SUGS LLOYD LIMITED
ISO 9001: 2015 CERTIFIED
Corporate Office: 2nd Floor Logix Park,
Plot No A4 and 5 Sector 16, Noida,
Uttar Pradesh, India, 201301
E mail: compliance@sugslloyds.com

Date: 05th November, 2026

To,
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400001.

Company Scrip Code: **544501** Company Symbol: **SUGSLLOYD**

Subject: Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 - Transcript of the earnings conference call conducted on November 03, 2026

Dear Sir / Madam,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the transcript of the earnings conference call, conducted on November 03, 2026, on unaudited financial results of the Company for the Half year ended September 30, 2026.

The transcript is also available on the Company's website at link given below:

https://www.sugslloyds.com/_files/ugd/92efe7_d543349ed65245a291c72ee089682127.pdf

Kindly take the same on record.

Thanking you.
Yours faithfully,

For Sugs Lloyd Limited

Nimmy Singh Chauhan
Digitally signed by Nimmy Singh Chauhan

Nimmy Singh Chauhan
Company Secretary & Compliance officer

Place: Noida
Enclosed as above

"Sugs Lloyd Limited

Q2 FY27 Post Results Conference Call"

November 03, 2026

MANAGEMENT: **MR. SANTOSH SHAH – MANAGING DIRECTOR AND CHAIRMAN – SUGS LLOYD LIMITED**
MR. SATYAKAM BASU – CHIEF EXECUTIVE OFFICER – SUGS LLOYD LIMITED

Moderator: Ladies and gentlemen, good day, and welcome to the Sugs Lloyd Limited Q2 FY27 Post Results Conference Call hosted by Washuvi Financial Advisory. As a reminder, all participant lines will be in the listen-only mode. There will be an opportunity for you to ask questions after the presentation concludes. Should you need any assistance during this conference, please signal for an operator by pressing star followed by zero on your touchtone telephones.

I now hand the conference over to Mr. Satyakam Basu, CEO, Sugs Lloyd Limited. Thank you, and over to you, sir.

Satyakam Basu: Good afternoon, everybody, and thank you for joining us. When we listed in September '25, we committed to speaking to you every quarter, is optional for SME platform list to do it or not to do it, but we always have done it, and today's call is part of the same commitment. For those who are joining us for the first time, let me give you a quick introduction to the company. Sugs Lloyd is an energy infrastructure company.

We have been in the sector since 2009, almost 17 years now, and we have a team of around 1,000 people. We work across three main lines of business: power transmission distribution, including smart grid, solar EPC and our engineering products, which is led by our fault passage indicator, where we are India's largest manufacturer with more than half of the domestic market as per our estimate.

Over the years, we have completed more than 80 projects. And this year, we were named the Best Integrated Transmission Distribution and Solar EPC Company of the Year at the EPS Energy Awards 2026. In July, we reported the strongest first quarter in Sugs' history. I'm pleased to tell you that the second quarter has surpassed it.

Q2 revenue was INR134.91 crores, up 12% on the same quarter last year and up 72% on the preceding quarter, which is the Q1. Together, these 2 quarters make H1 FY27, the strongest half year that the company has ever delivered.

Let me take you through the numbers for the half. Revenue from operations was INR213.31 crores, up by 73% from INR123.03 crores of last year. EBITDA is up at INR31 crores, up 64% again at a margin of 14.5%, and it is within the margin of 14% to 15% band that we have always committed. Profit after tax was at INR20 crores, INR20.01 crores to be precise, up 69% and EPS were INR8.62 against INR6.86. So to put the half in context in 6 months, we have already delivered 71% of the revenue we recorded the whole year of FY26.

The second quarter on its own was equally strong. EBITDA was INR19.1 crores, up 91% year-on-year and 59% quarter-on-quarter. Profit after tax, PAT is at INR12.51 crores, up 108% year-on-year and 67% quarter-on-quarter. We are also growing more efficiently. Our interest cover improved to 5.2x in the first half from 4.8x a year ago.

And finance costs came down to 2.8% of the revenue from 3.2% of the year before. Of the revenue mix, power T&D and smart grid contributed to about 80% of our H1 4% for FY26 as a whole as execution on our RDS and other distribution projects moved into full swing. Solar EPC contributed the balance.

