities.

Nikhil Abhyankar: How much was the sales from disposable cylinders in FY24 and we expecting a final verdict in the next two weeks? So, any guidance for revenue from disposable cylinders in FY25?

Deepak Acharya: Sales of Disposal Cylinders amounted to Rs. 98 crore for the entire year. However, the outlook is very positive as we won the case of anti-dumping duty and we are receiving 0% dumping for INOX India. On the other hand, our competitors got total dumping of 8.5%+. This gives us an order booking advantage of 7-8% over our competitors. Therefore, we expect good order bookings for disposable cylinders this year. In addition to the normal disposal cylinders for refrigerant gas, we have also developed products for Helium Cylinders. We have supplied several containers to the USA market, especially for party balloon system, and there is a lot of potential there. I visited the customer recently and they are very happy with the quality of our products. Therefore, I believe there will be good potential for disposable cylinders, refrigerant gases and helium cylinders this year.

Nikhil Abhyankar: Can it double for next year since we'll have almost nine months of production?

Deepak Acharya: Around Rs.150-Rs.160 Crore sales, which I believe we should be able to achieve.

Nikhil Abhyankar: Our working capital has increased in FY24. So, any specific reason for this and why did our levels of advances from customers reduced as of March?

Pavan Logar: Actually, what happens in this year we got some big orders especially from ITER as well as from government companies in which the advance is very less whereas in the last year we had very good advances from private customers. Normally we are getting advances based on the percent completion method. But in case of government companies as well as ITER we are getting the funds only when we dispatch the products. This is the main reason for the decrease in advances this year because of the change in the order mix. However, at the end of the year, we have around Rs. 200 - Rs. 250 crores in advances.

Nikhil Abhyankar: And just one clarification on the earlier question. What was the exact reason for higher other expenses? I heard that you made some kind of provisions for receivables, is it right?

Pavan Logar: This is as per law. Actually, in Ind-AS, one book entry is mandatory for the debtors, depending on the number of debtors you have, up to what period they are having, and according to the guidelines we need to book. It's just a book provision.

Nikhil Abhyankar: How much you booked?

Pavan Logar: It is around Rs. 1 crore.

Moderator: The next question is from the line of Tejas Gaikwad, an Individual Investor.

Tejas Gaikwad: Just wanted to understand why we are getting the benefit of a zero antidumping duty as compared to our competitors. I probably missed that part. So, I just wanted to know that.

Deepak Acharya: **There is a company in US,** Worthington, who manufactures the disposable cylinders and they have put a case against us for anti-dumping duty. And after the scrutiny verification for last six months, finally the US-DOC has said that 0% anti-dumping duty in case of INOX India whereas our competitors in India have got around anti-dumping plus CVD put together around (8.5%+). So, we have that advantage of 8.5%+ in our favor. And that's why we are saying that we will get more orders from US.

Tejas Gaikwad: Just wanted to understand but why is the difference like why we are getting the benefit of 0% duty?

Deepak Acharya: They have verified our sales report, they have verified our production methodology, any subsidies we are getting and maybe the proper documentation we could provide to them as compared to our competitors. And that's why based on their total investigation, we got 0% whereas our competitor has gone (8.5%+). So, we have that advantage of 8.5%+ over our competitors. That's why we could sell more into this region as compared to our competitors. And we have proved that by through our sales data, through our production data, through our manufacturing data and all other information which was required by the US-DOC we could provide this in time and correct data we could provide. Whereas all our competitors it was difficult for them to provide them data. Maybe because they are not having the data or maybe they are not keeping in ERP or whatever, I don't know. But this is the reason why they were so happy with our data and our presentations, and they have concluded that INOX is not doing any anti-dumping in 2 years.

Moderator: The next question is from the line of Sunny, an Individual Investor.

Sunny: I was seeing in the last 3 years we had grown our revenue by about 24% YoY. So, do you foresee this run rate to continue in the next 3-4 years?

Deepak Acharya: We want to grow at this level, and we are seeing great potential for this. In particular, there are many new products coming into India in the form of ammonia and even in the form of hydrogen LNG, where Cryo Scientific areas such as ISRO is setting the third launch pad in India. There are many such new projects coming into India. At the same time, our export is growing slowly and steadily. We have shifted our strategy and shifted our salesperson and marketing people into different areas. We now have salespeople in Germany, Switzerland, Poland, Netherlands and Brazil. We are putting all efforts to make sure that our local sales network is available and that they can get more orders. With this strategy, it is likely that our export will grow very fast now.

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Sunny: Another thing I was seeing in your investor presentation that you have received an order from Adani for five LNG fueling stations. So, can you please quantify what is the quantum of this order from Adani?

Deepak Acharya: We have tied up with Adani with MoU and this is a preferential treatment will be given to INOX India for all their LNG and hydrogen requirements. So, they have a plan of very big plan of putting many LNG fueling stations, LCNG stations and conversion of their cement and mining trucks from diesel to LNG. And even they are trying to have hydrogen fuel tanks and hydrogen stations, some fuel stations like that. So, they have big plans. So, they said 'okay' come on we will work with you for back-to-back rather than spending time with others and we are now their preferred partners. And after signing the MoU they have given us five fueling stations which will be installed across the golden quadrilateral. And with which they are hopeful that the buses and trucks will can get LNG fuel very easily from these stations and there are many other parties, again beyond Adani also there are many such parties who are already involved. More than 50 such LNG stations will be in operation in coming 2 to 3 months. So, I think this business is going to grow very rapidly in this market now.

