"Sathlokhar Synergys E&C Global Limited Q4 FY '26 Earnings Conference Call"

May 29, 2026

MANAGEMENT: **MR. G. THIYAGU – PROMOTER, CHAIRMAN, MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER, 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 Q4 and FY26 Earnings Conference Call.

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

Please note that this conference is being recorded. I now hand the conference over to Mr. Parth Acharya from Kirin Advisors. Thank you and over to you, Mr. Acharya.

Parth Acharya: Thank you. On behalf of Kirin Advisors, I welcome you all to the conference call of Sathlokhar Synergys E&C Global Limited.

In the Management Team, we have we have Mr. G. Thiyagu – Promoter, Chairman, Managing Director, and CEO. With that, now hand over the over to you, sir.

G. Thiyagu: Happy afternoon, everyone. On behalf of Sathlokhar Management Team, I welcome you all to Sathlokhar Synergys E&C Global Limited Q4 and FY26 Earnings Conference Call. We appreciate your participation and continued interest in our company.

FY26 has been a defining and exceptional year for us. During the year, we achieved record order inflows, crossed INR 800 crore revenue milestone, significantly strengthened our execution capabilities and continued expanding our presence across multiple high-growth industrial and infrastructure segments. We are established in the year of 2013 and headquartered in Chennai, we are an integrated EPC-20 construction company providing end-to-end execution services across design, civil works, PEB structures, MEP systems, solar installations, interior fit-outs, utilities and statutory approvals.

We execute projects across industrial, warehousing, commercial, healthcare, institutional, hospitality, pharmaceutical, textile, food processing and renewable energy sectors with strong in-house execution capabilities and pan India delivery presence.

What differentiates us is our fully integrated execution model with dedicated in-house architecture, civil, PEB and MEP teams enabling better project control, faster execution timelines, cost efficiencies and superior delivery quality. Over the years, we have built strong execution credibility supported by experienced leadership, digitally enabled project monitoring systems and a diversified repeat client base.

Over the last nine years, we have invested more than INR 7 crore towards targeted marketing and business development initiatives generating over 60,000 leads and 23,717 plus active prospects helping us build a strong long-term demand pipeline. Our outreach includes participation in 29 plus industrial and construction expos across India along with airport hoarding, television campaigns and print media visibility across key industrial markets.

Coming to the key operational development since January 2026:

One of the most important milestones was the foundation stone laying ceremony of our state-of-the-art PEB manufacturing facility conducted on 28th January 2026. The facility is expected to be inaugurated on 30th August 2026 during the Company's Annual Day celebration. This initiative marks an important step towards background integration and expected to improve supply chain control, execution speed, operating efficiencies and overall margin profile through enhanced in-house manufacturing capabilities. The facility will cater to both captive project requirements and as well as external customer demand.

Over the next five years, we plan to scale this vertical aggressively with multiple PEB manufacturing facilities across India. This expansion also aligns with our broader strategy of building an engineering-led organization rather than a conventional labor extensive construction company. Our core focus continues to be on PEB, MEP, transformers, utilities and automation driven execution.

Today, only around 30% to 35% of our operations demand a conventional civil labor while the majority of execution is driven by engineering and technical professionals and this model enhances scalability, execution speed, operational efficiency and margin stability.

Another important achievement during the quarter was attaining the prestigious Class 1A PWD Contract Registration, the highest category of registration under the Public Works Department. This strengthens our technical positioning and significantly enhances eligibility for large value infrastructure and civil work projects.

I am pleased to share that our current confirmed carry forward order book was to be executed stands at INR 700 crore as of today, providing strong revenue visibility for the coming period. In addition, we have submitted bids aggregating to approximately INR 19,831 crore with both existing and new claims.

Historically, we have maintained a bid conversion ratio of approximately 10% to 12% which gives us strong confidence towards sustaining future growth momentum and achieving our targeted expansion plans.

Coming to the financial performance:

We delivered outstanding growth across all major financial sectors during both Q4 and FY26.

For Q4 FY26 total income stood at INR 278.66 crore registering a strong year-on-year growth of 48.33%. EBITDA increased by 105.32% to INR 43.95 crore with EBITDA margin improving by 4.88 basis points to 15.77%. Profit after tax for the quarter stood at INR 30.26 crore, reflecting a growth of 64.59% while earnings per share increased to INR 12.16.

For FY26, total income crossed INR 823.56 crore registering a strong year-on-year growth of 121.30%. EBITDA rose to INR 117.88 crore with margins improving to 14.31%. Profit after tax stood at INR 82.32 crores reflecting a robust year-on-year growth of 1.1.03% while earnings per share increased to INR 33.08 up 112.32% on year-on-year.

The standalone financial results of the company have been prepared in accordance with the recognition and measurement principles laid under the Indian Act Accounting Standards prescribed under Section 153 of Companies' Act, 2013 Reg with the relevant rules issued there under other accounting principles generally accepting in India and Regulation 33 of SEBI, Regulations 2015 as amended.

The financial results of the quarter and year-ended March 31, 2026, represent the first financial results of the company prepared in accordance with the IndAS. The company has adopted IndAS with effect on April 1, 2025, with April 1, 2024, being the transition date. Accordingly, the comparative financial transformation for the quarter and year-ended March 31, 2025, has been restated in compliance with IndAS 101, first time adoption of Indian Accounting Standards.

For certain contracts, advances received from customers prior to the incurrence of related projects, costs are recognized as contract liabilities and are subsequently adjusted against revenue upon the incurrence of costs and satisfaction of the related performance obligations in accordance with the company's accounting policies. Pursuant to the adoption of IndAS, the balances appearing in the balance sheet and statement of the profit and loss have been restated. Consequently, certain line items and financial metrics of the current and comparative periods may not be directly comparable with those previously reported under the earlier accounting framework.

We believe this performance reflects our strong execution capabilities, operating leverage, benefits, diversified sector presence and continued focus on operational efficiency.

From an industry perspective, we continue to witness strong private sector capital expenditure across manufacturing, warehousing, renewable energy and electronic sectors, increasing investment towards factory expansions, larger food parks, industrial campuses and export oriented manufacturing facilities continue to create healthy opportunities for integrated EPC and turnkey construction companies with the strong execution capabilities and fast-track delivery strength.

At the same time, we are witnessing gradual consolidation within the EPC and industrial construction sector with fewer players possessing the technical capabilities, execution bandwidth and compliance standards required for a large-scale project. We believe this evolving industry structure creates meaningful opportunities for established and execution-focused companies such as Sathlokhar to expand market share and participate in larger projects.