I want to spend a moment on execution because that is what these numbers really reflect. Our flagship partner project valued at around INR542 crores pre-GST is in full execution and scheduled for completion by March '28. Running it alongside our other projects has meant mobilizing more people, more equipment, more vendors across many sites at the same time.

The capability we have built there, especially in the SCADA and ABMS is now a credential we are taking to other states. Delivering a half year of this size tells you the systems we are holding as we scale up.

Now to orders, which I think is the most important part of this quarter's story. In Q2, we own seven new orders worth INR395 crores, excluding GST or INR466 crores, including GST. This is almost 3x the revenue we built in the quarter. Our order book as on 30th September stood at INR1,067 crores, about 3.5x of our last year's revenue, of which about INR929 crores is in the power T&D and the rest is in solar. What matters much as the value is where these orders came from.

Every 1 of the 7 orders is from outside Bihar, which traditionally has been our stronghold. As a result, Bihar share of our order book has come down from about 82% at the end of the July to about 55% now, and we operate across 11 states. This is exactly the diversification we told you in our last call that we are working towards.

The quality of the book matters as much as the size. About 9/10 of our order book is with government utilities, PSUs and centrally funded schemes and a good part of the rest is with Tata Power's DISCOM and other established private utilities. This gives us strong payment security across our projects.

The new orders also add visibility. The Odisha maintenance contract started on 1st October and will build every month for 3 years, adding a recurring base of roughly INR60 crores a year. The Punjab RDSS work is to be completed over 15 months and the Amritsar solar plant is scheduled for completion by December. Together, this gives us good visibility on the revenue for the coming quarters.

Our bid pipeline gives us confidence about the orders still to come. Of the tenders we track about INR19,150 crores has been floated. We have selected about INR6,600 crores to bid for and about INR1,260 crores are now at the final stage of evaluation. Roughly INR800 crores in power T&D, INR400 crores in solar and storage and INR60 crores in products. We continue to target a strike rate of 15% to 20% on qualified bids and 10% to 15% in states that are new to us. Products are one of the most important growth engines, as you all know.

The Madhya Pradesh and Noida Power orders I mentioned, bring two more utilities into our fall passage indicator and closer platform. And once the DISCOM adopts these devices, repeat orders always tend to follow. 2.65 lakh feeders across the country, the market is very large. Products carry better margins than our EPC work, and we aim for them to reach about 10% of our revenue by FY28.

Let me also talk about the working capital and the cash flow, which we are managing very actively as we grow. Receivables have grown with billing, but collections are keeping pace. On a trailing 12-month basis, our receivable days has improved from about 179 in June '26 to about

150 days in September. Operating cash outflow for the half was INR12 crores against INR37 crores for the whole year of FY26. In the coming quarters, we are focused on improving this further.

As our Patna project moves into its bulk billing phase, we expect the working capital cycle to shorten. We are working closely with our clients on faster milestone certification and release of payments, and we are using surety bonds in case of cash-backed bank guarantees along with trades and purchase bill discounting to free up the working capital.

So looking ahead, our business has always been weighted towards the second half of the year and especially the March quarter. Our priorities are clear: deliver the Patna milestones, ramp up the new Punjab and Odisha work, convert our final tenders into orders and keep improving cash flow. We go into the second half with the largest order book in our history and a far wider geographic base than a year ago.

With that, I'll hand over to our Chairman and Managing Director, Mr. Santosh Shah for his remarks. Thank you.

Santosh Shah: Thank you, Basu. Good afternoon to everyone on the call. Company earns trust over time through what it delivers and how consistently it communicates. And that is the standard we hold ourselves to every quarter. We are building Sugs Lloyd to last for generations and every decision we take is guided by that long-term vision.

We are steadily working to increase the contribution of products in our revenue, and we will share that progress with you in numbers quarter after quarter. The compact FPI has completed its testing, and we will supply the first unit in one of our existing order within this quarter. Our work on vacuum circuit breakers and rain units is progressing as planned. We are also working on backward integration and contemplating to manufacture some of the items that we buy the most. This will give us better control of cost, quality and times.

We are also in discussion with utilities on new ways of deploying fault package indicators, such as gain share model or rental model so that more feeders are covered. SCADA is the next important area for us. The capability we have built through Patna project is allowing us to bid for more SCADA projects in other states.

And there are certain tenders in our pipeline that we are working on. We expect SCADA to become a good part of our total business from here on. We are also in discussion with a few companies for technical collaboration in SCADA. We expect this to come together between now and the first half of next financial year.

