August 05, 2026

To,

The Manager - Listing Department
National Stock Exchange of India Limited
'Exchange Plaza', C-1, Block G,
Bandra-Kurla Complex
Bandra (East), Mumbai 400051

Scrip Symbol: SSEGL

Subject: Submission of Transcript of the Earnings Conference call held on Monday, August 03, 2026 at 05:30 PM.

Dear Sir /Madam,

In continuation of our earlier letter dated August 03, 2026 informing about the audio link of the Earnings Conference Call and Pursuant to Regulation 30 of Securities Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015, the Company is hereby submitting transcripts of Earnings Conference call of the analyst/investor conference call which was held on Monday, August 03, 2026 at 05:30 P.M. to discuss the unaudited Standalone Financial Results of the Company for the Quarter ended June 30, 2026. Kindly acknowledge and take the same on records.

Thanking you,

Yours faithfully,
For Sathlokhar Synergys E&C Global Limited

ANIL PRASAD SAHOO
Digitally signed by ANIL PRASAD SAHOO
Date: 2026.08.05 17:17:07 +05'30'

Anil Prasad Sahoo
Company Secretary and Compliance Officer

Encl: a/a

"Sathlokhar Synergys E&C Global Limited
Q1 FY27 Earnings Conference Call"
August 03, 2026

MANAGEMENT:	**MR. G. THIYAGU – MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER – SATHLOKHAR SYNERGYS E&C GLOBAL LIMITED** **MR. P. VIJAYAKUMAR – CHIEF FINANCIAL OFFICER – SATHLOKHAR SYNERGYS E&C GLOBAL LIMITED** **MR. ANIL PRASAD SAHOO – COMPANY SECRETARY – SATHLOKHAR SYNERGYS E&C GLOBAL LIMITED**
MODERATOR:	**MR. PARTH ACHARYA – KIRIN ADVISORS PRIVATE LIMITED**

Moderator: Ladies and gentlemen, good day and welcome to Sathlokhar Synergys E&C Global Limited Q1 FY27 Earnings Conference Call hosted by Kirin Advisors Private 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. Parth Acharya. Thank you and over to you, sir.

Parth Acharya: Thank you. On behalf of Kiran Advisors, I welcome you all to the conference call of Sathlokhar Synergys E&C Global Limited. From the management team, we have Mr. G. Thiyagu, Managing Director and CEO; Mr. P. Vijayakumar, CFO; and Mr. Anil Kumar Sahoo, Company Secretary.

With that, now hand over the call to Mr. G. Thiyagu. Over to you, sir.

G. Thiyagu: Good morning, everyone. Greetings from G. Thiyagu. I welcome you all to Sathlokhar Synergys E&C Global Limited Q1 FY27 Earnings Conference Call. Thank you for joining us today for your continued trust, confidence and support. I am pleased to share that we have delivered another strong quarter marked by healthy growth in revenue, profitability, and business development.

The performance reflects the strength of our execution capabilities, a diversified project portfolio, and our continued focus on disciplined and sustainable growth. For those joining us for the first time, let me briefly introduce the company. Established in year 2013 and headquartered in Chennai, Sathlokhar Synergys E&C Global Limited is one of the leading EPC companies providing end-to-end turnkey construction services across design, civil construction, pre-engineered building construction, MEP systems, solar installation, interior works and finishes, utilities, and statutory approvals.

Over the years, we have built a diversified presence across industrial, warehousing, commercial, healthcare, institutional, hospitality, pharmaceutical, textile, food processing, and renewable energy sector. Our fully integrated execution model supported by dedicated in-house architecture, engineering, civil, PEB, and MEP systems enables better project control, faster execution, improved operational efficiency, and consistency delivery.

With strong execution capabilities, technology-driven project monitoring, and long-standing relationship with leading corporate, we continue to strengthen our position as a trusted EPC partner across India. Operational Highlights. During the quarter, we received new orders aggregating INR272.05 crores, strengthening our execution pipeline and providing a solid foundation for future growth.

Among the notable orders received during the quarter were a INR105.37 crores order from a Grand Atlantia Panapakkam, Taiwan-based company SEZ Developers Private Limited for a Phase 3 project and PEB works, an additional INR22.5 crores order for Phase 2 1B works from the same Taiwan-based company, and INR102.71 crores order from Reliance Consumer

Products Limited for additional civil and PEB works at Kurnool facility. In addition, we secured orders from EDAC Engineering Limited, Ceylon Beverages, Sri Lanka company, Anabond Limited, India, further strengthening our diversified projects portfolio.

A significant portion of these orders has come from existing clients, demonstrating the confidence they continue to place in our execution capabilities and our ability to secure repeat business through consistent project delivery. Our last total order book including orders secured during quarter 1 FY26-'27 stood at INR1015.18 crores.

After adjusting quarter 1 INR204.81 crores of projects executed during the quarter, our effective executable order book stands at INR810.37 crores. In addition, we have a robust bid pipeline of approximately INR22,106 crores, and even assuming a conservative 10% success conversion rate, will be enough for achieving our 70% growth guidance from the previous financial year FY25-'26.

During the quarter, Crisil assigned ratings to our INR200 crores bank facilities with a long-term rating of Crisil BBB+ with a positive outlook and a short-term rating of Crisil A2. The rating reflects our improving financial profile and further strengthens our ability to participate in larger projects where financial strength and credit quality form an important part of the qualification criteria.

Construction of our own PEB manufacturing factory is progressing as planned. We remain on track to inaugurate the factory building during our annual day, that is 30th August 2026. Commencement of commercial production is expected within 60 working days from the date of factory building inauguration subject to successful commissioning, testing, trial run of the proposed machines, and also obtaining statutory approvals for the PEB plant and machineries.

This facility marks an important step in our backward integration strategy and is expected to strengthen supply chain control, improve execution and timelines, and supporting long-term margin expansion. Our long-term vision of establishing five to six PEB manufacturing facilities across India remains unchanged with Odisha continuing to be the next planned location.

