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To Department of Corporate Services BSE Limited Phiroze Jeejeebhoy Towers Dalal Street, Mumbai – 400 001 Scrip Code: 544914 (BSE)	To National Stock Exchange of India Limited Exchange Plaza, C-1, Block G Bandra Kurla Complex Bandra (E), Mumbai – 400 051 Symbol: STEAMHOUSE (NSE)
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ISIN: INE0FRO01022

Subject: Submission of Transcript of Earnings Call on the Unaudited Financial Results (Standalone and Consolidated) for the Quarter Ended June 30, 2026

Dear Sir/Madam,

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the transcript of the Earnings Call of Steamhouse India Limited (“the Company”) held on Tuesday, October 6, 2026, in relation to the Unaudited Financial Results (Standalone and Consolidated) of the Company for the quarter ended June 30, 2026.

The transcript is also available on the Company’s website at www.steamhouse.in.

This is for your information and records.

Thanking You,

For Steamhouse India Limited

Shyam Bhadresh Kapadia
Company Secretary & Compliance Officer
FCS No.: 13082



“Steamhouse India Limited
Q1 FY27 Earnings Conference Call”
October 06, 2026



**MANAGEMENT: MR. VISHAL S. BUDHIA – CHAIRMAN AND MANAGING
DIRECTOR – STEAMHOUSE INDIA LIMITED
MR. VAIBHAV GATTANI – CHIEF FINANCIAL OFFICER
– STEAMHOUSE INDIA LIMITED**

MODERATOR: MR. AMIT SHARMA – ADFACTORS PR

Moderator: Ladies and gentlemen, good day, and welcome to the Q1 FY27 Earnings Conference Call of Steamhouse India 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 this conference call, please signal an operator by pressing star, then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Amit Sharma from Adfactors PR. Thank you, and over to you, sir.

Amit Sharma: Thank you, Neerav. Good morning, everyone. Welcome to the Q1 FY27 Earnings Conference Call of Steamhouse India Limited. Today, from the management side, we have with us Mr. Vishal S. Budhia, Chairman and Managing Director; Mr. Vaibhav Gattani, Chief Financial Officer of Steamhouse India.

Also, we have the Adfactors PR team. We will begin the call with the opening remarks from the management, after which we shall open the forum for the Q&A session. Kindly note that the company is presently in the silent period pending the announcement of its financial results for the quarter ended September 30, 2026.

This call would not discuss any unpublished financial or operational information or any other unpublished price-sensitive information. The discussion shall be limited to the information that is already in the public domain or has been previously disclosed in accordance with the applicable laws and regulations.

I must remind you that this conference may include forward-looking statements about the company, which are based on the beliefs, opinions, and expectations of the management as on the date of this call. These statements are not a guarantee of future performance and involve risks and uncertainties that are difficult to predict.

I now hand the conference to Mr. Vishal S. Budhia for his opening remarks. Thank you, and over to you, sir.

Vishal S. Budhia: Thank you, Amit ji. Good morning, everyone, and thank you for joining us. It is my pleasure to welcome all our investors, analysts, and stakeholders to Steamhouse India Limited's maiden investor call. I am Vishal S. Budhia, Promoter, Chairman, and Managing Director of Steamhouse India Limited. On behalf of the entire management, I would like to thank you for your continued trust and support, particularly as we begin our journey as a listed company.

Before discussing our financial performance for the quarter, I would like to briefly introduce our business, our operating model, and the long-term opportunity we see ahead. Steamhouse pioneered the community boiler system in India. We sell steam and nitrogen to industries like chemical, pharmaceuticals, textiles, plywood, food processing, tyre industries, etcetera.

These industries need steam for their heating and processing requirements, and have their own boilers for generating steam for their requirement. These industries have had to invest in their

own captive boilers, along with the associated land, fuel handling system, water treatment facilities, pollution control equipment, manpower, and maintenance, and all of these were mostly inefficient.

By outsourcing their steam requirements to Steamhouse, these industries can now focus on their core manufacturing activities, operations, while we provide a reliable, efficient, and scalable steam solution.

We believe our steam-as-a-service model represents a structural shift from traditional captive boiler ownership to outsourced steam solutions. By aggregating demand through centralized facilities, we provide customers with greater efficiency, reliability, and cost optimization, while creating a scalable business model for Steamhouse.

Today, our business operates through three verticals:

- Generation and distribution of steam,
- Purchase and distribution of steam,
- Generation Separation and distribution of Nitrogen.

Our business model creates value through scale. By serving multiple customers from a centralized facility, we operate larger and more efficient boilers, optimize fuel consumption, improve capital and capacity utilization, and spread infrastructure cost across a wider customer base.

As highlighted in our investor presentation, community boilers can achieve thermal efficiency of 80% to 83% compared with around 50 to 65% for the conventional captive boilers. Our USP is our knowledge of steam distribution for kilometers. We have established more than 60 kilometers of steam pipeline infrastructure across industrial clusters in Gujarat, enabling us to deliver steam directly to the customers with minimal pressure loss, while monitoring consumption in real-time.

Our customer relationships are longstanding and sticky. Approximately 90.7% of our FY26 revenue came from repeat customers, and we currently serve 21 customers with multiple operating units connected to our network.

Most of our customers are covered by steam supply agreements comprising fixed and variable components, with the variable component linked to the coal price. This contractual structure enables us to pass through changes in fuel cost. In addition, newer contracts increasingly incorporate minimum guaranteed off-take commitments, providing better revenue visibility and facilitating the capacity planning.

When evaluating new projects, we focus on customer tie-ups, contracted demand, and achievable utilization levels. As utilization improves, incremental steam volumes contribute meaningfully to the profitability because a significant portion of our infrastructure and operating costs are already in place. This creates operating leverage and supports margin expansion as the business scales.

Looking ahead, expansion remains one of our key priorities. We currently have four projects under execution at Jhagadia, Vapi, Nandesari, and AMC (Ahmedabad Municipal Corporation) Pirana, along with three projects planned through IPO proceeds at Ankleshwar, Panoli, and Dahej. Beyond Gujarat, we are also expanding our footprint with a planned project at Tarapur.