Looking ahead, our focus remains on expanding execution capacity, strengthening our backward integration capabilities through the upcoming PEB manufacturing facility, improving operational efficiency, scaling our pan-India presence and continuing to build a strong and diversified order pipeline.

From an executive perspective, we continue to maintain a strong competitive advantage through labor retention and manpower readiness. Despite labor migration challenges across various regions, we have successfully retained our core workforce, 5,500 plus laborers, through long-standing relationships and a stable subcontractor ecosystem.

We have further strengthened our engineering and project execution teams and maintained reserve mobilization capacity to ensure timely execution of upcoming projects without resource constraints.

With a healthy order book, robust bid pipeline and improving business opportunities, we remain confident about sustaining our growth momentum over the coming years.

With this, I would now like to hand over the call for further discussion and questions and answers. Thank you all.

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

Suyash Jaywant Mantri: My question was, with new political party coming in power in Tamil Nadu, do you expect any negative impact in getting new orders, as well as executing ongoing projects, and will it affect the receivables?

G. Thiyagu: Sir, can you please repeat the question again, sir? Sorry, sir. Your voice is not louder.

Suyash Jaywant Mantri: One second.

Moderator: Mr. Mantri, please can you speak a little louder? Thank you.

Suyash Jaywant Mantri: With new political party coming in power in Tamil Nadu, do you expect any negative impact in getting new orders, as well as executing new ongoing projects? Will it affect the receivables?

G. Thiyagu: Sir, we are very positive when it comes to Tamil Nadu. At this juncture, the new CM and the whole team, they are looking at direction pre-government proceedings when it comes to government projects, as well as private investments front. I hope we are very positive, and I am sure even Sathlokhar can participate, even for government tenders, not like earlier we avoided. I hope things will change in Tamil Nadu in a positive, vertical growth path. That's what I understand from the government now.

Suyash Jaywant Mantri: Okay, there will be no effect on the receivables in the projects or orders?

G. Thiyagu: Yes, yes, yes. All our, hopefully, all our clients, whoever have already invested land, they will definitely proceed to invest and execute the project. The only challenges currently what we are facing on the war front, because of the war and the fuel and some of the material costs are up and down on a weekly basis, that's the only threat. Otherwise, once the war comes, becomes normal, things will go properly, and everybody will look for the opportunity cost instead of waiting for this material cost. So, we are very positive on that front.

Suyash Jaywant Mantri: Okay, sir. So, my next question was, so apart from Tamil Nadu, which other states you are focusing on? And how much orders do we expect from the other states? And from the bid pipeline of INR 19,800 crores, what is the bid pipeline from outside Tamil Nadu?

G. Thiyagu: Sir, thank you very much for raising this question. As a company our performance for the last two years, only 40% with respect to Tamil Nadu, apart from the out of 100%. So, 60% of the projects we executed the last two years, and even for the future also, our focus is more on not only restricted to Tamil Nadu. But of course, what you mentioned is, the last year, our turnover from the Tamil Nadu is restricted to 40%, the balance 60% from the outside Tamil Nadu. As you correctly mentioned, at this juncture, they are concentrating more apart from, of course, Tamil Nadu and also our neighboring states, including Maharashtra, and also Varanasi and Odisha. So, the bids where we have participated both states are flourishing. I am sure across India, all the states are now in an upward direction. We are very confident that in the next 20 years, the EPC segment industrial growth will be much, much better than the older years.

Suyash Jaywant Mantri: Okay, sir. So, can you give me any number like out of INR 19800 crore bids, what is the Tamil Nadu bids and what is outside?

G. Thiyagu: Sir, around INR 9000 plus crore would be from Tamil Nadu. Others are from other states, including some of the offers we submitted in Sri Lanka.

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

Moderator: Next question comes from the line of Sudhir Bheda from Bheda Family Office. Please go ahead.

Sudhir Bheda: Yes, sir. Thanks for the opportunity and congratulations on a good set of numbers.

G. Thiyagu: Thank you, sir.

Sudhir Bheda: Sir, my question, recently we have not won any orders. So, order book is INR 700 crore. So, how much order will you win and execution you will do in the current financial year? So, what is the target of revenue for the current financial year?

G. Thiyagu: Thank you very much for raising this question. On the date of 1st April 2025, when we have commenced the last financial year, our carry forward order was INR 300 plus crore. And thank

God, it is above INR 700 crores. That means almost we have doubled up the carry forward, doubled up the turnover. And with that trend, the purpose of referring the old one is to give you clarity that when we come up, 1st April 2025, we had INR 300 plus crores. When we are commencing from April 2026, we had INR 700 plus crores. And for sure, the ongoing projects, wherever we execute projects, those six, seven projects, we are now executing Phase-I. Obviously, the intention of continuing at those projects, already we have established our overheads, and those clients are also very positive. And we will be continuing to get further orders from the same segment that we had mentioned, including where we execute, we have platform to perform to get Phase-II, Phase-III, Phase-IV orders. And some of the projects where we are now executing, they have four years business model, wherein the actual 400 acres, 600 acres, 700 acres, some of them 250 acres. So, for sure, the ongoing existing clients itself, we are expected to move INR 500 crores to INR 600 crores further within this financial year itself, we will receive the orders, we will build and the turnover will come to the existing over and above INR 700 crores. So, for our confidence that INR 700 crores, the carry forwarded plus INR 500 crores to INR 600 crores worth of orders from our existing clients will get, even though we have participated, it is well within the INR 19,000 plus crores. That's the reason we have mentioned existing and new clients, we have participated INR 19,000 plus crores. And our conversion rate in the past also, minimum 10% is there. In fact, 12% to 15%. Even if you convert a conservative 10% itself, a good number wherein, we would be in a position to complete and achieve our guidance for this financial year.

Sudhir Bheda: So, the turnover would be approximately INR 1200 crores, is that what you are saying?

G. Thiyagu: We are saying above 70%. Our guidance is for this financial year above 70%.

Sudhir Bheda: Above 70% of what?

G. Thiyagu: From the last year turnover, INR 820 crores plus 70% over and above.

Sudhir Bheda: Oh, that's great. So, it's almost INR 500 crores to INR 600 crores more. Yes. And from the last year also you have guided good turnover around INR 900 crores to 1000 crores, but that guidance was not met. So, this time you are confident that 70% over and above the FY26 numbers, you will be able to clock that kind of turnover?