Financial Performance: Coming to the financial performance of the quarter, for the quarter, the total income for Q1 FY27 stood at INR206.19 crores registering a growth of 67.76% over the corresponding quarter of last year. EBITDA increased by 131.4% to INR31.35 crores while EBITDA margin improved to 15.2% from 11.02% representing an expansion of 418 basis points.

Profit after tax grew by 132.59% to INR21.41 crores with net profit margin improving to 10.38% compared to 7.49% in Q1 FY '26. Diluted earnings per share stood at INR8.21 against INR3.70. The improvement of profitability was supported by better operating efficiencies and lower material cost as a percentage of total income reflecting disciplined project execution and efficient cost management.

Industry Outlook: The overall demand environment continues to remain encouraging. We are witnessing healthy enquiry levels across manufacturing, industrial, warehousing, electronics, renewable energy, and infrastructure sector supported by sustained private sector capital expenditure. Steel prices have moderated from the elevated levels witnessed earlier this year while our disciplined bidding approach and contractual price escalation mechanisms continue to provide appropriate protection against raw material price volatility.

We are also seeing increasing preference for established EPC companies with proven execution capabilities, integrated delivery capabilities, and strong financial credentials. Our recently obtained Class 1A PWD registration further enhances our eligibility to participate in larger government projects and infrastructure projects too.

Outlook: We remain confident about our growth prospects for FY27. Our healthy order book, strong bid pipeline, and ongoing investments in manufacturing capabilities provide a solid foundation for sustainable growth. As projects progress through engineering, procurement, mobilization, and execution stages, revenue recognition is expected to remain stronger during the second half of the financial year consistent with the nature of our business.

Our priorities for the remainder of the year remain focused on successfully commissioning the PEB manufacturing facility, converting our bid pipeline into quality orders, strengthening our working capital management, and continuing to deliver projects with excellence in execution.

Before I conclude, I would like to sincerely thank all our clients, shareholders, investors, financial institutions, vendor partners, and every member of the Sathlokhar family for the continued trust, confidence, and support. Their collective contribution continues to inspire us as we build a stronger and more scalable organization.

With that, I conclude my opening remarks and would now be happy to take your questions. Thank you, all.

Moderator: Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Suyash Jaywant Mantri from Mangaldas Venichand Trades and Investments. Please go ahead.

Suyash Mantri: Hello. Am I audible?

G Thiyagu: Yes, sir. Happy morning. Go ahead, sir.

Suyash Mantri: Sir, thank you for taking my question and congratulations on a good set of results. Sir, I wanted to know how much order inflow do you expect from repeat business with existing clients and from new clients in this financial year?

G Thiyagu: The overall, with the existing clients, we are expecting including booked and expected around INR600 crores, sir.

Suyash Mantri: INR600 crores from existing clients. And from that INR22,000 crores pipeline, how much do we expect to be converted?

G Thiyagu: At least another INR600 crores to INR900 crores, sir. Apart from the existing clients.

Suyash Mantri: Okay. So, INR600 crores to INR900 crores – 600-plus crores, that will be the order inflow expectation?

G Thiyagu: I am talking about from now onwards, with the existing clients, we are expected to book at least around INR1,000-plus crores in another 3 to 4 months, sir.

Suyash Mantri: Okay. In total, from existing plus bidding.

G Thiyagu: Yes. Minimum conservative number I am trying to communicate apart from the orders in hand.

Suyash Mantri: Okay. Understood. Okay, sir. Thank you. That was my question. Yes. Thank you.

Moderator: Thank you. The next question is from the line of Gaurav Shukla from Finvestors. Thank you.

Gaurav Shukla: Am I audible, sir?

G Thiyagu: Yes. Very much, sir.

Gaurav Shukla: Thank you, sir, for giving me an opportunity. Sir, in the previous question…

G Thiyagu: Sir, you voice is…

Gaurav Shukla: Order book, sir, regarding order book I want to ask. We have now INR810 crores now this time and you are saying that with existing clients you will get order INR1000 crores and with INR22,000 crores pipeline, INR600 to 900 crores...

Moderator: Sorry to interrupt, Gaurav Shukla. Your voice is not clear.

G Thiyagu: Yes. Your voice is cracking, sir.

Gaurav Shukla: Am I audible, sir?

G Thiyagu: Sir, your voice is audible. When you are speaking, your voice is not crystal clear. It is not communicating. When you ask…

Gaurav Shukla: Okay, sir. Okay.

G Thiyagu: When you are communicating, it is not giving proper communication. Yes.

Gaurav Shukla: Just sir, one clarification. You are saying that with existing clients you will get order INR1000 crores and with INR22,000 crores pipeline, INR600 crores to 900 crores. Am I understanding correctly?

G Thiyagu: Sir, I have mentioned with our existing clients, for this financial year we are expected to book INR600 crores including the already order booked of INR200 crores. So, the existing clients from INR810 crores right now in hand, plus another INR400 crores, that is including already booked INR200 crores plus. So, INR800 plus INR400 crores is INR1200 crores. Apart from that

I am expecting at least another INR600 crores, conservative number I mentioned. So in totality, INR22,106 crores bidded, even a conservative 10% is more than sufficient to cater this financial year requirement as well as to carry forward to next financial year, sir. Yes.

Gaurav Shukla: Okay, sir. And guidance maintaining 70%, about INR1300 crores for this year?

G Thiyagu: Yes. As committed, yes, we are on the job. Already as you are aware of that, we have booked for this financial year in total, as we have communicated, already INR1015 crores less this Q1 results, after that INR810 crores is there. With that INR810 crores, with the existing clients itself another INR400 crores, put together it is coming INR1200 crores plus already booked show in total. And above all, the overall lined up and proposed orders which is more than sufficient to cater this financial year. Yes.

Gaurav Shukla: And sir, for this year, blended EBITDA margin, what will you expect, sir?

G Thiyagu: Net profit we are expecting 10-plus, sir.

Gaurav Shukla: 10-plus. Thank you, sir.

G Thiyagu: You're welcome.

Gaurav Shukla: That's from me. All the best for future, sir.

G Thiyagu: Thank you. Thank you, sir.

Moderator: Thank you. The next question is from the line of Himanshu Bisani from PinpointX Capital. Please go ahead.