These initiatives expected to increase our steam distribution capacity from 345 tons per hour currently to approximately 705 tons per hour capacity, providing a strong foundation for long-term growth. The long-term opportunity remains significant. Steam is a critical input across a wide range of industries, including pharmaceuticals, chemicals, textiles, food processing, paper, pulp, and tyres, supporting essential processes such as heating, drying, sterilization, and distillation.

As industries continue to focus on operational efficiency and sustainability, we believe the centralized community boiler model remains significantly Underpenetrated, providing a substantial runway for the future growth.

An important milestone in our expansion beyond Gujarat is our entry into Himachal Pradesh. We have been awarded the EPC mandate for setting up a 300 tons per hour community boiler facility at the Bulk Drug Park, Una, with a project value of approximately INR311 crores inclusive of GST. The project will also include long-term operations and maintenance.

Importantly, the project is structured as an asset-light opportunity, with the project cost funded by Himachal Pradesh Bulk Drug Park Infrastructure Limited. This allows us to bring our proven community boiler expertise to the new markets, while maintaining our focus on operational excellence and sustainable growth.

Additionally, the Government of Gujarat's supportive policy framework, backed by capital subsidies for eligible projects, provides a strong tailwind for our long-term expansion plans and helps us expand our footprint across Gujarat.

Alongside steam, we are also building a second growth vertical through industrial gases. We have commenced nitrogen generation and pipeline distribution at Ankleshwar, through a PSA-based plant with a capacity of 350 Nm³ per hour, leveraging our existing industrial customer relationship and pipeline infrastructure.

We intend to gradually scale this business by adding new nitrogen where commercially viable, expanding into industrial gases such as hydrogen and oxygen. This creates opportunities to deepen customer relationships, cross-sell additional products, and diversify our revenue streams over the long term.

We are also actively diversifying our fuel mix by increasing the use of waste-to-energy solutions wherever commercially viable. Our experience at Vapi, along with projects under development, reflects our commitment to combining operational efficiency with sustainable energy solutions.

Let me now briefly discuss our financial performance. Q1 FY27 was strong quarter for Steamhouse despite a challenging macroeconomic environment, marked by geopolitical

uncertainty and subdued industrial activity across certain sectors. During the quarter, we recorded steam sales of 3,05,816 tons, representing year-on-year growth of 16.7%.

The revenue from operations increased by 13.35% to INR1,286.21 million. EBITDA grew by 60.08% to INR309.32 million, with EBITDA margins expanding to 24.05%. Profit after tax increased by 80.25% to INR183.42 million.

This performance was driven by higher steam volumes, improved capacity utilization, and the operating leverage inherent in our business model. Despite external headwinds, we continued to execute well, reflecting the resilience of our customer relationship and strength of our operating platform.

As we look ahead, our priorities remain clear. We will continue to expand capacity prudently, improve utilization across our network, execute projects on schedule, strengthen our presence in new geographies, scale our industrial gases business, and pursue sustainable energy solutions through greater adoption of waste-to-energy technologies.

To conclude, I would like to leave you with the four key messages.

- First, our centralized steam distribution model provides customers with reliable, efficient, and cost-effective alternative to captive boilers.
- Second, our significant capacity expansion pipeline, together with our entry into new geographies, positions us well for long-term growth.
- Third, we are creating additional growth avenues through industrial gases and sustainable energy solutions, while maintaining disciplined capital allocation and operational excellence.
- Fourth and most important, we continuously explore and invest in emerging technologies to strengthen our capabilities, enhance operational efficiencies, and remain in the forefront of industrial steam and energy solutions.

Our objective is to build Steamhouse into India's leading provider of centralized industrial steam and pipeline-based industrial gas solutions, while helping industries reduce emissions, improve energy efficiency, and lower their overall operating costs. I would once again like to thank our investors, customers, employees, lenders, business partners, and all our stakeholders for their continued confidence and support.

With that, I now invite our Chief Financial Officer, Mr. Vaibhav Gattani, to take you through the financial performance for the quarter. Thank you.

Vaibhav Gattani:

Good morning, everyone. I am Vaibhav Gattani, CFO of Steamhouse India Limited. I'll take you through the financial performance of Steamhouse India Limited with a focus on the key operating and financial numbers for Quarter 1 FY27 and the progress we are making on profitability, utilization, and capital allocation.

Let me begin with the operating performance. Quarter 1 FY27 was a strong quarter for Steamhouse India Limited, with steam volumes reaching a record quarterly level of approximately 3,05,816 tons, representing a growth of 16.70% year-on-year and 11.52%

sequentially. The growth in volumes reflect the improving demand environment across our customer base and better utilization of our installed capacity.

Our revenue from operations for the quarter stood at INR128.62 crores compared with INR113.47 crores in Quarter 1 FY26, representing a growth of 13.35%. Importantly, the quality of revenue has improved significantly. The revenue from steam increased by 46.07% year-on-year to INR123.37 crores from INR84.46 crores in Quarter 1 FY26.

Coming to profitability, EBITDA for Quarter 1 FY27 increased by 60.08% year-on-year to INR30.93 crores from INR19.32 crores, EBITDA margin expanded substantially to 24.05% compared with 17.03% in Quarter 1 FY26, an improvement of 702 basis points. One of the key indicators of this improvement is EBITDA per ton. EBITDA per ton increased by 37.17% to INR1,011 in Quarter 1 FY27 from INR737 per ton in Q1 FY26.

This improvement was driven by higher steam sales, better utilization of our waste-to-energy boilers, and operating leverage from the higher volume base. Our clean EBITDA, adjusted for operating lease expenses, increased by 65.43% to INR29.22 crores from INR17.66 crores in Q1 FY2026. This further...

Moderator: Sir, sorry to interrupt you, we are losing your audio. Vaibhav sir, sorry to interrupt you, we are losing your audio.

Vaibhav Gattani: Okay.

Moderator: Participants, please stay connected while we rejoin Vaibhav sir. Participants, thank you for patience. We have line for Vaibhav sir reconnected. Sir, please go ahead.

Vaibhav Gattani: Yes, sorry for the inconvenience. At the PAT level, PAT increased by 80.25% year-on-year to INR18.34 crores compared with INR10.18 crores in Q1 FY2026. PAT margin also expanded to 14.26% from 8.97%, an improvement of 529 basis points.

Therefore, the key message from Q1 is that profitability has grown significantly faster than revenue. As volumes increase and our existing infrastructure is better utilized, we are seeing the benefit of operating leverage flow through to EBITDA and PAT.

