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SYNERGY GREEN INDUSTRIES LTD.

May 16, 2025

To,
The BSE Limited,
Corporate Relationship Department,
1st Floor New Trading Building,
Rotunda Building,
P.J. Towers, Dalal Street,
Fort, Mumbai - 400 001

To,
Corporate Communications,
National Stock Exchange of India Ltd.,
Exchange Plaza, Plot No.C/1, G Block,
Bandra-Kurla Complex, Bandra (E),
Mumbai – 400051.

Scrip Code : 541929

Security ID : SGIL

Sub: Transcript of Conference Call with Analysts / Investors on Audited Financial Results for the Quarter and year ended on March 31, 2025.

Ref: Regulation 30 & 46 read with Clause 15 of Para A of Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir,

This is in continuation of our letter dated May 10, 2025 giving intimation of the subject mentioned conference call and subsequently furnishing the web link for accessing the Audio recording of the said conference call vide our letter dated May 15, 2025.

In terms of the subject referred regulations, please find attached the transcript of the Conference Call held on May 14, 2025 with Analysts / Investors on Audited Financial Results of the Company for the Quarter and year ended on March 31, 2025.

Please note that the said transcript has also been uploaded on the website of the Company (www.synergygreenind.com) which can be accessed at the following link:
Link: https://synergygreenind.com/investors-relations/

This is for your information and records

Yours faithfully,
For Synergy Green Industries Ltd.
Nilesh Mohan Mankar
Digitally signed by Nilesh Mohan Mankar
Date: 2025.05.16 16:54:26 +05'30'
Nilesh M. Mankar
Company Secretary & Compliance Officer
Memb.No.A39928

SYNERGY GREEN INDUSTRIES LTD. KAGAL KOLHAPUR

“SYENRGY GREEN INDUSTRIES LIMITED Q4 FY 2025 EARNING CALL”

May 14, 2025

E&OE – This transcript is edited for factual errors. In case of discrepancy, the audio recordings uploaded on the stock exchange on May 15, 2025 will prevail.

MANAGEMENT: MR. V.S. REDDY – EXECUTIVE DIRECTOR, SYNERGY GREEN INDUSTRIES LIMITED

MS. SHREYA SHIRGAOKAR, MANAGEMENT EXECUIVE

MR. NILESH MANKAR, COMPANY SECRETARY & COMPLIANCE OFFICER

Moderator : Hello everyone, thank you for joining the call. I, Nilesh Mankar Company Secretary of Synergy Green, will be moderating today’s session. Before we begin, I would like to inform you that we will be recording this call and in case any participants are not comfortable, may feel free to drop off before we start the recording. Thank you for your understanding. Today’s meeting Agenda will be -first Brief Introduction of organization, second Investor Presentation and last will be Q&A Session.

I would like to share the Guidelines for the call i.e. all Participants are kept on LISTEN ONLY MODE by the Host, all Participants are requested NOT to RECORD the CALL, questions from the Participants will be addressed in the Q&A Session at the END of the Investor Presentation by the management, during the Q&A session, we request you to INTRODUCE yourself with your name, organization and then your question, participants having Multiple Questions can EMAIL us and management will make best possible efforts to respond within 7 days, the EMAIL ID mentioned in CHAT BOX. Dear Participants, Welcome to the Q4 FY 25 Earnings Call & Investor Presentation of Synergy Green Industries Ltd. Synergy Green Industries Ltd is India’s one of the leading state-of-the-art foundries producing SG Iron, Grey Iron and Steel castings for wind turbines, wind gear box and general engineering industries in the weight range of 3 to 30 metric tonnes. Synergy Green has an installed capacity of 30,000 MT per annum and is in the process of upgrading to 45,000 MT. The company houses best-in-class equipment, IT infrastructure and quality testing facilities and is a top-supplier to major wind OEMs as well as leading gear box players in the world. SGIL is a part of the Shirgaokar Group, which has diversified business interests over its 80+ years history spanning across sugar manufacturing, foundries, hospitality and market research, among others. Today, we are having with us Mr. V Srinivasa Reddy, Executive Director. Mr. Reddy is a B Tech in Mechanical Engineering, M Tech in Manufacturing and Executive MBA from IIM Bangalore. He has over 30 years of experience in manufacturing of large castings. Over his career, he has worked for corporates like L&T, ISGEC & Simplex in establishing plants and managing businesses before joining Synergy Green from inception. Ms. Shreya Shirgaokar, Management Executive. Ms. Shirgaokar has completed her MBA in Finance and has worked with Deloitte as part of their Energy & Industrials Research team for over 4.5 years before joining Synergy in 2023. Myself Nilesh Mankar, Company Secretary is Company Secretary of the Company and also completed MBA from Indira Gandhi National Open University. I have an overall experience of 13 years in the secretarial matters of the Company. Now Ms. Shreya will be presenting us the HIGHLIGHTS for Q4 Earnings and take us through the key areas of development in the Investor Presentation.