Himanshu Bisani: Hello. Am I audible?

G Thiyagu: Yes. Very much, sir. Happy morning. Go ahead, sir.

Himanshu Bisani: Hi, sir. Thanks for the opportunity and congratulations for a steady state of numbers. Sir, my first question is regarding Reliance. What kind of conversations we are having with them right now? Are there any – you know, we have already mentioned that they are on a very much capex plan and we are a very prime beneficiary of that. So, what kind of conversations we are having with them now and are we expecting some big orders with them as well?

G Thiyagu: Yes, sir. Thank you very much for raising this question. I hope all our clients are aware, investors are aware of that, last year we booked almost last 3-plus years we have been consistently booking every year a good order from Reliance Group. Similarly, we are also expecting a good order from Reliance this financial year also, which is expected to be booked and also build before 31st March 2027. Another new project is in discussion, sir. Yes.

Himanshu Bisani: Sir, can you quantify that what kind of number is that in terms of order booking?

G Thiyagu: I think, sir, I would like to put forward like this, sir. As I repeatedly mentioned, as of now, this financial year INR1015 crores is already been booked and Q1 results are already announced. So, overall INR1015 crores, from the existing clients another INR400 crores are expected, sir. With that it served the purpose of this financial year requirement. Hopefully, if everything goes well, from Reliance itself almost INR250 crores plus or INR300 crores are expected. Hopefully, we would be winning that order.

Himanshu Bisani: Okay. So, the 400 crores which you have mentioned, out of that INR250 crores or INR300 crores could come from Reliance.

G Thiyagu: Yes. That's the reason I have mentioned…

Himanshu Bisani: Okay.

G Thiyagu: This financial year overall existing client's orders are in totality INR600 crores. Out of INR600 crores already INR200 crores been booked. Balance INR400 crores are there. Some of the clients I don't want to mention at this juncture because we are in discussion. Once the order is confirmed we would like to communicate properly to the exchange, then we will intimate, sir. Even now, I am right now in Delhi, I have come for a negotiation meeting today and I am at the airport, that's the reason a little noise is there on the background.

Himanshu Bisani: Understood. No issues, sir. Sir, on raw material volatility, there has been a lot of spike in the building material space. How are you looking at it and are these contracts that we have passed through? What kind of margins we are looking at after this volatility?

G Thiyagu: Sir, actually post March 2026 onwards we have been started mentioning the base price, also protecting the current market price. Both we have been addressed to the clients. Clients are very much aware of that, any contractor they are working with the trivial margin. So, any surprises, anything and everything, clients are willing to support, most of the clients. Some of the clients, Mr. Thiyagu, anything and everything you block it now and do the needful, that's what they are trying to communicate.

So, we are open and we are working towards with all our clients. With the blessings of God, all our projects we are protecting the base price including the material requirements on time.

Himanshu Bisani: Okay. So, majorly it is pass-through, whatever raw material you are facing it is pass-through.

G Thiyagu: Yes.

Himanshu Bisani: Which includes steel for the PEB as well, right?

G Thiyagu: Yes. The major portion is PEB, I mean steel and cement. In any project when it comes to PEB or RCC structures, steel and cement is the primary factors. So, we are protecting these two materials, sir. Yes.

Himanshu Bisani: Okay. Got it, sir. So, we are also, again so continuing that, what kind of EBITDA margins and PAT margins you are looking at for this year?

G Thiyagu: Sir, as I explained, we are looking at net profit, we are trying to sustain with the net profit of 10%, we are on the job. As I hope you are aware of that, now that we are going to inaugurate our PEB factory by 30th August, and hopefully from November-December onwards it will start fetching the building from our own facility also, that will also improve our bottom line further. At least for this financial year at least 4 to 5 months performance from the PEB factory also will support for the company.

Himanshu Bisani: Understood, sir. Thank you. Thank you so much.

G Thiyagu: Okay.

Moderator: Thank you. The next question is from the line of Ashish Khurana from A&K Capital. Please go ahead.

Ashish Khurana: Thank you for the opportunity. Congratulations, sir, on a Y-o-Y very good, firstly happy evening and then congrats on a Y-o-Y very good quarter.

G Thiyagu: Thank you, sir. Happy evening. Go ahead, sir.

Ashish Khurana: Sir, I had just one doubt. So, I think so we did INR200 crores in the first quarter roughly and then maybe, you know, if I take the July month maybe, you know, let's be slightly generous and add say INR100 crores, so maybe, you know, we did INR300 crores till July 31st. And then the order book on July 31st is around INR800 crores and you say that INR400 crores will come, so which will take us to INR1,300 crores -- INR1,400 crores. But my doubt was that I think in our previous calls, we had mentioned that even for our fast-track projects it takes around 7-odd months to, you know, complete the project.

So, whatever orders we get, you know, post August, so would we have time to complete them by 31st March and then, you know, be able to do that INR1300 crores -- INR1400 crores revenue? Or do you think, you know, we might run out of time in that regard?

G Thiyagu: Sir, actually thank you very much for raising the very good question. Over the current ongoing projects, any client when it comes to civil and PEB, that is skeleton, factory building box of the factory would be completed well within 5 to 6 months. Only the MEP works are extended to 4th, 7th month, 8th month, 9th month. So, when it comes to civil and PEB, any company when it comes to construction, obviously they push for their entire machineries to bring into the factory and install their production requirement.

So, even last year also when we started commencing the Reliance Campa-Cola Kurnool project, we have project started only on 13th September, 2025. We have successfully completed well within the March 2027 -- I'm sorry, '26. What we are trying to say that it is till October we are able to complete any civil and PEB buildings before March 2027, sir.

Ashish Khurana: Okay. And sir, so this quarter usually because of monsoon and all is slightly lower. So, how do you see Q2 that way? I mean, we still, because I think to do say INR1300 crores, we still need to do INR1100 crores in three quarters. So, maybe, you know…

G Thiyagu: Now, when it comes to execution, with the blessings of God all the projects are happening and whatever the orders in hand would be definitely completed before 31st March 2027. I don't see any challenges for the ongoing projects at this juncture, there's nothing is left out, everything is happening with the blessings of God everything is going on. The only challenge is we have to book -- I mean, August, September we have to book another INR300 crores, wherein comfortably we will be completing the entire 70% guidance would be ensured before 31st March 2027.