Our capacity utilization also improved meaningfully. Utilization increased to 41.40% in Q1FY2027 from 36.06% in Q1-FY2026 and 38.32% in Q4-FY2026. While utilization remains at a relatively low level, this also provides us with significant headroom to accommodate incremental demand from existing customers as well as new customers without requiring a proportionate increase in the existing cost base.

We believe that this is an important driver of future margin expansion. As utilization improves, the fixed infrastructure costs are spread over a larger volume of steam, resulting in stronger EBITDA contribution. Another important point is our ability to protect steam margins despite movement in fuel cost.

Our steam supply agreements include mechanisms to pass through changes in coal prices, which provides protection against fuel price volatility. At the PBT level, PBT increased by 81.25% year-on-year to INR21.90 crores from INR12.09 crores. We expect finance costs to moderate during FY27 as we utilize the IPO proceeds to repay high-cost borrowings and optimize the overall debt profile.

Let me now briefly discuss our full-year financial performance for FY2026. For FY2026, revenue from operations increased 24.4% year-on-year to INR491.51 crores from INR395.11 crores. EBITDA increased 20.45% to INR83.49 crores, with an EBITDA margin of 16.99%. PAT increased to INR38.64 crores.

Our ROE and ROCE for FY2026 stood at 22.36% and 16.06% respectively, reflecting the underlying capital efficiency of the business. Another important indicator is customer retention. Approximately 90.72% of FY2026 revenue came from repeat customers. In quarter one FY2027, the proportion increased further to approximately 99.38%. This provides a strong base of recurring business and supports visibility as we add capacity and increase utilization.

Let me now touch upon the balance sheet and capital allocation. As of Q1 FY2027, gross debt stood at INR359.48 crores compared with INR281.62 crores at the end of FY2026. The increase was primarily due to additional borrowings for general corporate purposes, which were intended to be repaid from IPO proceeds.

Therefore, the capital allocation remains focused on two clear objectives. Strengthening the balance sheet through debt reduction and funding capacity expansion in identified locations. As these investments become operational and utilization improves, we expect the combination of higher volumes, operating leverage, and a more optimized financing structure to support profitability and return ratios.

Looking ahead, our financial priorities are straightforward. First, we want to continue growing steam volumes by improving utilization across our existing capacity. Second, we will remain disciplined in adding new capacity with the objective of matching capacity additions with the identifiable customer demand.

Third, we expect the expansion from the current 345 tons per hour capacity towards approximately 705 tons per hour capacity, together with the 300 tons per hour Bulk Drug Park project at Una, to provide a meaningful growth opportunity over the medium term. Fourth, we are building the nitrogen business and evaluating additional industrial gas opportunities.

While this is currently a smaller business compared to our steam operations, we provide an additional growth avenue by leveraging our existing customer relationships and pipeline infrastructure. Finally, we remain focused on improving capital efficiency, reducing financing costs, and maintaining its disciplined working capital management as the business scales.

To summarize, Q1 FY2027, we delivered 16.7% growth in steam volumes, 13.35% growth in revenue, 60.08% growth in EBITDA, and 80.25% growth in PAT, EBITDA margin expanded by 702 basis points to 24.05%, while PAT margin improved by 529 basis points to 14.26%. We

believe these numbers demonstrate the operating leverage available in our business as utilization improves.

With significant capacity headroom, planned expansion, strong repeat customer contribution, and the development of new verticals such as nitrogen and industrial gases, we remain focused on delivering sustainable and profitable growth.

With this, now I am opening the floor to the question-and-answer session. Over to the moderator. Thank you.

Moderator: Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Sagar Tanna from Alchemie Ventures. Please go ahead.

Sagar Tanna: Congratulations, sir, on a successful listing.

Vishal S. Budhia: Thank you so much.

Sagar Tanna: Two questions, sir. Is there a seasonality in our business in terms of quarter Q1, Q2, Q3, Q4?

Vishal S. Budhia: Seasonality, not really in terms of consumption by production of the customers. But monsoons are generally challenging for us due to various reasons. One being, the fuel that we procure is generally wet because it's a big volume. Second, at many times, industrial clusters totally go down because of flooding or such reasons. This -- particularly here it happened more. So, that's the only thing. Otherwise, more or less, because we have multiple business customers with us, it's more or less maintained.

Sagar Tanna: Got it. So, sir, what explains Q1 over Q4 jump in volumes?

Vishal S. Budhia: So, one, the chemical and pharma industries have come back on track gradually. They have been receiving more orders. So, I think this is the predominant reason, we would say, that the demand has improved. And you would see that major business has come from the repeat customers. So, we'll appreciate the increase of demand from the customers and their improvement in business to our growth.

Sagar Tanna: Got it. And, sir, as we have exited the coal trading business and -- will that help stabilize EBITDA margins going forward?

Vishal S. Budhia: Yes. We feel that -- we all know that coal trading was hardly any margin. It was a very low margin business, and that's the reason we stopped it. So, we feel that the margin levels can be maintained and can be even better going forward.

Sagar Tanna: Got it. Thank you so much and all the best, sir.

Vishal S. Budhia: Thank you so much, sir.

Moderator: Thank you. Next question is from the line of Sujal Jhanwar from Diamond Capital. Please go ahead.

Sujal Jhanwar: Congratulations, sir, on a good set of the numbers.

Vishal S. Budhia: Thank you so much, sir.

Sujal Jhanwar: Yes. So, my first question would be, sir, I want to understand the part of set like does today 345 ton per hour is backed by 100% contracts? Or there are contracts like less than 345 ton per hour today? And follow up to that question only, like, if you can answer me, if the given the contracts are long term in nature, if somebody wants to terminate the contract in 1 year, can they do that or not?

Vishal S. Budhia: Vaibhav-ji, can you answer this, please?

Vaibhav Gattani: Yes. So, the out of 345 ton per hour capacity, we are almost 70% of the capacity. Hello. Am I audible?

Sujal Jhanwar: Yes, sir. Now, you are audible.

Vaibhav Gattani: Out of the 345 tons per hour capacity installed, we have -- around 70% capacity tied up for the for the customers. So, yes, that's the answer to your question.