G. Thiyagu: Sir, even in the past also, as you know that we had scaled up, as I mentioned repeatedly, from INR 87 crores to INR 247 crores, INR 247 crores to close to 400, now that INR 400 crores to INR 800 crores. For sure, as we have already been working with various clients, our own existing clients, we are expecting another INR 500 crores to INR 600 crores. We have 100% confidence and guidance would be for sure above 70% than the last year performance.

Sudhir Bheda: Oh, sure. And as you said in the opening remark, your pre-fab facility will start from September onwards, right?

G. Thiyagu: Yes, from September onwards. Yes.

Sudhir Bheda: So, what kind of margin you will be able to do in the second half of the year? Because the major turnover will come in the second half. So, what will be the improvement in the EBITDA margin after the commencement of backward integration?

G. Thiyagu: Sir, to answer your question, in our business model, as I mentioned, overall, 100%, 35%, 35%, and balance is 30% for utilities and MEP works. So, 35% contributing from PEB sector. So, if not a whole 100% of the financial year, for sure, H2 would be much better than H1 when it comes to PEB growth in the bottom line. We are expecting to improve the bottom line. For the whole financial, we are trying to improve 1% on the bottom line. For the half of the financial year, we may expect 25% growth from the last year's performance.

Sudhir Bheda: Thank you. Thank you for the opportunity and all the best. Thank you very much, sir.

Moderator: Thank you. Next question comes from the line of Taher Hydrabadwala with Grobizfund. Please go ahead.

Taher Hydrabadwala: Congrats on a good set of numbers and thank you for the opportunity, sir. Sir, I have 3-4 questions. First, regarding how you have delivered great numbers double the top line, as you have mentioned already. One question on the balance sheet front. There was a line item, other current assets, which increased from INR 50 crores to INR 340 crores. Can you provide a breakup if what does it include, unbilled revenue, contract assets, or anything on that side? And what is it about? It has gone from INR 50 crores to INR 340 crores.

Management: The significant increase in the other current assets is on account of the unbilled revenue, sir. It includes the unbilled revenue to the extent of INR 234 crores.

Taher Hydrabadwala: Okay, okay. And in how many months this will be created, this will be encashed.

G. Thiyagu: Between 90 to 120 days maximum, sir.

Taher Hydrabadwala: And, sir, also on the receivable side, it has come down from 108 days to 34 days. It is a great number. But was this because of the reclassification to other current assets or this 200 number which you said is a new number?

Management: No. The earlier part you asked on account of unbilled revenue, that is a significant increase that is there. And the other part you are asking about the trade receivables, sir?

Taher Hydrabadwala: Yes, yes. I am talking about trade receivable days decreased from 108 days to 34 days. So, this can be because of the receivable, we may have saved some of the receivable to other current assets, to unbilled revenue. Is there a way or unbilled revenue which you mentioned of INR 200 crores is a whole new order or is anything?

Management: No, this is part of this. So, unbilled revenue is of the existing customers only. This one is separate. This is a bill raised to the customer. This is a whole of the contact work done and bill raised to the customer.

Taher Hydrabadwala: So, we can see the similar levels of working capital days is going forward?

G. Thiyagu: Yes.

Taher Hydrabadwala: Okay. And is there anything on the operating cash flow side you can mention when can we expect it to get positive?

Management: Sir, already within May, we have already collected around INR 60 crores to INR 65 crores from the debtors. So, already debtors, whatever pay receivables as on 31st March. So, the extent of INR 65 crores is already collected. And maybe in another 15 days, we will collect the balance amount also.

Taher Hydrabadwala: Okay, sir. Thank you. This was from my side. Thank you, sir.

Moderator: Thank you. Next question comes from the line of Ashish Khurana with ANK Capital. Please go ahead.

Ashish Khurana Thank you for the opportunity, sir. Happy afternoon and my compliments again on good P&L.

G. Thiyagu; Thank you, sir.

Ashish Khurana: So, I know that you have commented on the order inflow. Just some elaboration on it. So, I think since November, if you see, probably we have gotten lesser than INR 100 crores of orders and our pipeline has been INR 15,000 crore plus since that time. And, I mean, you mentioned that the demand environment is strong, but probably you also yourself would not be that happy with conversion. So, just wanted to understand in a more elaborate way, are there internal reasons, external reasons on why this conversion has slowed down? If you can, like, throw some more light on that.

G. Thiyagu: So, as you all know that now from March 2026 in India, most of the investors, including you, might be having second thoughts what's happening in India. There are just the pause button, the investment perspective, they have a second thought, how it is the market, the steel price has gone up to per ton, INR 12,000 cost escalation and market cost escalation gone up to 5% to 6% of the cost per square foot. So, obviously, when it comes to investors, they expect the war should come down and they expect that normal price. It was earlier INR 60,000 ton become INR 75,000 ton. Now that it has come down to INR 60,000 ton. So, obviously, the thing is that everyone wanted a reasonable price. Even our own PEB factory, we had waited and now only we are starting with the PEB proceeding. The purpose, we don't want to invest INR 10,000 per ton during the war time because the tonnage cost has gone up to INR 15,000 per metric ton. So, the intention and the purpose of sharing all this, when Sathlokhar itself had a plan to inaugurate the factory by

30th August, we ourselves have pressed the pause button for 45 to 60 days to see that the prices have come down to invest and then execute the project. Same way, all the investors are also with the same thought process and I am sure from June onwards, things will change and everybody looking at the opportunity cost instead of waiting cost.

Ashish Khurana Got it. So, sir, Reliance recently, I think, in their commentary were very bullish on their consumer segment, especially the cold ring. And they are looking to grow multifold as per the commentary next two to three years. So, do we continue expecting good orders from them? Are they happy with our work, our cost and all that?

G. Thiyagu: Sir, the last three plus years, we are continuously executing Reliance, especially Campa-Cola from Reliance Consumer Products. And I am sure this year, they have planned for four or five locations they have scheduled the project. I am sure we are the successful construction partner as we have been executing the project within 198 days fast-tracked the construction. Even in the tough time five states, we had elections. Even in this tough time, we had ensured that they would be operating and started taking dues from June first week onwards from the Kurnool factory. We had exchanged better cooperation, collaboration with Reliance. I am sure we will be getting out of four or five projects, two projects are expected for Sathlokhar. That's what I am confident that we are working with the management.

Ashish Khurana That is good to know. And, sir you talked about rising input costs. So, just some light on how the contracts are structured. So, is there a pass-through clause or do we hedge raw material in some way? So, how do we deal with this?