We are on the job as a company for sure. From August, September, October our guidance would be every month, we would be intimating at least our guidance should be INR100-plus crores booking for sure from August, September, October. With that the entire financial year will be highly successful. Yes.

Ashish Khurana: Okay. That's good to hear, sir. Just two more quick questions, sir. This PEB manufacturing unit that is supposed to come online in August end or September, so all the revenue is captive, right? It will only reflect in margins, so there is no additional revenue that will come from this, right?

G Thiyagu: No. Actually, it's not this financial year. For next financial year, of course, it will be added benefit because we are treating that PEB facility as a -- even though it is a part of company and we keep that as a separate business model wherein all the other competitor also take the PEB from us.

Ashish Khurana: Okay. So, this year there is no revenue, next year it will show a separate revenue, that is what you're saying.

G Thiyagu: No. I'm saying this year also there is a revenue. I'm talking about even the other third parties also can take PEB from our company. Now, that…

Ashish Khurana: Okay.

G Thiyagu: You mean, our own procurement. I am talking about our next financial year, unless even if third party company can pitch in and take the PEB from local.

Ashish Khurana: Okay. So, next financial year, it might have a revenue. Lastly, sir, so unbuild revenue…

G Thiyagu: No. Even this financial year, itself there's a revenue. I am talking about the – I would like to keep this PEB facility as a separate vertical varying. From this facility, we look forward at least INR200-plus crores turnover. Apart from the ongoing…

Ashish Khurana: Understood.

G Thiyagu: Business, that's the intention we are working towards it. Also to facilitate at Sathlokhar, bottom line improve we will also, hand in -- our own PEBs also will be facility also third party PEB will be also is from this facility.

Ashish Khurana: So, this year, then -- I mean, my next question becomes, this year how much because in INR1300 crores will there be some component from this PEB also this year.

G Thiyagu: Whatever the business Sathlokhar is executing, that is similar through the – obviously any orders from Sathlokhar main company, definitely the PEB will be the primary and focus should be handing over then new facility to manufacture wherein you will improve our bottom length margin further risk off.

Ashish Khurana: But from third party it may or it will come, but we currently can't give guidance for that whatever third party revenue come from PEB facility this year, right?

G Thiyagu: Yes. The point is that, as of now, our own requirements are huge, so obviously…

Ashish Khurana: Yes.

G Thiyagu: We are unable to -- yes, that's what I am trying to communicate. Whatever said and done, the bottom line of the PEB margins will go up when we execute our own with manufacturing facility.

Ashish Khurana: Yes. It is very clear now. Sir, lastly one small bookkeeping question, so if you are okay to share.

G Thiyagu: Yes.

Ashish Khurana: So, I think on 31st March, 2026, our unbilled revenue was I think around INR234 crores. So, out of that if you can share the figure for 30th June, 2026, if you have it handy? Otherwise, I mean, I can send an email or something.

G Thiyagu: Yes, sir. As of now as I mentioned, I'm right now at the Delhi airport…

Ashish Khurana: Yes.

G Thiyagu: Maybe once you mail us, we will come back to you, sir. Yes. Sure.

Ashish Khurana: Thank you so much, sir, for answering the questions patiently and all the best for rest of the year.

G Thiyagu: Thank you. Thank you so much.

Moderator: Thank you. The next question is from the line of Aniket Madhwani from StepTrade Capital. Please go ahead.

Aniket Madhwani: Yes. Hi, sir. Am I audible?

G Thiyagu: Hello. Happy evening. Yes. Go ahead, sir.

Aniket Madhwani: Yes. So, the INR22,000 crores bid pipeline you've mentioned. So, from that pipeline, how much do we expect to convert now to the -- for the year, in order book?

G Thiyagu: Sir, our conservative numbers what we are aiming is minimum 10% success, it comes to INR2200. Even if we are very too picky in selecting the clients also, fair enough we will be in a position to complete our 70% growth when it comes to last financial. That's what we are trying to communicate, sir.

Aniket Madhwani: Okay. Minimum 10% conversion we are expecting.

G Thiyagu: Yes. That fulfills this financial year as well as to carry forward to next financial year. The balance orders would be carried forward. Obviously when we execute civil and PEB, the further other works like MEP, electrical, those things would be carryforward to next financial year.

Aniket Madhwani: Okay. And next question is regarding your new facility, right? So, you mentioned INR200-odd crores is the revenue potential from your new facility. So, this would be contributing to your revenue from this financial year or next financial year?

G Thiyagu: Sir, I have mentioned for 12 months performance of this proposed facility would be our guidance is INR200 crores turnover from this facility, from the PEB facility. At this juncture, probably for 4-5 months we need to figure it out as of now. We are going to currently the construction of factory is almost about to very in completion stage. Hopefully, will be inaugurated by 30th August. And from there the consent to operate from pollution control board that's expected post installation only they will inspect and receipt of high tension power and fire license, all these statutory approvals obtaining and trial run of the machines will be started commencing results from November, December, January, February, March. 5 months performance would be expected from this facility, sir.

Aniket Madhwani: Okay. Fine. And what is the current capacity utilization?

G Thiyagu: Sir, at this juncture we are utilizing -- we don't have own facility. As of now, we just taken over two-three facilities under job order format where we deliver the steel and they do processing and job labor payment we are paying them and gets. So, we would like to figure it out with our own facility some, as I mentioned once the inauguration is there.

Aniket Madhwani: Okay. And if you could just highlight, I mean what margins can we expect to increase? I mean currently you are clocking around 10%-odd, 10.5%.

G Thiyagu: Around 10% is there. Sir, we are trying to improve once the PEB is under efficient manner definitely the profit margin would go up 1%-plus or 1.5% furthermore will be improved, sir. That's what we are trying to work out. And more than profit, it's our own facility where we are getting faster in construction, comfortability is there and assurance to the customers also would be more happy to give more business to Sathlokhar.