Shreya Shirgaokar: Sure. Thank you, Nilehs, and good afternoon, everyone, and thank you for taking the time to join us today. I'll be walking you through the performance for the last quarter and the full year, along with a quick snapshot of the industry landscape and then finally talk about what we see ahead in the business. It's been a year of steady progress for us, with strong momentum on our strategic investments and encouraging signs from the broader industry. So I'll start with a quick look at the industry trends. We'll move into the highlights of our performance, and then finally touch upon the outlook for Fy. 25-26. So, as we know, climate, urgency, geopolitical disruptions and fragile supply chains are all around us, and the global economy, as we know it, is being redefined and that's being redefined around resilience, renewables and sustainable manufacturing. Renewables, and therefore the wind and industry are not just clean. Simultaneously. India is also rising as a global manufacturing hub. As we know, the global economy is expected to grow to 112 trillion dollars. By 2025, and renewables are expected to form about 70% of the world electricity generation by 2050. By 2050 and the world is also betting on renewables. We see that there are at a global level net 0 targets, Paris agreement, climate financing at a India and global level. So India has had 4.10 gigawatts of onshore, installing new capacity additions in Fy. 2425.

I'll quickly go through the company profile. As Nilesh mentioned, SGIL is one of India's leading manufacturers of large, large size, critical castings. For wind and general engineering products. Our weight range is between 3 to 30 metric ton, single piece castings, and we're in the process of upgrading to 45,000 tons per annum capacity. We have state of the art facilities, and to draw your attention to the quality certifications that we have. In addition to the Iso 9,001, 14,001 and 18,001. We've also added a TPG. Certification as well as Iso, 27,001 and 50,001. Which stand for information technology management as well as energy management systems. Our products are mainly catering towards wind castings, which account for about 70 70% of our overall product portfolio. Besides these, we also cater about 15% of our portfolio to Gearbox castings. And the balance goes towards non wind, casting such as to applications in mining plastic injection parts as well as pumps.

Our strength is to the ability to produce large size castings up to 30 metric tons, and to build large capacities with highest capital efficiency. We're also, as I mentioned, established. We also have established products with top global OEMs. We see excellent growth opportunities in renewables with high entry barriers in terms of both knowledge as well as technology. India is also being converted as a manufacturing hub, and that is offering excellent um, you know, potential for growing, casting demand. Trade wars and global sentiments are also favoring India's demand. Some of the weaknesses that we see are the limited comp capacity that we have compared to some of our peers. This we're kind of mitigating by scaling up in the current year to 45,000 tons per annum. Secondly, we're also outsourcing 100% of our machining, of which in the current Capex cycle. We'll be taking some of this capacity in house. Some of the threats that we foresee are a concentration to the wind industry. However, our facilities can produce large size castings to any other industry with some lag. We also see that there is volatile commodity. Prices could impact profitability. However, our key commodities are hedged with customers on quarterly basis.

Coming to the business performance. Looking at our annual capacity, utilization. Over the years we've increased our capacity utilization with sustainable growth and production. Fy. 2425, marked a milestone year with our foundry operating at near Peak utilization of 88%. This reflects our strong execution and a robust demand environment. It's also reflecting a strong alignment between our production capacity and customer demand and it validates the need for our expansion projects which are already under. Moving to the income statement. Our total income for the quarter ended 31st March 2025 stood at 97.91 crores. This is an 18% growth from the same quarter in the previous year. For the year ended March 2025, our total income stands at 363.68 crores and 11% increase over the previous year. PBDIT for the quarter stood at 15.3 1 crores a 45% increase over the same period in the previous year. And for the entire year of FY 25 PBDIT stood at 53.70%. This is a 31% increase over the previous year. For the entire year. Fy. 25 PBDIT margins stood at 14.77%. This is a 224 basis points increase over the 12.53% PBDIT margin in Fy 24. The profit before tax, increased by 90% in the 3rd in the 4th quarter of Fy. 25, and stands at 7.67 crore. For the entire year PBT stands at 24.99 crores a 60% increase over this previous year. Finally profit after tax clocked in an 18% increase in the latest quarter. And stands at 3.84 crore. Similarly profit after tax for the entire year stands at 16.89 crore. A 46% increase over the previous year which stood at 11.56 crore.