Sujal Jhanwar: And can you answer the follow-up question like given the contracts are long term in nature, is there any chance that someone can basically terminate before the contract year?

Vaibhav Gattani: The tenure of the agreement typically in the range of 1 year to 10 years.

Moderator: Sir, sorry to interrupt you again, but your voice is breaking.

Vaibhav Gattani: Hello?

Moderator: Sir, your voice is breaking a little bit.

Vaibhav Gattani: Allow me 2 minutes, I'll just change my position, please. Hello. Am I audible now?

Moderator: Yes, sir.

Vaibhav Gattani: Yes. So, the tenure of the agreement typically ranges between 1 year to 10 years. And the agreements also have non-exit clauses built-in in the agreement. So, the customers cannot terminate before a certain tenure gets expired. So, that is one clause we have already built in the agreement. In most of the cases, these clauses are there. And anyways, we have seen in past that since we are adding value to the customers by providing them ready solution at a lower generation cost, it doesn't make sense for the customer to terminate the contract and move to their in-house captive consumption.

Sujal Jhanwar: Okay. And, sir, can you give me another like -- are the -- price which are passed on, are they monthly, or is it some the tenure is different on the pass on the prices?

Vaibhav Gattani: So, the pass-through is predominantly monthly. There are few customers with whom we have a quarterly pass-through mechanism that was required from their legal side, head office side. So

-- but then that frequency is maintained continuously even if it is quarterly. But in most of the cases, it is monthly.

Sujal Jhanwar: Okay. And, sir, one last question on Una – the Una's will weight be getting from government only? And how much is the EPC profits and OEM is how much -- and how much is the revenue sharing?

Vaibhav Gattani: So, on the EPC front, -- we would be doing the project and handing over the project to government. And on the revenue-sharing front, we would be sharing 9% revenue, but that cost would be recovered from the end consumer only. So, that revenue sharing which would be done with the Himachal Pradesh Bulk Drug Park Infrastructure Limited company, that 9% will have to be recovered from the end consumers of Steam only. From company's pocket, from Steamhouse's pocket, nothing will go. That has to be recovered from customer, and that has to be passed on to the authority -- which has allotted the tender.

Sujal Jhanwar: Okay, sir. And one last if I can, if I might.

Moderator: Sujal, sorry to interrupt you. May I request you to come back in the question queue for a follow-up?

Sujal Jhanwar: Sure.

Moderator: Thank you. Next question is from the line of Ajit Sethi from Eco Quantum Solutions. Please go ahead.

Ajit Sethi: Yes. Thank you for the opportunity and congratulation on a good set of numbers.

Vishal S. Budhia: Thank you.

Ajit Sethi: Sir, given the high stickiness of existing customers, so what is the value proposition that would incentivize customer currently sourcing steam from competitors or generating steam in-house to switch to Steamhouse?

Vishal S. Budhia: So, one, there is generally not a competitor in -- most of the geographies that we're talking about or we are operating. So, the question of competition doesn't really, arise. But yes, from their self-generation, one, they are inefficient boilers; two, the fuel that they could be using, for example, furnace oil, LDO, or natural gas, which are predominantly very expensive; or if a customer is operating on a intermittent consumption pattern, in all such situations, we are very cheap -- very cost-efficient as compared to their self-generation. So, that could be in range of 25% to 35% cost efficiency. So, that's the predominant reason why industries stick to us.

Ajit Sethi: Okay. And, sir, what is the amount of capex that we are spending to increase our capacity to 705 tons per hour? And when will be this operational?

Vishal S. Budhia: Vaibhav-ji, please.

Vaibhav Gattani: Yes. So, for the under-construction project, there are four under-construction projects, and on which maximum work has already been done. We'll have to do around another, INR60-odd

crores of capex to take all these four projects live. And the -- for the balance, the IPO end-use project and one of the project which is planned in Tarapur, we intend to do another INR170 crores worth capex in next 15 months to 18 months.

four under-construction facilities should go live in current financial year, this is what we are targeting. The 60 tons per hour capacity, which is in Tarapur, should get live in Q4-FY2028. And the IPO end-use facilities, -- which are in Dahej GIDC, Ankleshwar, and Panoli, should go live in Q1-FY2029. This is the timeline with which we are working.

Ajit Sethi: Okay, sir. Thank you, sir.

Vaibhav Gattani: Yes. Thank you.

Moderator: Thank you. Next question is from the line of Avinash Nahata from Parami Financial Services. Please go ahead.

Avinash Nahata: Hello. Am I audible, please?

Vishal S. Budhia: Yes, you are.

Moderator: Yes, sir. Go ahead. Yes.

Avinash Nahata: Thank you. Since we are new to the company, Vishal-ji, we would want to understand the pipeline infrastructure as to how many kilometers this particular steam travels, at what pressure, what bar, and then I'll come to the second question. If you can please explain the how steam travels logistically to the end customer and what is the network?

Vishal S. Budhia: So, we are laying pipeline overhead pipeline network in kilometers. So, for example, the total laid pipeline is above 60 kilometers right now, including seven industrial areas. And the farthest customer we generally quote about is 7.5 kilometers, 8 kilometers away from the point of generation. So, the pressure drop there is 1 bar in general, approximately 1 bar.

And temperature drop can be in a few bits. So 4 degrees to 5 degrees is what we generally lose on temperature side but this varies again with various seasonality. So, monsoon, it can be slightly higher. Summers, it can be on a better side. So, this is how we supply. We supply steam to pipe network to the industries at their doorstep.

Avinash Nahata: So, you're saying there's a on an average drop of 4 degrees to 5 degrees from where it is produced to where it gets disseminated?

Vishal S. Budhia: Yes.

Avinash Nahata: And with a pressure drop of 1 bar, that's what you said, on an average?

Vishal S. Budhia: Yes.

Avinash Nahata: Okay. So, you mentioned that 25%, 30% is the savings for a small processing house if they do it captively versus what they outsource from Steamhouse?