Now the area where we are working the hardest is the cash flow. Our debtor days have come down from about 193 in March to 179 in June to about 150 in September. And we have collected about INR50 crores since this -- after closure of this quarter. Our focus is now to bring debtor days further down.

Our wholly owned subsidiary, Sugs Renewables will bid and hold RESCO projects, which will give us recurring revenue. In transmission and battery storage, we are building step by step. To close, our order book is spread across 10 states. Our products and SCADA business are gaining

ground, and we are giving full attention to the cash flow. The INR1,000 crores for financial year '28 remains the direction we are building towards and we will keep you informed every quarter completely and on time. Thank you.

We are now happy to take your questions, please.

Moderator: Thank you very much, sir. Ladies and gentlemen, we will now begin with the question-and-answer session. The first question is from the line of [Vaibhav Mishra from Finvestors Research 0:14:00].

Vaibhav Mishra: Congratulations for the very strong set of numbers. My question is regarding the margins. I think last quarter, we had 15.3% margins and we intended to maintain these margins at least not go below these. I think we clocked 14.1% this quarter. So could you please share what is the reason despite going into SPI products? So what kind of margins we can expect for the next -- I mean, FY27 -- remaining FY27 and FY28, sir?

Santosh Shah: EBITDA for H1 is INR14.54%. And I would like to explain you the nature of business. First of all, this deviation is not -- it's very marginal. But what happens in our kind of projects, the project is bid on for a period of 24 months or whatever is the completion time. And in that project, there are certain items which are at a higher margin and some items are at lower margin.

And it depends exactly upon the availability of work front, availability of customers' permission, all those things, which material we are going to bid well. So in any quarter, we may bid some -- we may execute some portion which is having less margin. In other quarter, we may have the engine of those portions where the margins are higher.

So overall, if you see the margin on a yearly basis, at least if you see the margin will remain same. So this is on quarter-to-quarter, it may vary. But on a year basis, if you say it will remain almost on the same lines.

Vaibhav Mishra: So we can expect for the entire year kind of 15% kind of margin for the whole year?

Santosh Shah: Yes, we expect to have such.

Vaibhav Mishra: Very good to know, sir. And sir, regarding this transmission segment and segment that we were targeting, have we got any order on those segments?

Santosh Shah: Yes. Transmission, we were L1 in one of the projects in Jammu and Kashmir. But unfortunately, because of some change in the state policies that L1 or that tender got scrapped. So we couldn't get the contract. Now we bid for another tenders which are at various stages of evaluation, and we expect some good orders in transmission sector.

We have already bid for a few contracts in Rajasthan and then a few tenders in Bihar are being worked on, and we will be bidding this. At the same time, we are exploring other opportunities also. So both the things are in line, and we expect to click something very soon.

Vaibhav Mishra: And sir, one question regarding the debt level. I think in the last call, we were targeting something peak debt for FY27 of around INR130 crores for this year. And I think we are somewhere close

to INR160 crores. So I mean, what -- is it the peak for FY27 or we can expect debt going above these levels in this year itself?

Santosh Shah: The peak, INR130 crores, what we would have talked about that would be more of a fund-based requirement. Whenever we are bidding for new tenders and all, we need a lot of bank guarantees and other facilities. So what I should say that in all the circumstances, our debt is to equity ratio will remain somewhere around 1.2x to 1.3x. That is what we are maintaining and that we are confident that we will be able to manage our targets with that kind of exposure.

Vaibhav Mishra: And sir, one last question regarding cash flow. Can we expect positive operating cash flow by end of this year -- I mean, it is small, flat to slightly positive. Can we expect that?

Santosh Shah: It's very difficult to say right now because the speed at which we are growing we cannot expect to remain cash positive. And to become cash positive, only thing we have to do is we have to reduce the growth speed. So I don't think anyone would like or anyone would suggest us to do so. So as long as this growth remains 70% or this thing, we will remain cash negative.

Vaibhav Mishra: One small question regarding the target for FY27 of INR600 crores and the product revenue of 10% that we were targeting for FY28 -- I mean, are both of these targets intact, sir?

Santosh Shah: Yes, yes. We are on whatever guidance or whatever we have committed, we are fully on track.

Moderator: The next question is from the line of Avnish Burman from Vaikarya Investments.