Aniket Madhwani: Okay. Got it. Thank you.

Moderator: Thank you. The next question is from the line of Tejas, an Individual Investor. Please go ahead.

Tejas: Yes. Happy evening and thank you for taking my question, Mr. Thiyagu.

G Thiyagu: Happy evening, sir. Go ahead, sir.

Tejas: So, couple of questions in terms of, sir, our order book has been, I mean we've not been growing. So, if you see even this quarter compared to previous quarter, our ending order book has declined. And even in March 2026 quarter, our order book has been declining. So, for two consecutive order quarters our order book has declined. So, although, we have been saying that, you know, that we've been getting orders, but I think last 2 quarters we missed that mark. So, how are you planning to rectify that?

G Thiyagu: Sir, in first please sorry to say that, definitely it's not declined. As you are aware of that, the total order book from even carry forward and until today INR1035 crores already we intimated. So, with even though the gestation challenges are there, the last from March onwards. Even I hope you are also an investor, you know, understand like how the clients are very careful when it comes to cost escalations are happened the last 60-75 days is a challenge and they have taken time to settle down.

However, to answer your question as of now the overall cumulative order for this financial year is INR1035 crores which stands good. And as I mentioned, the ongoing client itself is expected within 60-75 days we will be booking the required orders for this financial year guidance would be honored from Sathlokhar point of view.

With that I don't see any challenges on the last year performance of INR800 crores plus our guidance for this financial would be 70% -- above 70% is definitely would be ensured, sir, from Sathlokhar point of view.

Tejas: No, no, I understand that, sir, but the order book has declined. If I can just clarify, quarter one last year, we were, we ended quarter one last year with an order with an order book of INR421 crores. This quarter one, we ended with INR231 crores. And even see, similarly in March 26, we ended up with some close to INR721 crores, whereas previous we were at INR800 crores. So, now I understand what you are saying and makes sense. You are saying that because of war, there is some delay in the client, and I hope that going forward, that at least from quarter two onwards, we should see, we are able to see the growth in the order book. Otherwise, it might be challenging for us to achieve our numbers. That's my only point, sir.

G. Thyagu: Sir, at any given time, the Sathlokhar, in July month, in any of the financial, we never book across INR1,000 plus crores, sir. Even now, that's what I am trying to come, I don't know and -- which I would like to again highlight here. In the last three, four years, we never ever been booked within July, INR1,035 crores, whereas now, even though West Asia challenges are there, through the blessings of God we booked INR1,035 crores in totality. So I don't -- I'm unable to understand your question, however, to answer the question, I don't see any challenges from guidance on commitment to all the investors sir.

Tejas: Okay. Sir and in the order book in your PPT you mentioned that quarter one that we have closed with an order book of the number that INR271 crores you mentioned which you received during quarter one, but however in that, sir, the orders that we mentioned EDAC, Anabond and Reliance, they were actually received in March 31st. So have you considered that also in Q1 because only when you add up that of that three companies' number we end up to that number. So these were actually received by 31st March as per your intimation in the stock exchange.

G Thiyagu: That Q1 results are different than the recently booked orders, sir. In fact, EDAC and Ceylon the new orders are still it's not part of Q1, sir.

Tejas: But sir, as per your intimation it is given in 31st March, sir, in the stock exchange.

G Thiyagu: That's what, intimate LOI has been intimated, sir. We received the confirmation. Subsequently, EDAC even today the approvals are still going on. I am aware of that, even I had been to that CMD office, Chennai, to get that support. The new government is formed, it's still under process. What I am trying to say that receipt of order is there. Anyhow, we would, the especially the EDAC project not even started yet, still only land development works and approval works are happening which is part and parcel of Sathlokhar scope now.

Tejas: Okay. And sir, last question is that this land purchase that we are doing with the preferential amount and the warrants that were issued, that has been deferred or delayed slightly. And sir, that land has been purchased by related party. So sir, why are we purchasing a land from related party and if we are what is the ready reckoner rate versus what we are purchasing the land at?

G Thiyagu: Sir, sorry, sorry, I'm unable to understand question. Sorry, sir.

Tejas: Sir, there is a land purchase that we are doing for about INR23 crores, right, from a related party. We have already paid INR4 crores to that party. I think the party's name is Krishna, Lokesh Krishna, I don't know if yes.

G Thiyagu: Yes.

Tejas: And so sir, ideally, I'm just trying to understand why are we doing the purchase from a related party number one and number two if that is the case, sir, what is the ready reckoner rate currently versus what we are paying to the related party?

G Thiyagu: Sir, as of now we have been shortlisting seven locations with various legal approvals. Out of six locations everywhere there are challenges happened and at last we dropped and then started looking at our own related party land where we got all the approvals in place and banker also agreed to support including the legal approvals, all the commitment have given from their relative's point, that's the reason we have taken over that land under lease situation now.

And after obtaining all successful approvals only we are going to register the property. At this juncture, it is an national state highways, which is having more than 400 feet road touch property with the elegant one and with a different size of the property suits our requirement wherein we have taken over that property and started constructing. With that we are proceeding sir.

Tejas: No, so my question is, currently the rate that we have purchased versus what is the ready reckoner rate of the government? So is there a premium we are paying to related party? That's my question.

G Thiyagu: No, no, no. Only the valuation report from the bankers and also market prevailing rate only will be settled upon all the approvals are given to us.

Tejas: So is it possible to share that banker's report in the next quarter or whenever it's possible for you?

G Thiyagu: Yes, sure. Definitely, sir. There is a valuer -- third party valuer report has been obtained, based on that only we are working towards it.

Tejas: Okay, sir. Thank you. Thank you so much. That's all from my side. Yes, sure.

Moderator: Thank you. The next question is from the line of Sunil Kateshiya from Tanush Investments. Please go ahead.

Sunil Kateshiya: Happy evening, sir. How are you?

G Thiyagu: Happy evening. I'm fine, sir. Go ahead, sir.

Sunil Kateshiya: And congratulations for the good set of numbers. Sir, my question is you have mentioned in your PPT saying that roadmap to set up five to six PEB manufacturing units across India over next five years. I understand that we are inaugurating our first PEB setup by 30th of August roughly. And that will be for captive consumption and later on if the space is there, we will give it, I mean we will use that facility for others also and we will generate revenue.