Looking at some of the key highlights of the balance sheet which remains healthy and positioned to support our growth plans. Our net worth has strengthened by nearly 2.5 times, which is supported by solid internal accruals and the successful rights issue which we completely did in October 2024. This capital raise has improved our leverage profile, and it also reflects the confidence of our shareholders in our long-term growth strategy. Coming to the borrowings. We've been undertaken to increase the long term borrowings to support our Capex program and remain comfortably within reasonable debt levels. Our trade payables have remained stable, and within our working capital norms and our vendor relationships remain strong. Our payables position reflects our healthy procurement cycles which are aligned with our expanded operations. Coming to the, to the assets. Non-current assets have increased in line with the execution of our capex rollout, and includes investments already underway towards equipment’s, civil, etcetera. Trade receivables saw a slight increase during the year. This is primarily due to last minute receipt of certain letters of credit near the year end as well as growing business from MNC Clients. Many of these MNC clients operate on open credit terms. But these are high quality receivables with very low risk, and that's why they are also aligned with our strong customer profile. Our inventory levels are within the controlled expected levels. A brief overview of our revenue streams and PBDIT.

Our revenue streams are split into 5 areas. Wind, domestic OEM exports, direct exports, gearbox, and non-wind. During the year Fy. 25, we recorded a revenue growth of 11% over the corresponding period of the previous year. This was largely driven by direct exports as well as gearbox segments. Based on the executable audible projections for the coming year.

We expect a 20% growth for Fy 25-26 in terms of revenues. Looking at the PBDIT, PBDIT margins expanded by 224 basis points from 12.53% to 14.77%. As I mentioned earlier we've had a 31% increase in PBDIT and Standard 53.7 crores to the year. Additionally, the Board has also recommended a 10% dividend on equity for the year.

Coming to our overall cost structure and Capex plans. And the status of our Capex. The Capex plan for about a hundred 87 crores has been split into 3 areas. Foundry, capital renewables and in-house machine. The foundry capacity expansion is well underway, and we're expecting to receive these. Operational, received the operational capacity in Q2 of Fy 26. The renewable project to increase from 2 megawatts to 10 megawatts. Is already underway, and we're expecting it to be operational this month. In the 1st quarter of FY 26. In-house machining was split across 2 phases. The 1st phase we expected to be operational by the 3rd quarter of FY 26 and the second phase to be operational by the 4th quarter of FY 26. We also believe that environment goes hand in hand with economics, and we've taken various initiatives to triple the bottom line. These include technology leadership, such as process automation and digitization. Energy, optimization. Reducing our carbon footprint through renewables and achieving 50% green production by 2030. And also waste management. In terms of waste management, we've enhanced our sand recycling from 92% to 98%. With the help of thermal recognition.

We're expecting a 20% revenue growth supported by a robust order book. Projections from Major OEMs, as well as some benefits of capacity expansion. We're expecting export revenues to remain stable close to the previous year and PBDIT margins are expected to expand by another 100 basis points from the previous year. Supported by partial contributions from some of the strategic ongoing investments. That said, many of you know that as a part of our expansion, including capacity, additions, and new infrastructure. These will be actively underway during the 1st half of the year. So, we do expect some operational disruption in Q1 and slightly more in Q2. Because construction activities as well as commissioning activities will be picking up this. This may have a marginal impact on our output, but it's something we've already factored into our planning and customer schedules and most importantly, these are temporary and well managed adjustments, and they tie into the long term capacity and capability, building and we're confident that we'll begin to see some partial benefits of these investments. In the second half of the year. Finally, in terms of medium-term capabilities, and the path ahead, we do see an opportunity for one more Greenfield expansion in the next 3 to 4 years. But at the moment we'd like to concentrate on seeing through the current round of Capex over the next year. Before we begin planning for the next leg of growth, based on a very strong balance sheet. With this I would like to end the investor presentation and hand it back to Nilesh to open the Q & A session.