Avnish Burman: Congratulations on a great set of numbers. I have just one question. You are very clear on your ambition and your guidance towards FY28 in terms of P&L of INR1,000 crores. I just want to understand how the balance sheet would look at that time. Right now, I think if I'm not mistaken, your debt is about INR160 crores how much do you think that this debt will increase? And what -- if you can just give any color on the return metrics, ROCE or ROIC metrics, that will be helpful. Thank you.

Santosh Shah: Thank you, Avnish. I can give you a guidance on how the debt will move. Now at the end of this financial year or you can say beginning of financial year '28, again, our debt will remain somewhere around INR230 crores or INR240 crores like that. And as this quarter-on-quarter results keeps on coming and we keep on incurring those profits and debt ratio will remain same, 1.3x that is the equity will remain around 1.3x only. And by end of the financial year, we will be having somewhere around -- maybe around INR300 crores of debt that will suffice. That is what we have planned.

And then the further like we are using the spreads also, we are trying to convince customers and we have got succeeded in many places to accept surety bonds in place of bank guarantees. If that also happen -- that happens in 1 or 2 contracts, that will further reduce our total working capital pressure. So this is how we are going to manage the entire cash flow for next financial year.

Avnish Burman: Just a small question. In the very recent past, are you seeing any changes in the working capital debt interest that you are being offered? Or is it the same that it was, let's say, 6 months back?

Santosh Shah: You said interest -- the finance charges, interest?

Avnish Burman: Yes, yes. Interest cost on working capital loan.

Santosh Shah: Yes, that we will expect some further reduction in those interest rate because as we are growing our ratings and all these things are improving, external credit ratings. And similar kind of improvement we can expect from bank also in the interest rates.

Avnish Burman: So, there would be some savings you are seeing in the interest cost?

Santosh Shah: Even if you see our interest cost has reduced from -- finance level. So we expect some reductions, yes.

Moderator: The next question is from the line of Piyush from CSB Bank.

Piyush: Congratulations for the strong set of numbers in Q2. Just one question on the balance sheet. So there is one item of the tangible assets under work in progress of INR37 crores. I just like to understand that what is this? And what is the total expenditure?

Santosh Shah: This is a project which we are executing for government of Bihar that is a hybrid model of capex and REC for government of Bihar. And here, the project -- there is a subsidy like whatever our cost, similar kind of subsidy we are going to get from center and state in form of central CFA scheme and SFS scheme within 2 months or 3 months after commissioning.

So that is the project. So this INR37 crores, whatever you are looking, it is going to get -- subsidy will come maybe in a month already it has started coming. And in next 1 month it will be over. INR6 crores we have already received balance also we are going to receive in next 40, 45 days.

Piyush: So that amount will get reduced after the recovery, right?

Santosh Shah: Yes.

Moderator: The next question is from the line of [Achuth Pabat from Dukan Capital. 0:25:00] Capital.

Achuth Pabat: In FY28, how much revenue we can expect from business for the indicators?

Santosh Shah: We are trying very hard to bring it to at least 10% of the total revenue. I'm talking of all the products taken together, not just FPIs. So yes, that is the target which we have kept, and we are trying to achieve it. Let us see how it goes. We are doing everything. We are talking to DISCOMs on different models like we can go on gain share basis or we can go on rentals. But we are trying our best.

Achuth Pabat: Sir, what is your current manufacturing capacity on project business and how it will be in coming years, like maybe for next year or FY 2030? So how it is going to be the manufacturing business? How long -- how big you want to scale it?

Santosh Shah: See, we want to increase the contribution of products into our total revenue that, first of all, first I'll answer your first question, which was on capacity for FPIs. We are not even 5% utilized of our total capacity. We have got huge capacity. It's not producing FPI is not that -- it doesn't require a big setup. So we are just 5% or 10% utilized of our capacity. Capacity for FPI is not a constraint.

Now to increase the total revenue contribution by product, we are working on the vacuum circuit breakers also and ring units also. So that we'll see in next financial year, we can expect some billing from vacuum circuit breakers and maybe after 6 months down the line, we can start some billing from RMUs also. Plan is there. How much we will be able to achieve it will be very difficult to comment on it at this point in time.

Achuth Pabat: And do we have any competitor business currently in India or you are the only company who are manufacturing this FPI?