- Vishal S. Budhia:** Not processing house in specific, I would say. It's more of any industry who has a boiler who's either of these expensive fuels or is an intermittent consumer in that case. But if it's a textile process house per se who has a higher consumption, a bigger quantity of consumption and is on coal then we are not so beneficial to them. So, we can be a little cheaper or at par with them but not so beneficial in that case.
- Avinash Nahata:** Okay. One more question. Like you said there's a temperature drop 4 degrees to 5 degrees, one thing technical. During that process of transfer, there's also a condensation because of temperature inside and outside. There is a steam loss also because of that?
- Vishal S. Budhia:** Yes.
- Avinash Nahata:** What is that percentage? Means if we produce 100 unit -- on an average...
- Vishal S. Budhia:** Depends again on the season, weather conditions. It can be between 3% to 7% again.
- Avinash Nahata:** Sorry.
- Vishal S. Budhia:** 3% to 7%.
- Avinash Nahata:** 3% to 7%. One thing more just I'll close before that. So, 705, when you calculate 4.46 million ton, how do you arrive from 705 ton per hour to 4.46, if you can just briefly explain?
- Vishal S. Budhia:** Vaibhav-ji, please.
- Vaibhav Gattani:** Yes. Sir, we normally consider 80% as the saleable capacity because around 20% of the capacity gets used in the boiler itself in the processes, in deaerator process and all. And 330 days is the clear days we consider because the boiler has to be taken under annual mandatory maintenance. That's the law of the land, and there would be days wherein we'll have to take preventive maintenance. 330 days is the operational days we consider.
- Avinash Nahata:** Got it. 24 hours, 330 days and 80% capacity.
- Vaibhav Gattani:** And 80%. Yes. That's the saleable capacity for all practical purposes.
- Avinash Nahata:** And how much we operated in Q1 as a percentage, as much as we can make 80% is...
- Vaibhav Gattani:** It was 41%, sir. We sold 41% of our total sales potential in the first quarter compared to 36% last year.
- Moderator:** Thank you. Avinash, I request to come back for a follow-up question. I request all the participants, kindly limit yourself to two questions per participant and rejoin for a follow-up. Next question is from the line of Sunny Gosar from MK Ventures. Please go ahead.
- Sunny Gosar:** Thanks for taking my question, and congratulations on the IPO. My first question is if you can explain about the industrial gas business, what are we trying to do in the industrial gas business and what is the possible business model in terms of are we kind of looking to partner with someone or do we have like are we looking to set up in-house air separator units and how can

we leverage the existing pipeline infrastructure to kind of build on to that industrial gases business? Any color on that will be very helpful.

Vishal S. Budhia:

Sunny-ji, thank you for bringing up this question. We intend to supply other gases because gases like nitrogen, oxygen, CO₂ maybe, instrument air, because these are the gases that almost similar industries that we are serving right now with steam are also using for some reason or some project or the other. This helps us to leverage the current customer network that we have and have a basket sale, number one. That's the reason we want to get into this business.

Two is we already have an infrastructure laid for steam supply. Now the only addition we need to do on these infrastructures is some pipes have to be added on the same civil and the steel structures that we have already laid and the RoUs that we have. Newer pipes will also leverage the -- newer business will also leverage the current infrastructure that we have already invested on, to.

Three is we are already supplying nitrogen, which was, I can say, a pilot project for us on the scale that we want to do it. It was a pressure swing adsorption model. But you rightly said again that we are now working on air separation units, ASU, where cryogenic process of separation of nitrogen and oxygen comes. Five lines of oxygen, nitrogen, LIN and LOX, liquid nitrogen and liquid oxygen, can also be supplied, which are also premium products, one, and currently are being transported through tankers.

This will give us a very strong hold on the customers as compared to the current mode of transportation, where we understand the cryogenic tanker brings the gases from one point to another and then it has to be transported and stored in -- transferred and stored into the cryogenic tanks of the customer. Customer has to give his space, and there is again a regular loss of these gases through vaporization. Instead, if they get these gases through at their doorstep, it's a good opportunity for the customers to save money and for us to get a strong-hold business.

We are -- working with several gas players right now, discussing with them, on two, three ways: one, we do the whole project ourselves because the space required is very less and the capex will also be not so big as compared to the infrastructure or the capex we've already done. Second, we are also talking to few companies who are interested in having a built-own-operate model with us, where they invest and supply us gases at our site and we will sell that in turn.

Sunny Gosar:

Got it. And just a small follow-up on this. Incremental spends on the pipeline infrastructure, how should we think about that? Like and more -- like how much stacking can you do in terms of the existing pipeline infrastructure? You can add more pipes to it or and how much capex kind of will be needed maybe say on a per-kilometer basis, or any other benchmark that you can help us understand?

Vishal S. Budhia:

On stacking, the pipelines are already designed for 9.5 Richter scale of earthquake and 120 kilometers of wind speed, and to carry 4 to 5 pipelines, 6 pipelines of various sizes and various weight on the structure itself. And we understand that the gas pipeline, steam pipeline generally do not have weight of the material that they are carrying. So, the pipelines are very less weight less weighted. So, yes, we have opportunity of laying many more pipelines and gradually going

forward, we can further strengthen by some bits to have even more strength if we need more pipes to add to.

Second is the cost of pipeline laying will be very tough thing to answer, but what I want to still say is it would be hardly 10% to 20% at the max of the current infrastructure that we've already invested in. You can understand that 80% infrastructure will be reutilized or leveraged for a better revenue.

Sunny Gosar:

Got it. This is very helpful. My second question is on the boiler technology. Boilers are the core to your operation. And in terms of like what kind of suppliers are you using? And in terms of efficiency, what are the various efficiency measures or new technology that you're exploring to kind of improve the overall efficiency, profitability, cost savings? If you can give some color on that.

Vishal S. Budhia:

We are currently working with one of the best manufacturers -- boiler manufacturers of the country. I would not be able to name right now in the public domain. But they are also licensee of a German and Japanese technology provider because specially for waste-to-energy, we need the best technologies that are globally successful. And we have already adopted them and are using, and a few of them are under installation right now, one.

On the coal side also, we have again selected the best vendors, best manufacturers of the country. Again, not be able to name here. But our continuous effort is to see that we keep improving thermal efficiency by selecting the right fuel, the right boiler designs, right SCADA system and DCS system for improvement in the efficiency and safety.

And on the other side, we are working on various other technologies. As I said we are not that ordinary as compared to most of the people in India. We are adding industrial waste to it. Industrial waste has much better economics and efficiency, I would say, one.

And over and above this, we are working on atomic energy-based ideas as well. We are discussing with a lot of global organizations on how we can start supplying or manufacture steam and other gases using the atomic energy going forward.