Nilesh Mankar: Thank you, Shreya Mam. So, I can see, many hands have already been raised. So, without wasting much time, I will start with the Q & A session.

Aditya Mutha: Hi, Congratulations on getting back on the growth part uh one question, ma'am, you are constantly missing your guidance. So, what gives you confidence to give a 24% growth guidance for FY 26.

V Srinivasa Reddy: Myself ready here. See if you look at the last year guidance what we gave around 200 basis point or 150 to 200 basis point growth in the EBITA margins and also, we given a guidance of 370 crores top line. If you look at the actual outcome EBITA remains same, more or less, within a just a half, a percent deviation. And the top line has against 370. We did 364 or maybe around 2% short of the guidance what we give. Once the new capacity comes in place, I don't see any reason there should be any challenge. In fact, if you look at the current year, the order book is much, much higher than what we are given a growth guidance. But we're constrained by the capacity constraint. So, we need to push back some of the schedules to this 3rd and 4th quarter, because once the capacity comes in hand, we'll be able to take the more orders.

Aditya Mutha: So I was reading a note from Nuvama in September 23, they visited your plant and you were, about to expand your capacity at that time also. So still the capacity is not expanded, so that is also a push back.

V Srinivasa Reddy: I understand. You will see there are 2 things in it. One is we were expecting Right Issue funds to be raised in the May 2024. But actually, by the time we complete the approvals with the stock exchanges and the investors and all, we ended up in raising these funds in the month of October 24. Once we have a funds, then only we'll be in a position to commit these orders. So accordingly, it is aligned. So again, at the end of the day capacity expansion is not a overnight issue. It is going to take at least 6 to 9 months to do that we are well aligned to complete that expansion.

Niteen S Dharmawat: So, towards the end of the presentation, she mentioned about uh the impact of disruptions in Q 1 and Q 2 results. So, I would like to understand the impact of that disruption and overall impact on the financial year 26.

V Srinivasa Reddy: See the whatever the growth is going to come predominantly. It is going to happen in the second half of the year. Once the full capacity is in place. As far as the 1st quarter and second quarter is concerned, it will be at par, or it will be better than the previous quarters. But if you look at the growth because somebody may be counting every quarter uniformly getting 20%. And all because majority of the growth is coming in the second half of the year, and we have also aligned our order book accordingly. See, we have taken a lot of new orders like Envison or Nordex, even Adani and now, development activities going on. So, it is also getting aligned with our capacity, addition, and completion of the product development, activity.

Niteen S Dharmawat: So will there be any impact on the EBITA in Q1 & Q2 because of that, or it will not be.

V Srinivasa Reddy: So I don't see any impact under the margins. Actually, it should be more or less in line, only growth, may be coming in the second half of the year. That's how I say.

Niteen S Dharmawat: My next question is, what is the total debt that we have?

V Srinivasa Reddy: There are 2 parts. One is the long term borrowing, the second is the working capital. Working capital may slightly go up because of the increase in the business as far as long term is concerned. We are expecting somewhere around 160 or 170 closes in total actually.

Niteen S Dharmawat : We announced dividend. That's a good thing to do. However, my concern was that since we are having some debt and long term debt as well as working capital requirement, and we are going through a Capex mode. So would it not be a prudent idea to defer this.

V Srinivasa Reddy: The dividend cash out was a very small amount. Actually, because this company is into operation for almost 15 years now and continuously last 3, 4 years we are making good profit. So we also need to take care of the shareholders as well. Actually, you know.

Darshil Pandya: I saw one of the presentation slides, where we have discussed about the wind installation grew by 20% this year. And last year it was 71%. So, is the capacity, only the issue that we are not able to grow with the industry or something else.

V Srinivasa Reddy: Yes, because we are already utilizing 88% kind of the 88 is not a small thing, you know, it's a big number, as for the utilization is concerned, actually, no. So one of the reasons is main. Yes, you are right. It's a majorly is the capacity constraint.

Darshil Pandya: Today we are adding around 15,000 tons. What kind of revenues can this give us?

V Srinivasa Reddy: See, as we quoted earlier, we are expecting some somewhere above 550 Cr. to some, or up to 600 Cr. plus is what we're expecting from the existing new capacity addition. But actually, if you look at the order book, what we are taking on the new customer uh, we are adding, it's already appearing that it's exceedingly over shipping the 600 kind of the order book.