Now this five to six PEB manufacturing units which we are going to set up over a five years' time, how much money, I mean capex will require, where will that money come from, or how will we fund that capex? And if you can help me how much revenue we can, we are planning to generate for a period of five years?

G Thiyagu: Sir, we have just mentioned about our guidance. After completion, successful completion of our first PEB facility, when we started taking high tension and our dream is to have six factories across India. At this juncture the first one is under construction stage. If everything goes well, every year we would like to have one PEB facility in a different location wherein it serves the purpose of transportation cut and also to facilitate the customers to get a faster PEB buildings to the global standards. That's the plan.

And at this juncture our guidance only first factory is under construction. Post successful commissioning of the PEB we would like to take it forward as mentioned the second PEB factory, we are likely to move that facility for the next financial year would be Odisha, sir, at this juncture.

Sunil Kateshiya: Sir, how will we fund this capex? How much will be the capex to set up a new factory?

G Thiyagu: Yes, see for three lines facility, I would like to overall the investment would be as at this juncture we are managing with our internal accruals. Also we are trying to take lease models wherein we would be paying the monthly lease basis, sir. Yes.

Moderator: Sorry to interrupt Mr. Thiyagu, but there's a lot of disturbance from your line.

Sunil Kateshiya: Sir, you have answered some of the questions of related to capex for the PEB facility, you have mentioned saying that you will do internal accrual initially. Correct?

G Thiyagu: Yes, you are right, sir.

Sunil Kateshiya: And later on we will, I mean I don't know whether it will be accrual or whether it will be fundraising or something. One more question related to the same thing. Sir, already our supplier like Epack, currently who is supplying to us, right, for PEB works? Epack and all. So like Epack there are another various companies who are doing expansion of their facilities. So considering the demand and supply, are we still see a lot of demand as far as PEB work is concerned and we are looking for expansion of our factories in PEB facility?

G Thiyagu: Yes, of course. That's a big difference between EPC is getting into PEB, when it comes to PEB is making PEB. We are an EPC company. Hello, sir, can you hear me, sir?

Sunil Kateshiya: Yes.

G Thiyagu: Hello? Sir, we are into EPC turnkey construction company. We need, we consider EPC as including civil, PEB, overall in totality. When it comes to PEB they are only supplying the PEB. They are not involved in civil and other packages like electricity. We're a turnkey contractor. We take barren land, we complete the building and call for inauguration. So that's the kind of difference between the clients' perspective, sir.

Sunil Kateshiya: Understood. So and only from PEB facility over a period of five years, how much revenue we are expecting? Only from PEB facility.

G Thiyagu: Sir, at this juncture I would like to address like the way in which we are executing now, from our first factory we expect at least minimum 1200, I mean almost 18,000 ton per annum. Minimum conservative number. With that INR180 crores turnover minimum to maximum INR200 crores turnover.

Even if it comes to 10% net profit, I hope you will understand what is the advantages, the advantage we are talking about at Sathlokhar is we are not only into PEB, we are a turnkey contractor. Companies like as of now in India, we have executed one-by-one manufacturing building.

Even today I am at Delhi, I am the only EPC construction company I have participated when it comes to other companies just a PEB company have pitched in, all that top-notch companies have attended. Whereas the client is giving importance to Sathlokhar because we execute from the taking over from barren land, land development, compound wall, civil, PEB, and totality including electrical mechanical overall.

That's the strength of the company where they give value to the EPC partners. That's the area where we are strengthening. The whatever the names you have mentioned they are also sub-contractors, they are, they have executed some of our projects with the good note, they become our PEB partners too. So that's what I am trying to communicate, clients are not looking at us the PEB partner, they are looking at a turnkey construction partner as Sathlokhar, sir. Hello, sir?

Sunil Kateshiya: Sir, audible, sir. Audible, sir. Sir, you are audible. I said thank you so much, that's all from my side.

G Thiyagu: Yes, sir. Sorry, sir, I'm right now sitting at the Delhi airport, I don't know what's happening.

Sunil Kateshiya: No, that's okay. That's okay. That's okay. Yes.

Moderator: Thank you. The next question is from the line of Sunny Singhal, an Individual Investor. Please go ahead.

Sunny Singhal: Sir, I wanted to ask that can you explain about the NCLT proceeding that were being intimated?

G Thiyagu: Sorry, sorry?

Sunny Singhal: Can you tell the status currently of the NCLT proceeding which were going on?

G Thiyagu: Yes, sir. In fact, yes, sir, you're right, sir. The NCLT proceedings we have got the stay from the NCLAT on the earlier company where I served and given personal guarantee where the total challenges as the early in 2014 that company have taken INR2-plus crores loan. I was signing as a guarantor in 2014. I resigned and left that organization 2016 and post eight years' gap on 2022 they were coming to me as a personal guarantor.

Whereas the NCLAT clearly mentioned it's a time-barred case and also as long as they have shared that the property have been sold out, they taken shared that whatever the money being taken from that company and the banker. It becomes the personal guarantor contractually it is become null and void.

So with that base, NCLAT had given stay to my case and I hopefully our advocate and legal team with the Lordship's blessings, we will be out of this case sooner, sir. Yes. The challenges maximum INR2-plus crores and above all they already sold out the property and shared that INR1-plus crores, that has been intimated, sir.

Sunny Singhal: Okay, sir. And sir, in the next three to four years, at what speed do you see Sathlokhar reach?

G Thiyagu: Sir, our 2028 we are aiming to have at least around INR2000 crores, sorry sir, 2027 our guidance should be around INR2000-plus crores and 2028 around INR2400 crores. 2028 would be around INR3000-plus crores, sir, yes. Our guidance.

Sunny Singhal: Okay, sir. Thank you, sir. Thank you for the word and best of luck for the future.

G Thiyagu: Thank you, sir.

Moderator: Thank you. The next question is from the line of Jay, an Individual Investor. Please go ahead.