There are many technologies are that we are focusing on, and Steamhouse strongly believes that technology intervention is going to be the best part of taking this business forward rather than just limiting to keep growing laterally.

Moderator:

Thank you. Sunny, I request to come back for a follow-up question. I request all the participants, kindly limit yourself to two questions per participant and rejoin for a follow-up. Next question is from line of Bhupesh from ICICI Securities. Please go ahead.

Bhupesh:

Hello. Congratulations to the management.

Moderator:

Bhupesh, sorry to interrupt. Can you speak a little louder, please?

- Bhupesh:** Okay. Congratulations to the management for this good set of numbers. I just wanted to ask like given you have a 41% of utilization, in the range of 40% if we see, what do you expect this utilizations to go up to? What are the expectations?
- Vishal S. Budhia:** Our intent is to take this utilization to 60% to 65% of and with our experience and learning in the last decade, the newer boilers that we are commissioning, the newer boilers that we are commissioning will be expected to be in the range of 50% at the very initial months of the commissioning.
- Bhupesh:** Okay. Can you just repeat the number? I couldn't hear.
- Vishal S. Budhia:** 60% to 65% is the optimum utilization that we wish to take it to.
- Bhupesh:** Okay. Thank you. Thank you.
- Moderator:** Thank you. Next question is from the line of Pratik Srivastava from Nivesh Wisdom. Please go ahead.
- Pratik Srivastava:** First of all, sir, again congratulations on a great set of numbers and again a new margin.
- Moderator:** Pratik, sorry, your voice is breaking.
- Pratik Srivastava:** Yes. Is this better?
- Vishal S. Budhia:** It is. Go ahead.
- Pratik Srivastava:** First of all, again congratulations, sir, on a great set of numbers, and I definitely like your business. Few questions which I had one was can you talk about, your trade receivable days, and what was your Q1 operating cash flow, and what can we take like as an average like your CFO to EBITDA ratio?
- Vishal S. Budhia:** Vaibhav-ji, please.
- Vaibhav Gattani:** So on the trade receivable side, we have a fortnightly billing system, and the payments are typically realized between 7th to 15th day. That's a broad credit policy we have on the receivable side. With regards to cash flow from operations, it was around with compared to the EBITDA, last time it was around 1.2 times. But going forward, we can safely assume that this number should continue, the ratio, or should be a bit lower.
- Pratik Srivastava:** Okay. Got it. And second question, sir, is around this related party steam sales to Sanjoo Group. So, now that coal trading is stopped with them, is there like are we going to, is there going to be any more related party transactions with Sanjoo Group? And can you explain that part, please?
- Vaibhav Gattani:** On the as you rightly pointed out, that the coal sales have been stopped, but Steamhouse India Limited is still purchasing steam from Sanjoo Dyeing & Printing Mills Private Limited for Sachin location. The original business idea or the original community boiler project, the first one, was conceptualized in Sanjoo Dyeing & Printing Mills Private Limited back in '14, '15.

So, that Sachin facility, the steam generation facility still lies with them, but the distribution permission and the distribution pipeline network is owned by Steamhouse India Limited. So, that the related party transaction still continues at least for next few quarters. We have some future plans wherein we would like to evaluate further opportunities in Sachin GIDC or nearby to do other projects. In that case, maybe this the steam purchase from Sanjoo Dyeing can stop. But at least for next few quarters, this will continue.

Pratik Srivastava: Sir, one last question on this Una project which we are doing. What could be the expected margins, the EBITDA margins on this project?

Vaibhav Gattani: This will be instead of EBITDA margin, this should be basically the EBITDA per ton. We should be getting around 8% to 10% clear-cut margin. We are doing no capex there. But that will depend upon what will be the fuel price when we will be billing to the customer. So, it's a pass-through to the end consumer.

Whatever will be the fuel price, we should be making around 8% to 10%. But that is still not finalized. We will be signing the agreement with the Himachal Pradesh Bulk Drug Park Infrastructure Limited, and then we will be able to come to the final number.

Moderator: Thank you. Pratik, I request to come back for a follow-up. Next question is from line of Deepak Poddar from Sapphire Capital. Please go ahead.

Deepak Poddar: Hello. Sir, am I audible?

Vishal S. Budhia: Yes.

Deepak Poddar: Thank you very much, sir, for this opportunity. Sir, just wanted to understand on the volume front first up. Now if you see last 2, 3 years, or even for FY26, our volume growth has been in the range of 10%, 12%. And in first quarter, you mentioned because of the demand improvement from your customers in chemical and pharma space, you saw volume growth of 17%.

So, just wanted to understand, in our kind of industry, given we have got ample capacity, the utilization is 40%. So, what sort of steady-state growth one should envisage for us in terms of volume? Yes.

Vaibhav Gattani: Vishal sir?

Vishal S. Budhia: Yes we can expect similar growth in at least, say, 5% to 10% for the current locations where we are already there, with the current installed capacity on smaller numbers. But as we said that we are already installing new projects, new locations, that would add to the capacity utilization basis the basis the capacity that we are installing. So, it will be in two ways. One, improvement in the current installed capacity utilization, and second will be the new capacity and their utilization.

Deepak Poddar: Okay.

Vaibhav Gattani: Just to add, the revival in chemical and agrochemical sector predominantly chemical sector, we are a proxy play to chemical industries, and we are seeing benefits out of it. We also went

through tough phases when these industries were not consuming steam in '24, '25, '26. The volume growth was a bit on the lower side. But these industries have revived. We should get the benefit out of it.

Deepak Poddar: Okay. Given the new capacity is also coming and the revival you spoke about, so a 20%, 25% volume growth at a company level is what something is achievable for us?

Vaibhav Gattani: Yes, very comfortably.

Deepak Poddar: Okay. And just my second question is on your EBITDA per ton. I mean, one of the reasons you mentioned also was because the trading part we have discontinued. So, that is kind of resulted in jump in our EBITDA per ton. So, this INR1,000 EBITDA per ton is kind of a sustainable and improvement over and above that because of the leverage advantage you have been saying?