Darshil Pandya: On the cash flow statement side, what is this other current Financial assets of 48 crores in the cash flow.

V Srinivasa Reddy: See, this is mainly because of the GST amount when we do the capital expenditure. We get a GST credit that goes under other financial assets. But it will get diluted during the course of business. When we do the invoicing, some of the portion of the Gst will get reversed to our books.

Kumar Sara: If we look at the current P&L of the company from EBIDTA to PAT, we lose 66% of the number. So 52 crore of EBITDA, and we end up with 17 crore of PAT. If you see this business 5, 6 years down the line, do you see only 33% of your EBITDA converting into PAT?

V Srinivasa Reddy: Okay, see, this is always when you do your Capex. If you look at the WDV Method Calculation, depreciation methodology, there will be steep depression in the initial pace, after completion of the Capex, I don't see this number is going to be remain like this. There is a significant portion is going to get converted into the profit, probably 2 or 3 years down the line. So gradually the ratio the pat versus the EBITDA will significantly change within 2, 3 years.

Kumar Sara: Why, wind energy is better compared to solar. There is an antithesis to this, where land acquisition, and all is very difficult in wind energy, and hence the rate of growth of wind energy maybe lesser than solar.

V Srinivasa Reddy: See, you should look at 2 aspects. One is the growth of industry in India. Second, is growth of Synergy Green. Okay. Synergy revenues dependent upon domestic market and the international market. As far as coming to your point, comparison between wind and the solar, both the technologies have got their own pros and cons, if you have to put up a solar per megawatt, you need to acquire 4 acres of land as against wind, you need only $1/4^{th}$ of acre land, so the challenges involved in land is much lesser in wind compared to the solar. But again, you may be getting biased because of the kind of growth solar had in the last 5-6 years. It is mainly because the size of the Capex, what it goes in a solar. It's much simpler, as you know. It's a panel and installed, and it goes. But at the end of the day a country like India, if it has to move towards the net 0, wind cannot stay back, because solar cannot generate electricity in the evening and night, so there has to be time to catch up along with the solar at the end of the day. Both has to match.

Parth: You mentioned, we'll be able to post a 20% growth next year. Considering that our Capex would be coming in the second half of the year. We probably need to fully sweat the capacity in H2. Do you think that is achievable?

V Srinivasa Reddy: No, we are not targeting for a full capacity, even in the Q3 or Q4. We have considered a factored in only partial enhanced capacity coming into the picture. So full capacity utilization will be happening during Fy 2027. But the growth, what we have projected that can be easily done with a partial increase in the capacity itself.

Parth: Previously it was noted that Chinese castings were about 25% cheaper than domestic products with current global cost and tariff dynamics in play. What is the present cost? Differential between Synergy Green offerings and Chinese imports?

V Srinivasa Reddy: See, these numbers are changing on a daily basis. I have to give you some example, when trump had a 10% tariff on all those things, there was a fear in the domestic steel manufacturers. There may be dumping from the China to India. Then Indian Government came back to safeguard duty of 10%. So there is a lot of change in structure of the tariffs and duties. But at the end of day, one thing I would like to tell, I don't see any um impact onto the demand because of all these things are happening.

Keshav Kumar: What will be the IRR of this 97 crores of machining Capex. More specifically if you could help understand how it will affect the revenues and the margins.

V Srinivasa Reddy: I think we already put up a presentation in the detailed about the margin, contribution and all just to again repeat, we are expecting a 3% kind of the minimum EBITDA expansion because of the machining. Another 2% from the solar. So 3 plus 2 is equal to 5% is what we are expecting as far as payback period of both the investments. Are less than 3 or 4 years.

Keshav Kumar: What will be the impact on revenue?

V Srinivasa Reddy: As far as revenue is concerned, we're expecting 50% increase in the capacity and if you take the baseline of the current year closer to 360 Cr. maybe around the 60 - 70% growth in the revenue should be possible.

Keshav Kumar: Because of the machining coming in how the revenue will grow?

V Srinivasa Reddy: No, no, there will not be any increase in revenue because of the machining, because that is a backward integration. So that will only be improving our contributions.

Keshav Kumar: So would there be any benefit in the working capital? when that comes in.