G. Thiyagu: Sir, as you all know that, as you correctly mentioned, we had booked a majority of the orders last year 3rd Quarter itself, we had procured. And that's the reason, with the blessings of God, we are not facing any challenges on the cost escalation trend for the ongoing projects. When it comes to new projects, we all have quoted the current market price. That is the reason all the clients are carefully watching and understanding the prices per ton from 56,000 to 66,000 to 76,000. So, they are all in the range of pent-up price. Definitely, it will not come back to the old position of 56,000 per metric ton. So, it will be between 60,000 to 70,000. So, the message here is that we carefully protect all our purchase material costs during the award of contract, even if we lost the basic cost. Even some of the clients where we have a basic price escalation clause is there. Some of the clients, we have a standard system wherein up to 3%, we can manage. Beyond 3%, we have to request for the price escalation from the client. Same way when there are reductions also, we have to pass the benefit to the client. To that extent, Sathlokhar and all the clients are highly win-win situation. We are prepared and we are working with our clients.

Ashish Khurana Okay, sir. I understand. And just two more quick questions. So, sir, on the PEB factory, I think we are investing INR 50 crores. So, how much revenue can we do from it? I think this year, probably if we do INR 1400 crores, by our calculation, 35% is PEB, it is INR 500 crores. But I understand factory will maybe start in mid-year. But in general, from INR 50 crores, how much revenue can be derived?

G. Thiyagu: Sir, our way forward, the business model, each PEB factory should ensure minimum INR 250 crores to maximum INR 300 crores turnover from the factory to that extent we are preparing. That's the reason we have no benchmark. Every year, we should have one PEB factory geographically, not to the neighboring states. We have a strong plan to have six PEB factories across India. For that, the first pathway is our first factory is under construction. Once it is completed, each factory should ensure INR 250 crores to INR 300 crores turnover from that facility itself.

Ashish Khurana Noted, sir. So, lastly, on working capital side. So, if I obviously include the unbilled revenue, because that is also in a way, part of working capital. So, it is now in the 35% to 40% range. So, I just wanted to understand a lot of our capital, I think even debt we have taken, even the preferential, a lot of it has gone into it. So, I just wanted to understand what are the steps to bring it down? And secondly, on the PEB factory, I think in one of the earlier calls, you had mentioned that the players we give orders to take 10%-20% advance. So, will that saving also come in our working capital once we start putting these PEB factories?

G. Thiyagu: Yes, sir. Definitely, we take support from the clients. And also, sir, in our business model, as I repeatedly mentioned, our business model in such a way that definitely 40% of the unbilled would be there for sure throughout the journey of this business. Now, this is done in such a way that because we are now booking the orders, majority of the projects as a turnkey basis. When the project is fully completed, including the machines are up and running, because we are not only restricted to as a civil contractor, as a PEB contractor, we are a turnkey contractor. When it comes to turnkey, they expect their machines to be positioned and with the power, with the water, with the air and all the piping process, everything should be done in such a way that the focus and Sathlokhar focus also towards that client's focus. At the end of the day, they need to press the button and start commencing the operations. For example, Campa-Cola, they are happy the day they press the button and start taking the juice from the Campa-Cola factory. To that action, there is something withheld with the client. So, this is our fate and this is our business model wherein the unbilled would be there forever.

Ashish Khurana Yes, sir. Just one clarification. So, if we do our own PEB and don't give orders to other PEB companies, we save on some advance that we give to them, right maybe 10%-20% of the orders. So, that saving we anyways can have.

G. Thiyagu: Sir, within the Sathlokhar, yes, we ensure that the capital, when it comes to others, we receive money, then only we unload our fabricated finished product to any of the clients. Without receipt of money, we will not deliver.

Ashish Khurana Okay, got it, sir. All the best and really hope that we can do INR 1400 crores in this financial year. Thank you so much.

G. Thiyagu: Thanks a lot, sir. One thing I would like to highlight, it's a PEB premium metal building is a way forward like a capital goods like generator, transformer, the way in which we all pay money and then get the unloaded, finished, transferred, finished capital goods like compressor, generator. Same way, PEB is also viewed by all the customers in India.

Moderator: Thank you. Next question comes from the line of Dixit Doshi with Whitestone Financial Advisors Pvt. Ltd. Please go ahead.

Dixit Doshi Yes, thanks for the opportunity. Firstly, in terms of this other current asset INR 260 crores - INR 250 crore of unbilled revenue. So, have we already filled it now in April, May?

G. Thiyagu: The unbilled is work done, but wanting client approvals for raising the bills and the appropriate stage comes.

Dixit Doshi Okay. And in terms of order book, so a question similar to one of the previous participants in last six, seven months, we haven't received much order, let's say INR 100 crores to INR 120 crore order when we have done. So, considering and since almost three presentations, we have bided for projects worth upwards of INR 15,000 crore. So, I failed to understand that, let's say, when it was Q2 presentation, the INR 15,000 crore worth of order where we have put in our bid, how much time it takes to finalize the bid because I think I am sure the INR 15,000 crore which we would have bided in September, October. So, at least INR 5,000 crores - INR7,000 crore must have been order finalized in last 6-7 months. So, why the order book has not gone up and also, let's say, when we say this INR 20,000 crore of order we have bided right now, if you can broadly touch upon, let's say, in next one month or two months, how much of these tenders will be finalized, like they will announce that whether it is a Sathlokhar or any other party which have received the award.

G. Thiyagu: Thank you very much, sir, for the elaborate questions. I would like to put forward like this. For example, sir, now we are currently executing Reliance project at Karnool. We all know that there is a Food Park which is expected in the same, I mean, not exactly on the same neighboring premises where they already acquired 100 plus acres. Knowingly, if I shift those people to another place wherein I will be losing that opportunity and we all know that Reliance is going to grow in next three to four years, almost 25 factories they have planned across India with their own model as well as the franchisee model. The point here why I am trying to mention, wherever we execute projects including Reliance Consumer Products, Godrej also now waiting for expansion and where we are now currently. VinFast also now expanding. Pou Chen, Taiwanese company is also expanding. Hong Fu, Taiwanese Group is also expanding. Dean Shoes, Taiwanese Group is expanding. And Apollo Tyres, wherever we are now executing, knowingly, we know that when we complete this project by June-July, we will be getting the further biddings. That's the reason we are confidently and carefully valuing the customer relationship and also understanding the customer requirements as verbal confirmations given to us. According to me, it is only in our books, confirmed in our books, INR 715 crores. In my own eyes, my guidance is 70% because of the existing client itself, we are pretty confident that we will hit again another INR 600 crores within the financial year, the book as well as raise bill and turnover will be achieved.