Sunny: What is the approx. order for LNG station one LNG acquiring station? What is the approximate contract value for any one station?

Deepak Acharya: Depends on the type of the station, the tanks available. But it is roughly in the range of Rs. 4 to 5 crores for one station.

Sunny: And lastly for that again repeating the same question regarding your other expense of 90 crores which has risen from by about 20 crores odd. One was that receivables due to 13 days provision. But apart from that you also said there was a capitalization for the Savli plant. So, was that a one-off expense? Does it account for the remaining 20 odd crores due to that Savli plant or are there any some other one-off expenses over there in the other expense?

Pavan Logar: One off expense only because now the Savli has already been capitalized and the production already started. So, in future it will be adjusted against the sales of the Savli unit. But especially in FY23-24 there is no sale. Sale is very less from Savli whereas all the expenses has been incurred which has gone to the profit and loss only.

Moderator: The next question is from the line of Agam Shah, an Individual Investor.

Agam Shah: You spoke about a lot about one or two roadmaps. So, can you talk about the new initiatives in terms of the hydrogen and Cryo Scientific Division which we are planning, maybe that might fortify next 1 or 2 years, can you briefly talk about that?

Deepak Acharya: The hydrogen is the future fuel. And in India the green hydrogen mission task is taken by all the major conglomerates in Indian market. And we are working very close with them for the hydrogen fuel tanks, fueling stations, storage equipment's, transport equipment's. However, it is taking a little longer time due to the high capital investment for the Hydrogen Liquefaction plants. It is possible that Hydrogen will grow but it will take more time. As part of the Cryo Scientific domain, yes we see a lot of opportunity in the export market. Especially with the ITER and so many other projects that are coming up because of our reputation and quality image on the ITER side I think everyone is choosing INOX India. We are very competitive compared to our competitors in Europe and America.

Agam Shah: Typically, in the industrial gas segment, who will be our customer or what sectors do we supply?

Deepak Acharya: We have a variety of customers but mainly customers are from the steel plants or the metallurgical industries industry. Then we have food, pharmaceuticals, petrochemicals, fabrication industry. These are the few majors who buy these equipments.

Moderator: The next question is from the line of Nikal Oswal from Oswal Investment.

Nikal Oswal: Actually, I had the question with respect to the other expenses which have increased by 30% but I think that's been answered and primarily it comprises of the one-off expenses for the Savli. And I think going forward what's the tentative ballpark number which we should work with on this? It should be closer to Rs. 70 crores or maybe around Rs. 75 odd crores?

Deepak Acharya: Around that only.

Moderator: The next question is from the line of Chirag Khasgiwala from Neo Multi Family Office.

Chirag Khasgiwala: Wanted to know what is the percentage of revenues from your existing customers and why is the contribution declining?

Deepak Acharya: Existing customers depends upon their requirements. But there is not substantial decrement. We have got our certification from our major customers like Air Liquide, Linde, Air products. So, their requirements as soon as they come, they will come to us only. There is no variation. But there are many new customers especially in the Cryo Scientific area, LNG and to certain hydrogen requirements. That's why slightly shift you can see to the new customers. But the old customers are working with us only and we have like annual contracts with them. So, they will not go here and there, and they will definitely come as soon as their requirements are there in the market.

Chirag Khasgiwala: And is Linde India currently buying from us or they completely stopped?

Deepak Acharya: Linde India buys from us. Linde project division also buys from us. But yes, their offtake has slightly reduced.

Chirag Khasgiwala: How much could that be and in what time do you expect them to go to completely zero?

Deepak Acharya: That depends on their speed of working. But in my opinion these plants cannot come up in 6 months or 1 year. It will take at least 3 to 5 years. Basically, because it requires lot of approvals from many bodies, government authorities, ASME, EN certifications and a lot of training has to be imparted to the people and also designing takes time. So, it's not a very quickly they can do it in my opinion.

Chirag Khasgiwala: In terms of hydrogen, assume if the government is able to achieve its plan our target of 5 million tons of hydrogen over next 4-5 years or so. So, if all those are things fall in place, then how much of that could translate into your revenue considering all the products that you sell the tanks and valves and everything?

Deepak Acharya: The question is good but difficult to answer at this moment perhaps because we don't know how fast they will do it. But overall if you see for a project at least 20% revenue will be for liquid hydrogen. Balance will be the air separation plant and other equipments. How much we can grab from that 20%, we have to see in coming days now.

Moderator: Thank you. Ladies and gentlemen, that was the last questions for today's conference call. I would like to hand the conference over to Mr. Deepak Acharya for closing comments.

Deepak Acharya: Thank you everyone for your active participation and for your questions, we hope we have been able to answer most of your queries. In case we have missed addressing any of your queries kindly reach out to our Investor Relations officer Mr. Sunil Lavati as well as our IR Partner Ernst and Young and they will connect with you offline.

Thank you and God Bless..

Moderator: Thank you so much. On behalf of Axis Capital Limited, that concludes this conference. Thank you for joining us and you may now disconnect your lines. Thank you.