Vaibhav Gattani: EBITDA percentage was suppressed because of the coal trading. EBITDA per ton was anyways to be calculated basis the steam sales and the EBITDA number. So, I think I just wanted to make that clear. EBITDA per ton of INR1,000 can be safely assumed that it will be maintained in our steam generation and distribution sites for next few quarters, as the new facilities that are coming up are on waste and will definitely help in keeping EBITDA per ton at INR1,000 or better.

Q2 of every financial year is an exception, considering EBITDA gets impacted on account of monsoon. However, we have done certain structural changes like moving coal purchases from credit to cash, installation of solar power to reduce cost. We are also trying to optimize the inventory quantity and value.

The numbers should stay here, barring quarter two, because historically that has been lower on account of monsoon. But on the annual basis, I think we should be with what we have delivered in Q1, should be better or should be at par with what we have delivered in Q1.

Moderator: Thank you. Deepak, I request to come back for a follow-up. Next question is from line of Tej Patel from Niveshaay Investment Advisory. Please go ahead.

Tej Patel: Hi, sir. Am I audible? First of all, congratulations on a good set of numbers. So, sir, I mean, that's pretty interesting. So, we already had a Ahmedabad Pirana order. Recently received an order from Himachal, and then the presentation also you mentioned about Surat. I mean this is completely probably new set of, let's say, business coming in from government, which was, let's say, not at all present a year back.

I just wanted to understand, why is there suddenly a jump of, let's say, an interest for government for community boilers? And based on your interactions with the officials, I mean, how welcoming are the government with this concept? And could we see community boilers probably as a concept being adopted in various schemes and various parks which government has been building across India?

And are there such more opportunities apart from the three already you've been mentioned? If you could elaborate on this, that would be very much helpful. Yes, thank you.

Vishal S. Budhia:

So, thanks for bringing up this question again. One, this hasn't happened suddenly. These things were going on since '21, '22, 2021, '2022, when the government announced three Bulk Drug Parks and seven PM MITRA Parks to be set up with some investments coming from the central government and remaining from the winning state government. So, various state governments had to bid to win these projects.

And the criteria to win these projects was how many facilities would they give to the industries that are coming in. So, almost a plug-and-play solution was what was expected from the central government. And for all these three Bulk Drug Parks, one of them which we have fortunately won in Himachal Pradesh has a sponsor of around INR1,000 crores from the central government.

So, the process of planning these projects, the tenders were almost going on since more than 3, 4 years. 2022, all the DPRs were submitted by the various state governments. And PM MITRA Parks are still, as you all know and we keep reading about, are under construction at various locations.

So, one, in March 2024, the Central Pollution Control Board, rolled out a guideline saying that all the SMEs of India should shift to the umbrella of common boilers. So, for the government and the pollution control board authorities, it is like CETPs. Earlier we used to have ETPs, effluent treatment plant, and in last three decades, we see that most of the industries are participants of CETPs, common effluent treatment plant.

For the government, this is an air pollution reduction scheme where a common boiler -- they use common boiler instead of community boiler because it comes from common effluent treatment plant. For them, it is a common air treatment plant, if I can use this word as a proxy here. So, government is now pushing it hard that all the industries come into umbrella of common boiler, one, to reduce air pollution.

Second, to give a bigger comfort to the industries to operate on common facilities and a plug-and-play solution. And we keep reading and listening to the honorable Finance Minister's and Industry Minister's statements where they say that the newer idea of bringing all the industrial parks going ahead is to have as many as plug-and-play options solutions to the industries, two. So, that's ease of doing business for the industries.

And third is -- question, yes, there are many more such opportunities that we are envisaging right now. One of the projects for Gujarat Bulk Drug Park project is the tender is live even today as we speak. So, we are, yes, trying to participating in such projects as well. And all the PM MITRA Parks are where basic discussions are going. Even the Ministry of Textile has been interacting with us on and off on such projects in the textile parks.

Many private associations of the industries are also talking about having common boilers in their industrial parks, seeing the benefits of the common boilers. So, many such opportunities is what we will see. So, now the concept is almost 11, 12 years old in the country.

I think the time is right where the industries, government, and various associations have started liking it and understand the concept. So that's the reason we would see a lot of things probably happening now soon.

- Moderator:** Thank you. Next question is from line of Rushin from Molecule Ventures. Please go ahead.
- Rushin:** Hello, sir. I have one question. Is there any specific reason for lower utilization for Sarigam facility? And you...
- Vishal S. Budhia:** So, yes, Sarigam -- sorry, please.
- Rushin:** Yes. And you mentioned to one of the previous participant that around 70% capacity is tied up for 345 TPH. So, why we see a lower utilization in general of around, let's say, 40% sort of?
- Vishal S. Budhia:** I'll first answer Sarigam thing. So, Sarigam was a project where we initially missed a big customer there and could not onboard him, and project was running on a lower capacity. But if you see this financial year and the quarter one, we have a better utilization in Sarigam because we have been able to onboard two, three new good customers.
- So, capacity utilization in Sarigam has increased and improved, and we are further in discussion with two, three bigger customers. We hope that the capacity utilization might reach to a very good levels in the Sarigam plant as well if the agreement happens, which we are very positive about.
- On the capacity utilization, as we already said, one is the initial -- in the last 2, 3 years, the chemical, pharma industries were not performing so great. And post this Europe and U.S. tariff agreements, the improvement has begun.
- And second, some of the projects were commissioned very late, and so the capacity utilization of those projects cannot be calculated on a flat basis.
- And third, we also keep some margin for the projects or the newer industries that would come onboard going forward, so that when we talk about reaching 60%, 65% capacity utilization, we also see that we can accommodate at least 2, 3 years of new incoming demand from the industries.
- Moderator:** Thank you. Next question is from line of Mihir Dhami from Augmenta Research. Please go ahead.
- Mihir Dhami:** Hello. Yes.
- Vishal S. Budhia:** Yes.
- Mihir Dhami:** Sir, I have seen in Q1 FY27, the steam sold volume increased 17% year-on-year, but the revenue from steam increased 46%. So, what was the reason for the realization increase in steam?
- Vishal S. Budhia:** One reason for realization...
- Vaibhav Gattani:** Yes.
- Vishal S. Budhia:** Sorry, Vaibhav, please continue.

Vaibhav Gattani: Yes, sir. Please, you take.