V Srinivasa Reddy: Yes, we are expecting some marginal improvement, maybe a week or 2 improvement in our total working capital cycle. Because today there is a lot of waiting time on transportation time to our vendors, and coming back that time we should be able to reduce.

Keshav Kumar: Okay, okay, so just to sum it up, the 50% expansion in the castings, capacity will be directly contributing to the revenue. And we'll benefit 2% on the. Uh overall margin because of backward integration by machines.

Riken Gopani - I think you got an ESOP scheme approved. So has there been any cost associated to there in your P&L this quarter.

V Srinivasa Reddy: Yes, that is already built into the salary structure employee, cost what we have mentioned.

Jiten Parmar: I want to know how much is the contribution of Us exports to our revenues.

V Srinivasa Reddy: Last year is about 25%.

Jiten Parmar: How, much competitive do we get? These tariff structures say we are in a much better position as far as competitiveness is concerned, especially in the US Market.

V Srinivasa Reddy: Yes, see, the one of the reasons for doing this Capex is 2 things. One is to expand our margins. Second, also improve our competitiveness. And as far as the order book and the impact of the tariffs is concerned, I don't see much significant impact. The majority of the exports are coming from west. It also depends on what investors want to do. Many times they get incentives for assembling the turbines in us. Sometimes they also prefer to do it. In India, based on their own costs, they keep on shuffling between India and US as far as our revenue system is more or less consistent. So the export part of it is coming mainly from the both Vestas and the GE. But we should look at as an overall. There are so many business dynamics. Something goes up, something goes down, and all but overall. We see there is not much of an impact on the export business.

Jiten Parmar: Okay, and what about uh, would there be any impact of your dollar weekends? How much would that impact us?

V Srinivasa Reddy: See generally when we do the pricing, we do the updated dollar pricing. Actually, no, because at the end of the day it is a completeness. So, customer also expect some person, because same thing, when it goes against us, we're going back to the customer to knock them. But at the end of the day, when you do exports, apart from the dollar, there are some others, uh, some passive benefits, like export instance and other things. So we get a slightly better contribution on the exports compared to the domestic market. Actually.

Jiten Parmar: Why was the tax rate higher in this quarter? I mean, compared to. Last year.

V Srinivasa Reddy: I think I quoted earlier. It is mainly because of the deferred tax. Liability is mainly because of there are certain assets as per the income tax. We are allowed to take 100% depreciation on the 1st year itself, actually like electrical installation and all those things. So that calls for a creation of the equivalent liability that needs to be paid during the course of time, like next to whenever the Depreciation Act. Happens according to the Company Act, that will get scored. It's a notional transaction in the balance sheet. Actually, you know.

Aditya Mutha: You are increasing your machining capacity also. So, you have mentioned phase one Capex will take around 67 crores and phase 2 will take 30 crores and the amount of capacity which is coming live is same. So why is this difference of 37 crore between phase 1 and phase 2.

V Srinivasa Reddy: See, basic infrastructure is common for both phase one and phase 2. So that's the reason why, you see, there was only a partial increase in the cost to add additional 10,000. Even if I have to add another 10,000 capacity, I'll be spending same similar around 30-35 crores kind of the level. Because of the land, the building, the base infrastructure, is created in the face, one itself.

Aditya Mutha: On the guidance part August 24 presentation of your company you said, you will grow 20% in Fy. 24-25. But somehow you grew by 13%. When the industry is going very rapidly, we can grow very rapidly. How can capacity be a constraint for us to grow?

V Srinivasa Reddy: No, see, it doesn't happen like that. Just I would like to give you a couple of examples. If you look at today's this year, which has gone by, 3 customers, basically, Siemens Gamasa, my revenues have dropped away 50%. You know what is happening in Siemens Gamasa. Again there is a turnaround is happening. That customer is coming. There are another 2 customers like GE. They will close down their plant, and they are building a new plant in Pune. Looking at the Indian growing demand. So their installations were almost near 0, means their revenue has dropped over 50%. In spite of 3 clients, revenue drop by almost 50%. But still we have grown by 10%. See when we give a guidance in the beginning of the year, based on the outlook and all. You are referring to a guidance which was given, maybe 18 months kind of the time horizon. You should also look at the what is really happening, surrounding and based upon that.

Darshil Pandya- what kind of order do we have currently.