That's the reason we are saying that our turnover will be for this financial guidance is 70%. The message here is that last four, five months, it is true that seven, six states elections have happened and most of the locations geographically and also war also happened. And when it comes to investors' perspective, even GDP of last three to four months in India, slower than the last till September, October, after the specifically the 1st Quarter of this financial year have come to the stage where it is not near to the pause button. It is almost a halt situation wherein all the customers, investors carefully strategizing their investments with the bank loans to avoid interest. Now that I am sure they are confident that people who have invested on the land parcel for sure as we already designed, submitted quotations, and they are also in touch with us. Now that last 30 days, we see a different perspective from the clients.

We are confident that we will be booking orders as we have mentioned similar phase of life we have faced first year for 2025 when we in the last financial year INR 300 crores plus, whereas we have started now INR 700 crores plus for sure we will hit our guidance above 70% for this financial year, sir.

Dixit Doshi Yes, I completely trust you. Let's say you will be able to do that and you have done it in the past as well. But I just failed to understand. Let's say you mentioned that you expect INR 500 crores to INR 600 crore kind of order from your existing customer. But let's say your eligibility is say 10% or 15% of the whatever you bid. So, this INR 500 crores to INR 600 crore order is translated to INR 5,000 to INR 6,000 crore of bid. But this INR 19,000 crore, there must be many orders which are not our existing client as well. So if you can just broadly give some timeline, let's say of this INR 19,000 crore of bid pipeline, how much of the, let's say, just an example, say INR 5,000 crore of order, the client will finalize by June end or INR 5,000 crore of order will be finalized by July end so because client must be having some deadline that, okay, we have received the bid from 10 bidders, and we will open and finalize the bid say by 15th of June or 20th June because INR 15,000 crore is bid pipeline since last three quarters, and we have been only INR 100 crore. So, if I translate your success rate to 10%, you are saying that out of INR 15,000 crore of bid pipeline in September, only INR 1,000 crore have been finalized. So, I am just trying to understand that point.

G. Thiyagu: Sir, I just wanted to give you, you can just type that Google, you can just type and see that who is the successful contract for TIDEL Hosur Project Awarded Contract. The message here is that we have bided that INR 365 crore worth of order about to award in March 2026, whereas because of the election, now that new government is changed, as per procedure, as per legal, we are the L1 contractor. If you would have received that order, by this time you wouldn't have raised this question. The message here is that we have been expecting this order from March 2026. Even now, you can just Google down, just you can type your own way like TIDEL Hosur Awarded to which contractor name you can see that because normally when it comes to government tender practices, the L1 would be the successful contractor. According to me, if we would have received that in the month of March 2026, this question wouldn't have raised. The message here is that we have been waiting to receive this order almost last three months is gone. Even now we are pretty confident that because once we book and wherever we get that green signal, those orders become in our kitty. We are responsible to handle and ensure the labors and construction teams to deploy and execute the project. We are confident in booking almost INR 500 crore worth of orders being shifted and postponed. Now that they are pretty confident that June, July, we have been in a position to book good amount of orders that will cater for this financial year guidance and as well as for the overall year, we will book the next year proceedings also successfully, sir.

Dixit Doshi Okay, because see my question was also because you have previously guided that typically our execution is like once we receive the order, three to six months goes to all the approvals and all and then three to six months of execution. So, if we don't get orders in Q1, then execution will shift to next year's Q1.

G. Thiyagu: I appreciate your question, sir. At this juncture, the Q1 and Q2 with the blessings of God we have got sufficient orders. Our focus is predominantly to push Q3, Q4 and next year, sir. That's what Sathlokhar as a Management Promoters and the business development, everybody is working to book for our Q3, Q4 as well as the next financial year. So, we are targeting for the current ongoing Q1, Q2, we have been fully blessed by God, and we are working towards that.

Dixit Doshi Okay, that's it from my side. Thank you.

G. Thiyagu: Thank you, sir.

Moderator: Thank you. Next question comes from the line of Akash Shrivastava, an Individual Investor. Since there is no reply from the line of Mr. Srivastava, we will move to the next participant. Next question comes from the line of Tejash Thakkar, an individual nurse. Sir, please go ahead.

Tejash Thakkar Yes, thank you for the opportunity and happy afternoon.

G. Thiyagu: Happy afternoon, sir. Yes, go ahead, sir.

Tejash Thakkar Just one request to Kirin Advisor Team. It is better if you can have questions distributed from the beginning so that all of us can get a proper opportunity to ask. I think rather than the early participants get an advantage where we are not able to then ask our questions. If you can consider this going forward, it will be great. So, just a couple of questions. One is regarding the order book. Last year we had closed that about order book of about INR 800 crores, March '25, that is. March '26, we have closed at INR 717 crores. So, there is, it's a flattish or a decline, I would say. And if you, if you see as per the order book guidance and the details that you had given us, so the H2 order book billing supposed to be was around, roughly was supposed to be around INR 717 crores. In H2 '26, we have billed about roughly INR 540 crores is what we have billed. And, and if we see that our pending order book, another is about INR 343 crores is pending. So, but you are, you are talking about INR 741 crores. So, there is, there has been some deferment of orders that we are supposed to closed and we haven't closed in March '26, we have not billed. So, sometimes that has happened because like any big orders like INR 236 crores of Reliance order or something that has been pending, because the order book numbers are not getting tallying accordingly.

G. Thiyagu: No, as such, but the works to be executed, as you mentioned, INR 715 crores is there from April 1st. And even now, when it comes to Q1, for sure, at this juncture for Q1, Q2, we have works to execute and raise bill. And one thing I would like to highlight on 1st April 2025, the carry forward order was INR 300 crores plus. And as you mentioned, INR 800 crores were not there. So, message here is that our request to consider on the 1st April 2025, we had only INR 300 plus crores worth of orders when we begin the last financial year. And subsequently, we booked September, October, November, then December and as well as April 1st. There are three months, there is a pause button from December, January, February. This is the gap. Yes, sir.

Tejash Thakkar Okay, so I stand corrected. So, that is INR 300 crores. So, but this order books or that number is still not tallying because INR 717 crores was our was H2 supposed to we are supposed to do INR 717 crores, we have billed INR 540 crores. So, that's a gap of around INR 180 crores roughly.

G. Thiyagu: So, the entire financial FY26, cumulatively INR 823.56 less the earlier INR 1700 crores. INR 1700 crores less INR 715 crores is the outstanding, sir.

Tejash Thakkar So, what I do is that previously also requested I will send you the email if you can just look into it and let me know where it is. If you can give me some clarification.