Jay: Good evening, sir, and great set of numbers, congratulations to all the team members. Yes, can you provide more details on the current accounts receivable right, the payable, and the short-term borrowing?

G Thiyagu: Sir, as of now we have taken --Vijay Kumar sir? Hello?

P. Vijaykumar: Yes, sir.

G Thiyagu: Yes, can you just share the details, sir?

P. Vijaykumar: Yes, sir. So the receivables as of 30th June stands at INR99 crores approximately including the retention amount.

Jay: Sorry, sir, can you repeat again? 30th June, the receivables?

P. Vijaykumar: Receivables as on 30th June stands approximately around INR99 crores.

Jay: Okay.

P. Vijaykumar: And as on date receivables stands at around INR60 crores excluding retention money.

Jay: Okay. And what about this payable and what kind of short-term borrowings have we availed?

P. Vijaykumar: Just a second, sir.

G Thiyagu: Sir, when it comes to long term, long term overall around INR250 crores overall bankers we have got the sanction and out of that 70-30, 30% for bank guarantee and 70% for working capital limit. And at this juncture, we have almost utilized 70% of the money being taken for the cash flows, sir. Yes.

P. Vijaykumar: Around 180, sir.

Jay: Okay, okay. So that is 70% of INR250 crores which is what around INR175 crores approximately that you have taken and the rest is the bank guarantee.

G Thiyagu: Yes, yes, sir. Yes, sir.

Jay: Okay. Yes, that's all I had, sir. Thank you.

Moderator: Thank you. The next question is from the line of Anboli, an Individual Investor. Please go ahead.

Anboli: Hello? Hello?

G Thiyagu: Hello, yes sir, go ahead, sir.

Anboli: Good evening, sir.

G Thiyagu: Happy evening, go ahead, sir.

Anboli: What's the price hike that we have made to customers from last years to this year, when compared to last year, how much we have increased the price for the service?

G Thiyagu: Sir, you need to see that, sir, we always operate with the based on the current market price and then we quote for the zone-wise location-wise wherever we get the tender. So it depends on the that particular tenure whatever the prices have been from the market including labors we used to receive and then quote.

So there is no standard price which we like to highlight year on growth. As you are aware of that, 7% to 10% is growing in a construction sector across India but normally when it comes to zone-wise location-wise, even tenure-wise we used to take. Even when we get any tender from any location we always go to the local place where we get the all the aggregate rates and that particular area's steel price, cement, everything we used to capture and then only quote.

So there is no standard price to the location, I mean it's not standard ones. It varies from location to location, sir. And tenure to tenure, sir.

Anboli: Okay. I got it because just when compared to last year this we could see same price in your brochure. That's why I'm asking this question.

G Thiyagu: Sir, the message I would like to highlight here. We used to mention in our INR996 per square foot of factory building. There is a conditions mentioned. So whoever is getting the INR996 we used to submit the entire what are all the scopes included for INR996 which includes civil and PEB. What are all the inclusions and exclusions?

The point here is that the price what we have mentioned in the marketing for INR996 remains same for the when we started 2018. The advertisement we had mentioned about 12 meters height of the building. Over a period of time we have reduced and brought down to seven meters with our side meter height, side height.

The price we fixed whereas the market rate we have not changed. The challenge was we have brought down the height of the side building from 12 meters to 7 meters.

Anboli: Yes, I got it. It's working like shrinkflation.

G Thiyagu: Yes. Okay.

Anboli: Sir, and what about, what sort of projects that we are looking eyeing at government sites?

G Thiyagu: Sir, at this juncture the focus, entire focus as a company, well last one-plus decade 99% we used to book only the private companies and private companies. Very, very trivial projects we used to tender for the government project. As of now when it comes to the new government, probably we are interested to focus and bidding for government projects also, considering the current government they mentioned about certain good policies have been framed out.

Yes, yes%. So hopefully we'll be participating government. But as a company we have executed more than 80% of multinational companies projects and 20% Indian companies such as Reliance, TVS, even Godrej all these top-notch even Pepsico all the Indian companies are also reputed companies sir.

Anboli: So coming to say that from TVK government you will be eyeing more government projects as well, right?

G Thiyagu: Sir, we will be – with merit gains we will be submitting our bidding and if everything goes well, if it suits government requirements and if it suits our requirements, we may even focus to book the government project. But as a company, we're allowed to execute more private and multinational companies. We are on the job.

As you are aware of that, already INR22,000 crores have been bidded. Even 10% conservative number is more than sufficient to cater for this financial year as well as next financial year. And as I already intimated, almost in our bidding more than 22,000 clients are there in our pipeline in touch. So for next one decade we don't see any challenges in getting new enquiries as well as the current ongoing clients as I mentioned.

One of the investor's meeting the day we received more than 300 clients in our books. Every year 60% to 70% of the growth would be honored from the existing clients itself. For example, if you are going to construct a factory today, obviously you will grow a tendency to grow in five or six year you will go for either expansion of your own project or look for a geographical new location to construct your own next project.

So with that concept we have been executing more repeat order from various times including Reliance, even some of the S&F Apparel Limited, Chem-In and Poly-Jack. So many other clients as even Taiwanese companies, many companies are coming. Whoever is tasted Sathlokhar performance in terms of safety, quality and on-time completion, definitely the tendency to call only Sathlokhar to give further project. So with that trend I'm sure in from 2017 onwards 70% to 80% of the orders are expected from the existing clients' book itself, sir.

Anboli: Okay. Sir, one final question. From the existing bid pipeline, just when how much percentage will be converted? I got it just around 10% but when we can come to know that this percentage will be converted, when is the deadline kind of thing?

G Thiyagu: Sir, I would like to put forward like this. See, as I mentioned we are very choosy in signing off with any clients because we should know their interest level because as you are aware of that last year also, we have communicated four-digit number and we ended up with three-digit number as INR400 crores to INR800 crores.

The point here is that even though we have bidded INR22,000 crores, we are very choosy in looking at the clients and the way in which they looked by investments and the way in which they looked at the contractors' expected margin, everything is matters a lot. So we are very choosy and at this juncture as I mentioned, even the conservative 10% is very much well within the limits of our 70% guidance for the last year to this year, sir. That's what I am trying to put forth.