V Srinivasa Reddy: See, as part of the order book is concerned, it is exactly matching with our execution capacity. As I mentioned this year, I'm pushing back almost a 40-50 Crores worth orders. Request given by the some of the OEMs section because of the capacity constraint. So as far as the auto book is concerned. like, as I mentioned the projection, the potential today, it's almost exceeding 600 Cr. plus. Of course, we have to create capacity, product and all.

Darshil Pandya- How our short term borrowings has almost doubled over the last year and while our revenues has been grown up 13-14%. So are this borrowings just for the working capital requirement, or this is used somewhere else also.

V Srinivasa Reddy: No, no, actually this particular year there is a special impact in the borrowing. Because of the rights issue money. What we got we did not park in a current account. We parked under deposit and against the deposit we have taken a FDOD loan. Actually, that is showing at the short term thing. That is backed by the deposit. So, it is not exactly loan. It is a notional transaction. If you see on the top side there will be a 52 croes worth of deposits are also there.

Pratik: So I just wanted to check when your capacity comes live in this financial year, how do you see the utilization level scaling up? Uh? Getting to say 80 - 90% immediately, or it'll be a gradual increase. Over the quarters.

V Srinivasa Reddy: It will take 2, 3 quarters to reach that kind of number. Actually, you know, 1st part is doing the equipment installation. The second is adding the people and aligning the thing, 3rd is aligning the customers, and the product demand actually no. So this will, you can expect 2, 3 quarters to take off, as you know, considering all those capacities coming in under commitments, what we made to the customer. We have already given you the revenue growth, guidance.

Kunal (Sunidhi Securities): Receivables are sharply increased from last year. So, is it that the revenue was building towards the end of the financial year?

V Srinivasa Reddy: No, not like that. Actually, we have a bill discounting arrangement with the vistas, GE and some 4-5 clients, which are old clients. But we added a new client. So some of the clients like Flender, they are operating with an open credit, so their business has gone up to 3 folds into this year. That's why the receivable has gone up. The second thing is 2 of the clients Lc's we have received in the last minute, somewhere on 23rd or 24th of March 25.

Kunal (Sunidhi Securities): What is the any guidance on the working capital days going ahead?

V Srinivasa Reddy: Should be fairly able to maintain around 45 days.

Prem Luniya: I wanted to understand that we have grown quite well in the export market, but in the last 3, 4 years around, let's say, from Fy. 23, 24, 25, our domestic sales have almost been stagnated. Although last quarter has received a good number of domestic sales. But can you tell me about why is this the case? Because the Indian market er installation is growing way faster than the world market.

V Srinivasa Reddy: Mainly, if you look at our revenue split is coming from the Vestas again. They're doing sometimes for the local assembly. Again, turbine is expected, or. When the Assembly happens in us market, we're doing a direct export. So that is the case as far as vestas export is concerned. The domestic Indian clients have got a tendency to lift higher material in the Q3 and Q4. This is what we have seen in the Indian engineering companies trend.

Keshav Kumar: Yeah, yeah. So uh, the 2% margin expansion uh, due to machining is that uh. Impact being considered on a full scale capacity. I mean, this base of 2045,000 tons of castings. Capacity should benefit 2%.

Keshav Kumar: On the margin front, due to 20,000 tons of machining capacity. Is that the correct understanding.

V Srinivasa Reddy: Yes, we are concerned, only partial, missing the present installation. What we're doing the. That's what we're considering our margin expansion, guidance.

Khush Nahar: What would be your execution, timeline, for a new order when we get from a customer. The new models that we get from customers and average execution cycle for our company.

V Srinivasa Reddy: Generally development cycle takes between 6 to 9 months. After that it can go to the regular execution.

Khush Nahar: Within 9 months we are able to start the deliveries.

V Srinivasa Reddy: Yes, we can go to the serial production. There will be tooling development. It takes about 4, 5 months. Then sampling Trial Assembly, and all those takes about another 2 to 3 months. So, 9 months is the maximum time it takes for a development of a new product.

Khush Nahar: And then so serial production on an average is over one year, we fully execute the order.

V Srinivasa Reddy: See, it depends on the customer schedules and all it can be done within a quarter. Actually, it doesn't take much time for the because during the journey of this 9 months we also make a preparation for the scale production actually. Doesn't take much time to ramp up.

Nilesh Mankar: So, taking into consideration of time constraint, I conclude this meeting. On behalf of entire management team of Synergy, I would like to thank all the investor for participating today's call.