G. Thiyagu: Yes, sure.

Tejash Thakkar Okay. So, second question was in the margins. I think we have our EBITDA has gone down from 14.5% to 14%. Now, obviously because all the RM cost inflation, where do we see our margins being next year, sir? Do you think it will be remaining at 14%? Can we improve it? Will it be stable at 14%? Because it seems like even this current year is going to be inflationary or are we trying to improve it?

G. Thiyagu: Sir, we are trying to improve in many ways. But I am unable to predict the market price fluctuations. I want to comment and say that we are positive that we already have run through the tough phase from December, from March and April, May. I think this is the worst tough phase wherein we are unable to understand the price fluctuation between the weeks and months. Because most of the items are from reinforcement steel, as well as 3 mm steel. The major challenge is for coil, because the monopoly wherein only Jindal is the manufacturer. So, we are unable to predict price fluctuation. But we are pretty confident at this juncture, the price, whomsoever we have bided, we have carefully submitted the quotation based on the current prices, so that we will manage even if there are any uncertainties. As soon as we book the order, we will immediately protect the basic material cost. And also, price fluctuation clause is also being ensured with our banks.

Tejash Thakkar So, at least we will be able to maintain the current margin. Can we take that?

G. Thiyagu: Yes.

Tejash Thakkar Yes, sir. Okay, sir. Thank you. That is all from my side. Thank you, sir.

Moderator: Thank you. Next question comes from the line of Kaiwalya, an Individual Investor. Please go ahead.

Kaiwalya Happy afternoon, sir. Congratulations for the great set of numbers.

G. Thiyagu: Thank you.

Kaiwalya I had one question mainly. Sir, like I saw the operating cash flow, which is an INR (-163) crores for this year. And it has worsened compared to last year. So, sir, I just wanted to know what is the main reason behind this? Like, where is the cash is getting? Is it working capital or something else? If you can specify, sir.

G. Thiyagu: The main reason being, sir, increase in the unbilled revenue, sir, compared to the last year. So, because of that, there is an increase in the numbers.

Kaiwalya Sir, can you give me any number of specifics? How much there is?

G. Thiyagu: The unbilled revenue, sir, the closing number for the unbilled revenue is INR 234 crores, sir.

Kaiwalya Sir, I had one question on CAPEX. Like, this plant is going to commence operation from September, right?

G.Thiyagu: Yes, yes, sir.

Kaivalya: So, what's the next stage you are going to, you guys are planning to, like, what is the next stage? Which plant if you are going to, what the CAPEX is?

G. Thiyagu: Recently I have been to meet Industry Minister at Odisha. We have some plans to put up a new PEB factory at Odisha, sir. Next plan is that.

Kaiwalya Okay. sir. So, you are thinking about Odisha?

G. Thiyagu: Yes. We met the Governor last week, we have been to meet Industry Minister at Odisha, also governor. We have requested support of the local, we are eager to know, plan for a PEB facility over there by next financial year.

Kaiwalya And, sir, what will be the CAPEX number, if you have thought about, the company has thought about?

G. Thiyagu: We are aiming to have four lines, means INR 250 crores turnover per annum, and two lines means INR 120 crores turnover per annum. That's what we are working towards.

Moderator: Thank you. The next question comes from the line of Taher Hydrabadwala with Gorbizfund. Please go ahead.

Taher Hydrabadwala: Hi, sir. Thank you again.

G. Thiyagu: Hello, happy afternoon. Yes, sir. Go ahead, sir.

Taher Hydrabadwala: Sir, I have just one question regarding the war. Is there any impact creating on our margins for FY27 going forward you see due to lack of plan completion due to this war situation, any customer lagging their expansion plans or delaying the CAPEX, which the customer has done? So, any view on that part?

G. Thiyagu: Sir, just to give you clarity, even, you become my client, you would not be invest in cost per ton when the price has gone up INR 15,000 per ton, sir. So, obviously, we try to reduce the cost, or you try to wait for some months to initiate the investment. That's the area where all the clients are carefully now moving. Of course, the projects, wherever there is an opportunity cost, for example, I would like to highlight. For Mr. Muttiah Muralitharan, he would like to have a can manufacturing facility in India. Initially, he said, Mr. Thyagu, wait for 30 days. Now, last month, he called me, he don't want to wait any further because he is losing the opportunity cost when it comes to can manufacturing facility in India. The message here is that, clients have different perspectives because their own opportunity cost and time cost. So, they are looking at, opportunity cost is better than the waiting time. That's what I understand. Even now, steel and car, in fact, again, I am happy to announce that Mr. Muttiah Muralitharan has called me and given me escalation advice also recently, Mr. Thyagu kindly not to wait, please go ahead and complete the project, August handover and December handover of can manufacturing. So, the clients have different mindsets in investment because their own business model, whereas, they are looking at the opportunity cost. When it comes to can manufacturing in India, obviously, only two to three players are there. So, we don't want to wait until the price comes down to a normal position. So, different, different clients, different, different expectations, boss.

Taher Hydrabadwala: Okay. That was from my side. Thank you again.

Moderator: Thank you. Next question comes from the line of Mithlesh Sahani, an Individual Investor. Please go ahead.

Mithlesh Sahani: Good afternoon, sir. Yes, congratulations on a great set of numbers. I think my question was answered in detail by you already, which was asked by the previous participants. So, I have nothing more to add. Just one query, sir. Are we still on track as far as our migration to mainboard is concerned next year when we will be completing three years?

G. Thiyagu: Yes, yes. We are working towards it. Our goal and dream is to convert into mainboard, sir. We are working towards it. Hopefully, we have listed 6th August 2024. We are aiming to become like by '27-28, yes, we become mainboard, sir. We are looking to, that's the reason everything is working.

Mithlesh Sahani: Yes, because the like-minded companies will need like-minded investors.

G. Thiyagu: Thanks a lot, sir. You are very positive.

G. Thiyagu: Thank you so much.

Mithlesh Sahani: No, indeed, because we have seen the kind of volatility and what we are seeing in the SME segment. And with the in-depth and hard work which Sathlokhar and the team is doing, the faster we are able to move to mainboard, the efforts will be quickly recognized. So, I think it's important that we keep that focus on track.

G. Thiyagu: Thanks a lot, sir. Thank you so much for so much energy in your communication and we are pretty positive and we welcome that, sir. Thank you.

Mithlesh Sahani: Thank you. Wishing you and your team all the very best, sir. Thank you.

G. Thiyagu: Thanks a lot, sir. Thank you so much.

Moderator: Thank you. Next question comes from the line of Anboli, an Individual Investor. Please go ahead.

Anboli: What is the strategy behind PEB plant in Odisha?