Anboli: No, no, just what I'm asking is just there will be deadline, no? Just from this bid pipeline will be converting to order. Just when we can expect at least some timeline will be there, no? That's what I'm asking.

G Thiyagu: Sir, I would like, sir, imagine you are my client, sir. When the moment you saw the advertisement, you're calling us and getting the quotation. On what grounds should I explain that you may be interested to purchase a land, you may be getting the quote on with the interest level or we don't know you are going to work with the banker or your clients are going to sign off your proposed business. How do we communicate? For us any projects when it comes to trigger, at least nine to 12 months are happening, sir. That's what I understand from the client. Okay. I think I answered your question.

Anboli: Yes. Okay. Thank you, sir.

Moderator: Thank you. The next question is from the line of Darshan Patel from Top Secret Holdings. Please go ahead.

Darshan Patel: Good evening, am I audible?

G Thiyagu: Happy yes, very much, happy evening, sir.

Darshan Patel: Yes, so my question is kind of an extension to a previous question asked by someone else. So it is based on the land acquired by related party. So this land is not related to the PEB manufacturing plant which is going to be inaugurated on 30th August, right?

G Thiyagu: No, with that land only we are constructing a PEB factory.

Darshan Patel: Okay, so this would be an extension? This land would be an extension of sorts?

G Thiyagu: No, no, this land we have taken over at this juncture the commitment from the related party to get all the approvals. After commissioning of all then only we will be proceeding for registration, sir. Until then all the commitment from the landlord to support for the entire process of all the approvals.

Darshan Patel: Okay, okay. Got it, got it. So if I'm not wrong...

G Thiyagu: I would well love to welcome all the investors to come to our facility wherein you all appreciate it's a National State Highways property where the 400 feet touch in the property. In fact, some of our clients also we have shared with the videos and pictures. If time permits, I will also share once inauguration time we share the pictures.

It is the National State Highways road 400 feet road touch property wherein it has been shaped up well and we have taken over this property with the valid reason that legally it is free from all encumbrances and it supports all the required legal requirements. In fact, we have been identified seven locations we are not satisfied with the legal front that's the reason we are proceed with this property, yes.

Darshan Patel: Sure, sure, sure. So is this the reason why

G Thiyagu: the Bangalore Highway, it is very near to that Bangalore Highway, yes.

Darshan Patel: Okay, okay. Got it, got it, got it. Now next year. So is this one of the reason why the price is such so steep? It is INR6 crores for an acre, right? Is it because it's close to the highway? Or is it like the market rate?

G Thiyagu: No, no, it's a prevailing rate, sir. It's a market today's prevailing rate. That particular zone is huge because of the location is getting developed it is developed a lot because very near lot of other industrial zones are there, SEZ zones are there, Tata Motors, everything is very near to that location.

Darshan Patel: Got it, got it. Understood.

G Thiyagu: And on the same road and on the same zone where the it all comes under the Ranipet that particular zone where the connecting the Bangalore Highway, yes.

Darshan Patel: Okay, so should we expect that the value of the asset would also kind of increase in the coming years?

G Thiyagu: Sorry?

Darshan Patel: Would the value of the asset or the land also increase in the coming years?

G Thiyagu: Yes, the purpose of the PEB factory land and building for our future banking requirement because any bank when it comes to funding, they are asking for a collateral. So we need to have a collateral to handover the banker to support for the working capital and BG limit. As of now we are giving most of the properties as FDs. So they always, when it comes to land, the land value will grow automatically every year. The growth of those values also added for our future requirement instead of giving as a FD to the banker to get that margin money.

Darshan Patel: Got it. My second question is your PEB manufacturing facility. So it's based in Tamil Nadu as of now. So this facility, is it capable of supplying pan-India? Or I mean, previously you said that you also kind of plan to start different manufacturing units across India, but particularly this plant in Tamil Nadu. I mean, what is the proximity or what is the scope of the location of your client?

G Thiyagu: Sir, as I mentioned, it is exact the location where the Tamil Nadu is particularly from Chennai to Bangalore Highway is the area where lot of developments are going to happen. And as you all know that when it comes to almost 380-400 kilometers right and left, you can see lot of land parcels are there. And as you are aware of that, many company, many including Ola, Tata, and this side everywhere there is a industry. So that's the area where we are now already started constructing a PEB factory.

Sunny Singhal: Even for the other location like Cheyyar and even the other it is almost part of junction where I would like to come on...

Darshan Patel: Okay. Now my question was my question is that if there is a demand from let's say North India, somewhere in UP or Bihar, will this manufacturing facility be any help?

G Thiyagu: Sir, as I mentioned in one of the meeting, even transferred from Chennai to Varanasi and during Kumbh Mela period for constructing of Campa-Cola project from Chennai PEB factory, sir.

Darshan Patel: Got it, got it. Alright, thank you. My last question is in coming years, let's say in next three to five years, one of our competitors is already holding certification like AISC or CWB which gives them the opportunity to sell in North America. I mean, are you kind of planning on certifying your manufacturing unit in the next three to five years? It may be too soon to say right now, I understand, but is it something where you're looking at outside of India? Yes.

G Thiyagu: Yes, we have plans to export to export plan is there, but not particularly 1-2-3, sir. We have plans to export because some of the companies in India they are exporting, they are doing only exporting the PEB and I am also in the plan to export shortly maybe from 2027 onwards.

Darshan Patel: Got it, got it. Thanks for answering all my questions. Best of luck to you.

G Thiyagu: Thank you, sir. Thank you.

Moderator: Thank you. As there are no further questions from the participants, I now hand the conference over to Mr. Parth Acharya for closing comments.

Parth Acharya: Thank you everyone for joining the conference call of Sathlokhar Synergies E&C Global Limited. If you have any further queries, you can write us at research@kiranadvisors.com. Once again, thank you everyone for joining the conference.

G Thiyagu: Thank you, sir. Thank you all.

Moderator: On behalf of Kirin Advisors Private Limited, that concludes this conference. Thank you for joining us and you may now disconnect your lines.

G Thiyagu: Thank you.