Santosh Shah: For FPI, we are competing with Siemens. Siemens is our biggest competitor for this product. For VCBs, again, Siemens, ABB, Schneider and there are Stelmach, there are many other companies. For RMUs also there are many companies. For FPI, the main competitor is Siemens as on date.

Achuth Pabat: And are there any entry barriers, sir, in this space? How hard is to get this business done, sir?

Santosh Shah: Yes, it needs to be developed. The product is something which takes time in development and all. And it's not only that we have developed a product, we are sticking to that. Every day, we are working on a continuous basis, we are improving the product.

We are bringing new models, which is keeping us ahead of the market. Like recently, we have developed a compact fault passage indicator where the test and everything is done. And this quarter, we will start billing also of those products. So entry barrier is high for these products.

Moderator: The next question is from the line of Vishvender Singh from Prudent Equity.

Vishvender Singh: I wanted to ask about the bid pipeline, I missed on that. What is the current bid pipeline?

Santosh Shah: The final stages under evaluation, it is INR1,260 crores. The one which has been selected for bidding is INR6,600 crores and tenders which are of our interest is INR19,150 crores.

Vishvender Singh: So out of this, we have bidded for almost INR6,000 crores. Is that correct?

Santosh Shah: No, no. We have selected that bidding is going on for INR6,600 crores, already bid and under is INR1,260.

Vishvender Singh: And in previous con call, you mentioned you are looking to end FY27 at somewhere around INR2,000 crores of order book like after execution. So are you on track to achieve that guidance?

Santosh Shah: Yes. There are many tenders which are being prepared and we are having a knowledge of it and we are working with the customers also. So that will be there, we are fully confident.

Vishvender Singh: And lastly, on the recent credit rating, sir, it mentioned that promoters are likely to extend equity and unsecured loans to cover working capital requirements. So any concrete plans on that.

Santosh Shah: It require definitely as and when required, promoters will definitely get into the things and try to improve the situation. It all depends on the situation.

Vishvender Singh: So -- but it was slightly contrasting in the previous call, you mentioned that you are not looking to raise any equity for at least 1 or 2 years down the line.

Santosh Shah: You are saying equity, I thought you are talking about some loan from -- the loan from promoter will be there on the cards. But dilution of equity, further dilution, it is not on the right now. We do not have any plans for any further dilution as on date.

Vishvender Singh: Any rough numbers you want to put out for the unsecured loan.

Santosh Shah: That will depend on the situation. As long as we are not having any cash scarcity, there is no point in inclusion of the loan.

Vishvender Singh: So not looking at for the second half, is that correct assumption for the unsecured loan part?

Santosh Shah: No, no.

Moderator: The next question is from the line of [Kevin Vora from First Quartile Private 0:31:46].

Kevin Vora: Congratulations on the good set of numbers. I just wanted to ask a few questions regarding our grid products. So regarding our fault passage indicators and auto reclosers and so, is there any approval cycle or technical qualifications which the clients may require from our side?

Santosh Shah: Yes. For every tender, customer needs -- customer puts certain technical qualifications, which we are meeting. And we being the biggest leading in this thing, we do not have any problem. In fact, majority of the contracts, we meet those eligibility criteria.

Kevin Vora: And sir, if for example, a new player wanted to enter into call package indicator, so what would the approval cycle look like?

Santosh Shah: If somebody starts producing, it may take a year to produce then around 6 months and all to get the type testing done. And then every tender because these are all going to be used in government utilities only. So they put a qualifying criteria like they should have experience or they should have supplied, installed, tested and commissioned at least these many number of FPI, which becomes very difficult for them to arrange.

Kevin Vora: And sir, one more question. So in our presentation, we have said we have a 50% share in the FPI market. So I just wanted to understand the whoever our peers, they are all MNC. So they -- are they not competitive enough in this space?

Santosh Shah: Yes. Again, we have got a competitive advantage over others that is there. And the biggest advantage what we are having is customization of the product. Now an FPI, which is suitable for Odisha DISCOM will not be -- will need some kind of a modification to be used in Himachal or some Hilli areas. We are very much flexible and we are very much capable of doing that customization. That gives us edge over others.

Moderator: The next question is from the line of Prabal Gautam.

Prabal Gautam: My question is regarding the trade receivables. So out of INR191 crores, how much can we expect to receive in the next 6 months?