Vishal S. Budhia: Okay. So, one reason for improvement in realization per ton was, one, better utilization and better leverage of the existing assets. Two, is the higher usage of the waste-to-energy projects that we are already operating in Vapi, so which adds a much more significant number to our current numbers. So, these are the two reasons for the improvement of per-unit [inaudible] 00:56:58 EBITDA margins and second, about the utilization improvement, again, as we answered this question, that the utilization...

Moderator: Sir, sorry, again we're losing your audio.

Vishal S. Budhia: Am I audible, clear?

Moderator: Yes.

Vishal S. Budhia: Hello? Yes. So, and the reason that the consumption has increased is the chemical and pharma industries have come back on track again. And also that we are changing the mix of the customers that we have by adding newer business customers like tyre industry has been added to our basket as our customers.

So, seeing that only one sector dependency could be a -- not so great for us, so we have also signed an agreement with a food processing industry in Haldia. So, all these newer segments will diversify our demand and help us in maintaining the growth and better utilization in the different times.

Mihir Dhami: So, with waste-to-energy, you are increasing capacity there as well, right? So, will realization and EBITDA per ton increase more going forward?

Vishal S. Budhia: We hope so. Yes, we hope so, because it would be a better mix.

Moderator: Thank you.

Vishal S. Budhia: Thank you.

Moderator: Next question is from line of Aryavardhan from Annso Capital. Please go ahead.

Aryavardan: Hi, thanks for the call. So, actually, the key question we had was related to working capital. What does the working capital -- the working capital cycle has become better over the last few quarters. So, what is your guidance on where working capital will be and what is leading to the working capital efficiency?

Vaibhav Gattani: Yes. So, working capital days going forward between 35 to 40 days positive working capital cycle should be going forward.

And we were purchasing coal on credit basis till May 2026, and post that we have converted entire credit purchases to cash purchases. So, that is also helping us in improving the margins, because you can understand that any cash purchases will help you in lowering the cost of fuel. So that has helped us post May 2026.

Moderator: Thank you. Next question is from line of Meet Bhuvu from Entigrity Ventures. Please go ahead.

Meet Bhuvu: Hi. Congratulations on a very good set of number and IPO listing. I wanted to understand what is the revenue bifurcation for the Q1 FY27 for the steam we have own generated and the steam that we have traded? Hello.

Vaibhav Gattani: Yes. So in quarter one, 73.7% was the steam that was generated from own boilers. 22.2% was the trade traded steam, we purchased and we sold. So, that's the bifurcation between purchase and generation.

Meet Bhuvu: Okay. Thank you. Thank you so much.

Vaibhav Gattani: Thank you.

Moderator: Thank you. Next question is from line of Vedant from MAS Investments. Please go ahead.

Vedant: Sir, you mentioned that you will maintain the same growth momentum for the full year. So, just wanted to confirm, was it on the EBITDA or on the revenue growth you mentioned that number, barring Q2 for the full year growth?

Vishal S. Budhia: So, almost same for both the numbers. But yes, we are saying we will try to maintain. We are not saying that we will maintain.

Vedant: Okay. Because your guidance was 30% to 35% EBITDA CAGR, so I think this year you are planning to beat it, right?

Vishal S. Budhia: We will try. Yes. We hope so.

Vedant: Okay. Thank you so much.

Vishal S. Budhia: Thank you.

Moderator: Thank you. Next follow-up question is from line of Sujal Jhanwar from Diamond Capital. Please go ahead.

Sujal Jhanwar: No need. My all questions are answered. Thank you.

Moderator: Thank you very much. As there are no further -- sorry. One last question from the line of Sunil Jain from Nirmal Bang. Please go ahead.

Sunil Jain: Yes, thanks for taking my question. Sir, can you bifurcate the margin between own generation and trade of steam? Like you said that INR1,000 EBITDA per ton you make both together. So, how much is in your own generation, and how much is on traded?

Vaibhav Gattani: Apologies, we'll not be able to give this details considering the competition sensitiveness. We can talk this on one-to-one call, and we can discuss this, not here.

Sunil Jain: Okay. So, the growth which you are talking, that is mainly in generation, or there will be increase in trading sales as well?

- Vaibhav Gattani:** So, there are two trading opportunities we already have. We already have signed agreements, one in Dahej SEZ and the other one is in Haldia, West Bengal. So, these are two trading opportunities we have. Apart from that, whatever growth, as of now which is envisaged for future should come from the own generation and distribution.
- But at the same time, we would like to inform because we have already covered in our presentation, which is filed with the exchanges, that the distribution model is a high-capital efficient model wherein the return on capital employed is significantly higher vis-a-vis our own generation facilities, because you can understand the capex goes down significantly.
- It's just the pipeline which we have to lay down for distributing the steam from one end to the other end.
- Sunil Jain:** Thank you.
- Moderator:** Next follow-up question is from line of Prateek Srivastava from Nivesh Wisdom. Please go ahead.
- Prateek Srivastava:** Yes. Again, sir, thank you for taking my follow-up question. I just have one question on this green capacity which we're putting at this Nandesari, Vapi, and Pirana. If I'm right, it's not coming from the IPO proceeds, then how is it being funded?
- Vaibhav Gattani:** So, these four under-construction facilities were already funded through debt and non-convertible debentures in past. So, these are almost on the verge of going live.
- Prateek Srivastava:** Okay. Got it. So, then the IPO funds were then used to reduce the debt?
- Vaibhav Gattani:** Yes. Part of the funds were utilized to reduce the debt.
- Prateek Srivastava:** Okay. All right. Thank you. Thank you, sir.
- Vaibhav Gattani:** Thank you.
- Moderator:** Thank you. As there are no further questions, I would now like to hand the conference over to Mr. Vishal Budhia for closing comments.
- Vishal S. Budhia:** Thank you, Amit ji. Thank you everyone to who have participated, and specially to those who have raised the questions, because this shows how prudent the interest is. And we hope that we have been able to answer your questions satisfactorily. And we hope that the support for the Company continues. And we'll be happy to answer any further questions by email or any other ways that would be legally viable going forward. Thank you everyone. Thank you so much for your time.
- Vaibhav Gattani:** Thank you. Thank you, everyone.
- Moderator:** Thank you very much.
- Vishal S. Budhia:** Thank you.



*Steamhouse India Limited
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Moderator: On behalf of Steamhouse India Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines. Thank you.