G. Thiyagu: Sir, give you a brief, like, as of now, there is no big players in Odisha. In India, after Modi ji has taken over Odisha last two plus years, lots of companies have acquired the properties, lands in Odisha and last 10 years, a lot of development is happening when it comes to bridges, roads, highways, when it comes to Odisha. According to me, my survey says it is going to be like yet another Pune in next one decade, sir, Odisha. So, we are all working for us. It's a neighboring state, very friendly, maximum 1 hour 55 minutes travel time by flight and very friendly at this juncture. And we are very positive in proceeding with Odisha for further development. According to me, so many garments factories are coming up, PepsiCo, Coca-Cola, even Campa-Cola. Everybody has invested in it. Everybody has invested in land parcels. For sure, once we put up the PEB factory at Odisha, we become an early bird wherein there is no top-notch companies as well as even a middle-range PEB manufacturing facility in Odisha. So, our aim is to have the next factory in Odisha right after the Chennai completion. For sure, another 20 plus years, that factory would be scaled up from two lines to four lines, four lines to eight lines, to that extent, the growth of Odisha has been foreseen, sir.

Anboli: So, land has been purchased, right?

G. Thiyagu: Yes. No, sir. We are now in the pipeline. We are in touch with the Industry Minister and even met the Governor. A lot of industries are there for a lot of expansion, investments from other countries, especially government sector. A lot of investments have been made from my own ex-employee, employer, mass holdings, so many other government groups, everybody has invested.

Our own beverage industry is highly focused. PepsiCo, Coca-Cola, now Campa-Cola, everybody is now looking at Odisha in a long vision.

Anboli: Since our raw material price has been increased, do we face any difficulties in passing on to our customers as well as how much of them we have successfully passed on to our clients?

G. Thiyagu: Sir, most of the clients have agreed to pay the price escalation wherever we are now executing. Two to three clients have said, Mr. Thyagu, we are unable to pay the escalation, but we also mentioned that if you are prepared to give an extension of time, without price escalation, we can wait. Otherwise, you are expected to give price escalation. Then they mentioned, some of the clients, they said, okay, fine to wait for 30 days. Then after waiting also, they have concluded, maybe they have achieved INR 3,000, INR 4,000 come down from the earlier price. So, that's the benefit they are getting. Even we had communicated to all our clients, if you want us to wait for some more time, we are open. But subject to, you have to give us the extension of time. So, to that extent, we are carefully working with many clients. Many clients have given green signals to give price escalation because the price escalation clause has been already applied in our contracts.

Anboli: Why I am asking you this question is because we will be in a contract, we will be mentioning our escalation clause, right? So, going forward also, we can see the same kind of thing, right?

G. Thiyagu: Yes, sir. Even if you ask me to construct your own, I will come with the basic price escalation or else I will ask you to pay a huge amount of money to protect steel and cement immediately.

Anboli: Okay, sir. I myself was telling you, sir. Thank you.

G. Thiyagu: Thanks a lot, sir. I welcome that. I understood also the way in which you are engineering background.

Anboli: Thank you.

Moderator: Thank you. Next question comes from the line of Tejash Thakkar, an Individual Investor. Please go ahead.

Tejash Thakkar: Thank you for the opportunity again. You had mentioned that currently you are watching the PEB factory and therefore you are just temporarily defer it to see how the price escalation and the RM issues settle down. So, now that you have...

G. Thiyagu: Sir, sir, just to give you clarity.

Tejash Thakkar: Yes.

G. Thiyagu: I never say. I have mentioned that we have strategically handled the PEB material procurement, such a way at pause button. Now that we geared it and we are aiming to inaugurate the factory

August and we are sure that we will be starting producing the PEB from September. We just mentioned within the stipulated project time, we also allowed the prices to come down. Instead of paying a huge difference, we don't want to pay. That's what I mentioned.

Tejash Thakkar: Okay, sir. I stand corrected, sir. So, now with this September thing, is that the final date or is there still some room for some elasticity that you might still take it forward or behind? Or you are like dead set that September no matter what we are going to inaugurate?

G. Thiyagu: I will welcome you to our factory by September. You can be vouch and witness the factory production operations from September 2026, sir.

Tejash Thakkar: Okay. I love that, sir, if you can invite us investors over there.

G. Thiyagu: And please share me your contact number. I will see that you would be personally coming and visiting us, sir.

Tejash Thakkar: Thank you. I will send you a mail regarding these queries, sir. Thank you so much, sir.

G. Thiyagu: Please welcome, sir. So, seeing is believing, sir. Always when it comes to investors, more you see, you have more confidence. Even welcome to our Karnool factory. Welcome to Mysore factory. Welcome to Pune factory. Welcome to VinFast. Welcome to Hong Fu, Pou Chen, wherever we exist. Because once we witness, you understand today world the EPC players in India is very minimal. I would again highlight the engineering procurement construction of turnkey project construction companies in India is very minimal and the commitment to honor also very minimal. Whereas we are now benchmarked as a construction partner for EPC players, such a reputed companies. We are working with all the multinational companies and even our investments, as I mentioned, all the airports, wherever you go, like seven, eight locations, we have given airport advertisement and our road industry corridor, local industries we have got more than 20,000 plus leads are there. Our confidence level for next one decade with the blessings of God, ensuring the yearly requirement, even our own existing clients will cater, as I mentioned, one of the previous meeting 40% to 50% of growth from our existing clientele. The dream is today we have 100-plus clients are now working and our dream is to have 300-plus clients. The moment 300-plus clients in our profile, for sure, the Sathlokhar will cater 60% to 70% of yearly turnover from the existing customers itself, sir.

Tejash Thakkar: So, I am very confident that you will deliver to what you have mentioned and believing that we always have believed in Sathlokhar, that's why we invested before.

G. Thiyagu: Thanks a lot, sir. Thank you so much. More positivity.

Tejash Thakkar: Thank you so much, sir. Thank you.

Moderator: Thank you. the next question is from the line of Agastya, an Individual Investor. Please go ahead with your question.

Agastya: I just have one, like I have two questions. One is that what is the incremental working capital-to-sales required? Like, for example, there is a INR 1 sales increment, then how much investment in working capital is required to generate that INR 1 sale increment? As far as I know, historically, it has been roughly 40%, which is a constraint on growth.

G. Thiyagu: Sir, in our business model, as I mentioned, to achieve 100%, we need to have 25%, sir. INR 25 crore.

Agastya: Right. Okay. INR 25 crore. And how does Sathlokhar plan to turn into OCF positive? Is the steady state OCF positive as of now?

Moderator: Sorry?