Santosh Shah: Out of INR190 crores, entire INR190 crores we will be receiving in 6 months. In last quarter -- how much we have received last quarter? In H1, we have received INR200 crores. INR200 crores we received in H1 only. So INR190 crores, we are going to receive much ahead of that H2.

Prabal Gautam: So, there won't be much pressure on the working capital, right?

Santosh Shah: No.

Moderator: The next question is from the line of Puneet.

Puneet: I had a quick question regarding SCADA and distribution contracts. I realized we got a contract back in March. I just wanted to know, has it opened doors for us going forward with the SCADA project? I assume the answer is yes. But is it the technical feasibility that we have improved? And what is that improvement which has allowed us to go away from a traditional EPC players towards more high-value projects?

Santosh Shah: A very precise question. Thank you for that, Puneet. See, for any such project, a normal conventional EPC company, they do not enter into those software part and telecommunication network part of the SCADA. Now with this Patna, we have built that capacity to execute such projects, number one. This is the addition which we have done in last a year or something. Second addition, what we have done now we are having tie-up with those SCADA companies who are having those softwares and those technology.

So on project-to-project basis, we are making some kind of a consortium or joint venture. It's a project-to-project basis joint venture, and then we are bidding for it. So with them into picture, we are able to meet the eligibility criteria. The execution capacity, yes, they are also helping us, and that's how it's opening the door for us to enter into the SCADA business. We have started bidding for a few tenders, and we expect also some orders very soon for SCADA. So it's more of a capacity building.

Puneet: Sure. And obviously, there will be technical, obviously, valuation and stuff, which has improved over the years as well. And last question was regarding like with the value addition and like Sugs Lloyd has been improving in this area to get -- like, for example, if are we using third-party hardware and software, and we are integrating with our system to deliver the project, right? Is that correct? Yes.

Santosh Shah: This question is specifically for SCADA project?

Puneet: All the SCADA. Yes.

Santosh Shah: As on date, we are getting these software from those developers, those SCADA companies. It's their software, SCADA also and ADMS, DMS and all these things. And we are making joint ventures and we are executing it collectively. So as on date, that is the model.

Going forward, we are in discussion with some technology company where we can have some kind of arrangement where it will be -- we can have that SCADA. Discussion is on. I may not be able to put more light on it because it has not been declared as of now. But we are working that, at some point in time, we will be bringing our SCADA also.

Puneet: And sir, last question. With this SCADA and all the high margin and all these engineering prone projects, where do you think -- are we like one of the top companies in India, maybe like 15, 20? How -- what is the competitive moat? If you can just shed some light, maybe a few lines. And is there companies doing it or?

Santosh Shah: I'll tell you. We are primarily executing the SCADA projects into transmission and distribution sector. Now if you see transmission and distribution sector, it was dominated mostly by international MNCs. Now Government of India is very much clear that SCADA needs to be developed in India and there has to be indigenous player for this.

So -- and in fact, there were a few meetings of PFC, the Power Finance Corporation, where they categorically said that at least SCADA needs to be developed in India, and they should somehow -- they were in a -- or government is of a move to discourage international players into SCADA.

If that happens and that opens in full form, it will be a huge opportunity for companies like us. And maybe with all the developments which we are planning and all the discussions we are, there is no doubt we can become one of the top players in SCADA also, top indigenous player.

Moderator: The next question is from the line of Raghav.

Raghav: Congrats from my side regarding the great set of numbers. So I have 2 questions. First of all, so you have guided for INR1,000 crores for the next year, right? So to match that number, we should get new orders at least worth of INR400 crores to INR500 crores. And that too within the next 6 months since the project delivery is generally 1 to 2 years. So can we expect this number of orders, let's say, in the next 5 to 6 months?

Santosh Shah: Yes, very much. We will be getting even more than that.

Raghav: And so also like a follow-up question on this. So recently, I saw that your dependency on Bihar has reduced also, right? You've got some orders from Punjab and then from Odisha as well. So are we expecting some big orders from other states as well?

Santosh Shah: Yes. See, Bihar remains our first priority because we have been working -- we have been executing projects there for long, and we have got a good infrastructure and set up there. But yes, because we are -- the kind of system and processes we have made, the scalability is there into the system. So we are executing, delivering at the same speed in Punjab also in Odisha.

Also, and we are going to execute or deliver similar results in other states also. And we are bidding for all the states. We are doing some pick and choose. But yes, we are open. We have started bidding in Jammu and Kashmir. We are bidding in Rajasthan. We are bidding in other states. So a number of states will be added further.

Raghav: And you are also saying that the orders will be significant, right, not just small orders, but good amount of like in terms of crores, I mean, I'm assuming you will get good orders from some other states as well, right?

Santosh Shah: Yes.

Raghav: And my second question, just a small question. You mentioned that there is -- like there are no plans regarding any fund raise in the near future. So are we only going to depend on debt to reduce the working capital pressure because we are growing very aggressively. So just want to understand like are we going to only like depend on debt for now?

Santosh Shah: As long as we can manage with debt, we would like to manage. But again, that is also there then whatever we are earning, whatever profits and all that is also getting added into the system. So it is a mix of debt and equity both. But further dilution, that is not in the plan right now. And if we do not see any requirement also as of now. If some requirement comes, definitely, we'll do.

Raghav: So you are like saying just like the ratio will be till 1.3 or let's say, 1.4 over the demand, right?

Santosh Shah: Correct.

Moderator: The next question is from the line of Devanshi Sanghavi from Centrum Broking.

Devanshi Sanghavi: Congratulations for the good set of numbers. So, could you help us understand how you see the growth opportunities across the segment?

Santosh Shah: Across all the segments where we are operating?

Devanshi Sanghavi: Yes.

Santosh Shah: Yes. See, first is the power transmission and distribution. The entire country is going through I can say upgradation of the entire electrical network. So huge opportunities are going to come. There are many schemes like RDSS, RDS INR3 lakh crores were there, INR1 lakh crores is still there, which is going to get executed.

Then there is a scheme where a lot of underground cabling needs to be done. For example, in Gujarat, they wanted to make it -- the sky has to be wire-free. The same thing is going to get replicated in other states also. So that is also going to pose a huge opportunity in front of us. Then there are many other schemes.

And the basic is that today, even though India is 100% electrified -- but the consumer at the end, they want better power. They want uninterrupted supply. They want quality power. For that, the entire system needs to be upgraded. It poses huge opportunity. So there is no birth of business in this sector, transmission and distribution. Solar, I don't need to say much. It is a rising sector, huge opportunity is there. Though competition is there.

But again, we are shifting our modality. Like EPC is becoming a bit competitive. So slowly, slowly, we are shifting gears to capex plus RECO or pure RECO also and then that also. So those things we are doing. And product because government of India is very much serious to reduce their AT&C losses and to reduce the total outage time. So our products is very much helpful and beneficial for this entire system.

So we are very much confident that this will also gain a huge traction by the government. So opportunity-wise, there is no -- only thing is that how much we are able to execute. We have got

our own limitations. And based on that, we have to work. Otherwise, opportunities are -- there is no dearth of opportunity, I'll say.

Devanshi Sanghavi: So what is your order book visibility for this segment?

Santosh Shah: See, as I said, this year, we see further addition of around INR400 crores, INR500 crores easily, and then we are targeting for more. If you see our pipeline, we have got -- we are bidding for around INR6,600 crores with a strike rate of around 15% or something, INR900 crores to INR1,000 crores, we will be adding maybe in next 6 months to 9 months.

Moderator: The next question is from the line of Dhruv Heda.

Dhruv Heda: Sir, in the previous call, management indicated that the transmission and battery could start contributing from H2 FY27. But could you update us on the status of the bids like the firm order and expected revenue contribution from them?

Santosh Shah: Yes, we were very much confident of contribution from transmission and in this H2 only. In fact, there was a tender in Jammu and Kashmir in transmission where we were L1. It was almost getting awarded to us. But something happened in the state, some policy change happened and that tender was scrapped and it was refloated. We are bidding for it again.

So, these things, that was the development at that point in time, that tender would have come. We would have started billing in maybe October or November only. But again, anyhow, even if that has not happened, then tenders are there, which are at various evaluation stage, and we are very much hopeful that billing will start within H2 of financial year 2027.

Dhruv Heda: And sir, like what investment limits are you planning for this battery energy system and all, how much you are willing to invest in the BESS, expanding BESS projects?

Santosh Shah: I couldn't get you. What investment limits? It all depends. The BESS, whatever we are bidding for both, we are bidding for EPC also and we are bidding for RESCO also. And what we have bid is around 20 megawatt-hour. And again, if that contract comes, it will be a mix of both equity and debt.