Agastya: How does Sathlokhar plan to turn OCF positive?

G. Thiyagu: Sir, actually speaking, in construction business, once we raise the bill, the certification will take three to four weeks, and the processing payment would be taking 45 to 60 days. So, according to our company, when we raise the bill, we will be getting the payment max, max 60 to 75 days. Maximum 90th day, we will be getting the payment. Not like older days, 135 days. Those days are gone. Nowadays, we will be getting the payment. See, once we raise the bill, the bill certification process is taking two to three weeks' time. And upon certification and submission of bill, we will be getting the payment 60 to maximum 75 days, sir.

Agastya: So, as far as like, okay, so it's an industry norm. Is that what you mean to say?

G. Thiyagu: No, we don't see any. Our business model, the amount what we receive, it's a standard of our EPC models. We don't see any challenges. According to us, it's a habitualized and it is quite natural in our business model.

Agastya: Okay, because like some other EPC players are showing a positive OCF, for instance. So, is there some like, can we like prepone billing?

G. Thiyagu: Sir, in the first place, even a pen manufacturing company is also saying EPC pen manufacturing company, we are talking about EPC industrial construction companies' model, where EPC is a generic word. Even when the stapler is being prepared, you can say that EPC turnkey stapler manufacturing company. The point is that we are talking about engineering procurement construction of industrial and infrastructure and logistic path construction. General EPC and our EPC model is completely different. You can even not to compare the PEB company because we take care of complete responsibility from the barren land to starting design approvals and turnkey construction of civil, PEB, electrical, mechanical, plumbing, firefighting, everything under one shoulder. So, that's a commitment. That's what I mentioned. In India, the reputed EPC turnkey construction partners are very minimal. And some of the places where the competitive business wherein very minimal competitive whereas only the reference and the confidence level by the customer is very important to honor the commitment of the factory all time.

Agastya: Right, right. And do we foresee any competition like in our space?

G. Thiyagu: Sir, there are competitors in every business, but of course, we do have a competitor. The strength of the Sathlokhar is the promoters and the key professionals working in the company, having more than 20 plus, 30 plus years' experience people are also serving with us. And we are pretty strong in handling 5,500 labors are serving with us. In our business model, only 30% to 35% is the labor-extensive business, wherein civil sector is 35%. Apart from the civil, we have got automation in terms of PEB and also electrical, own design and execution team, firefighting, own design and execution team. When it comes to electrical, we are not going to manufacture transformer, cables, panels. So, everything is already fabricated, OEMs available materials. We just design, trading, procure and install. When it comes to electrical, this is the same way. Air conditioning also, we are going to just purchase the air conditioning unit, fan coil is dusting. And when it comes to firefighting, we procure the pipes. And similarly, **CCP**, fire alarm, everything we procure and execute of us. We are pretty confident in execution of the strength of the company. We are pretty strong in design, lighting and also turnkey construction in-house things. That's the area where we are successfully executing projects. In a short span, we have got 100 plus clients are there because we are pretty strong in execution, commitment to honor. From the barren land to till inauguration of the factory is our commitment to all our customers.

Agastya: Right, right. And sir, just one last question. Sir, I saw the TIDEL Park Limited the contract Sathlokhar won and congrats on that. But over there we are the design partner or someone else--

G. Thiyagu: Sir, I would like to highlight in this forum, as per law, we are the L1. We have to receive that order. We are waiting for the new government to settle down. And once they conduct the meetings, they will announce the L1 contract which is the regular practice. That is the reason I said, whoever is Google now, they can see that TIDEL Hosur is awarded to Sathlokhar because in a such a way that across India, any state, when the government project went to tender, whoever is the L1, they would be awarded. With that nature, with the confidence, with the prayer, I expect the new government award the contract sooner in June, July.

Agastya: Right. But sir, the design partner, there is someone else, right? So, will that increase the timeline?

G. Thiyagu: Sir, I have been mentioning as a Sathlokhar there, we are benchmarked for Design & Build industrial construction of factories. When it comes to factories, factories means anything and everything, whether plastic manufacturing, garments, or beverage, or auto components, or food industry, or a car. For us, it's a factory. Length and width matter. Height of the buildings matter. Floor loading matters. Wind speed matters. Collateral load matters. We don't mind what is going to be produced inside the factory. So, the message here is that they are pretty strong in design and construction of industrial warehouse and those kind of benchmark companies. When it comes to high-rise building, when it comes to government projects, of course, they do have a design company separately, project management company separately, and construction partner separately. The advantage is for Sathlokhar, when the tender of TIDEL has been floated, they have given three, four benchmarks to participate in the contract. They have set INR 242 crores turnover of the company, and out of INR 242 crores, INR 95 crores MEP has to be ensured out of INR 242 crores. The company should have a Class 1A contracting company. Also, the company should have ESA-grade contracting. The company should have a solvency capability of giving INR 150 crores. All these five credentials, out of these five, the entire Tamil Nadu state, we were the only contractor bided. The other competitor company from Maharashtra, the other one is from Kerala. When it comes to technically, when the bidding has happened, in Tamil Nadu, Sathlokhar was the only contractor participant because of the set benchmark of the turnover and PEB expectation, and ESA-grade electrical expectation, and Class-1 PWD expectation, and solvency expectation. The message here is that on that tender process, Sathlokhar won't have technically cleared, and then even financially, Sathlokhar became L1, and we are also meeting the tender cost of INR 300 plus crores before GST. So, with that trend, we are pretty confident that we will be getting that order to us. When it comes to high-rise bidding, government sector is such a way that they don't give design bidding on the same contractor. There is a procedure that design should be one company, and the design bidding from another company, project management from another company, and EPC turnkey is construct by Sathlokhar. The advantage for Sathlokhar is we have taken civil, we have participated in civil, electrical, mechanical, air-conditioning, fire-fighting, DT, ETP, WTP, everything we have taken, including facade, glasswork. Actually, turnkey has been allotted to Sathlokhar. Hopefully, we will be getting that order soon.

Agastya: Right. Thank you. Thank you very much.

Moderator: Thank you. Ladies and gentlemen, that was the last question for today. We have reached the end of the question-and-answer session. I now hand the conference over to Parth Acharya for closing comments.

G. Thiyagu: Thank you, everyone, for joining the Conference Call of Sathlokhar Synergys E&C Global Limited. If you have any further queries, you can write to us at research.kirinadvisors.com. Once again, thank you, everyone, for joining the conference.

Moderator: Thank you. On behalf of Kirin Advisors, let's conclude this conference. Thank you for joining us. You may now disconnect your lines.