Dhruv Heda: Sir, there was one more question from my side. In previous con-call, you indicated that the peak borrowing for this quarter would be around INR130 crores, it has increased to INR163 crores. Like could you explain what drove the higher level and…

Santosh Shah: I think there has been something. INR130 crores, what I said was for fund-based. Even in that case also, if whatever we say, we will -- our debt to equity ratio will not go beyond 1.3 around. That is what we are -- we will try to keep intact.

Moderator: The next question is from the line of Puneet.

Puneet: Sorry, I had two more quick questions. As you can see in March '24, we had INR65 crores, and we are aiming for INR600 crores in next year -- sorry, this year. So it's a 10x jump in almost 3 years, less than 3 years. I was just wondering, I remember you guys have an in-house software and everything, every person has their own jobs and everything.

I just wanted to know how is the internal efficiencies going, especially now that the company has grown literally 10x in 3 years. So just wanted to know the growth going forward, and it's going to be very explosive.

Santosh Shah: Yes. So a very nice question, Puneet, again. See, I'll give you -- I'll say -- I'll answer you in a different context altogether. Before this Patna project, which is INR640 crores, which we are executing, the largest project which we ever executed was around INR120 crores. Now from INR120 crores, we are executing a INR640 crores without much addition into key software or service departments and all those things, same kind of service department, the procurement department is almost of same size. Accounts department is almost of same size. HR remains almost of same size. What only increases the site execution team because that needs to be ramped up to execute such projects.

So with these kind of core system, core people in place at head office, we are able to manage a INR600 crores project also. Not only INR600 projects, I'll say we are capable of handling even a INR1,000 crores project with similar kind of setup. And that was the reason why we built that kind of system, why we developed that kind of system. It brings scalability into the organization.

So we are fully scalable. We have grown up whatever figure you said, 600 or whatever you say we have grown up, 1,000 also will go, and we can carry it further also. And every day, now whatever systems and whatever tools we have developed, we are not sticking. That also development is happening in those systems also on a daily basis.

Puneet: And sir, these all are like a kind of a subcontractors that we hire to go through the project. Like our head team is kind of the same, right? These are the subcontractors to make the project work.

Santosh Shah: Yes, correct. See, our model is like that in our kind of projects, there is goods to be supplied and execution installation to be done. So for installation, we hire small local contractors and all. For them, we need to have a team at place at the site to manage. And then the supply is goods and all and planning, everything is being done from head office. So that is the model we adopt.

Moderator: The next question is from the line of Krish.

Krish: Congratulations on a great set of numbers. Sir, I wanted to know, what is the tender bidding process which the company undertakes? Recently, I was tracking a few tenders from Haryana and UP got disqualified, basically the company was not qualified on technical basis. Sir, could you please elaborate what happened there and if that is a one-time issue?

Santosh Shah: In Haryana and UP, but were we disqualified? No, we have not been disqualified. I don't think -- there has been no disqualification.

Satyakam Basu: In Haryana, yes, sir, there was a minor delay in submission of documents.

Santosh Shah: There was a tender, apologies for this thing. There was a tender where one of the documents could not be submitted by our team in time. That made DHBVN or Haryana utility to disqualify. That was one of the things. Otherwise, there has been no such tender where we have been disqualified. And these are, again, these are parcel. If we are bidding for 100 projects, in one of

the projects there may remain some shortage in the documents or something and all, so that is, again, it's basically --

Satyakam Basu: They revised the bank certificate format, there was no major document.

Santosh Shah: And it was not even something related to our qualification or eligibility, it was more for that a format which was given by bank, they wanted to revise it. They wanted some amendment, and that our team couldn't bring and provide them in time.

Krish: And sir, regarding the FY28 numbers, are you still on target?

Santosh Shah: Yes, yes, yes. We are on target.

Moderator: Thank you. Ladies and gentlemen, as there are no further questions from the participants, I now hand the conference over to Mr. Santosh Shah, MD Sugs Lloyd Limited for closing comments. Over to you, sir.

Santosh Shah: Thank you, everyone. Thank you for coming to attend this earnings call. And thank you for investing in us. We look forward for your cooperation in future also. Thank you. Thank you very much.

Moderator: Thank you. On behalf of Washuvi Financial Advisory, that concludes this conference call. Thank you for joining, and you may now disconnect your lines. Thank you.