



“Telge Projects Limited H1 FY'26 Earnings Conference Call”

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Moderator: Ladies and gentlemen, good day and welcome to the Telge Projects Limited H1 FY'26 Earnings Conference Call.

As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference, please signal an operator by pressing ‘*’ and then ‘0’ on your touchtone phone. Please note, this conference is being recorded.

Today we are joined by Ms. Shraddha Telge – Chairman and Managing Director and CEO; Mr. Vinayak Mane – Chief Financial Officer, and Mr. Shailesh Telge – Chief Growth Officer.

They will share insights into the Company's “Financial Performance, Key Operational Highlights and Strategic Outlook” for coming periods.

So, without any further delay, I would like to hand the call over to Ms. Shraddha Telge. Over to you, ma'am.

Shraddha Telge: Hello. Thank you so much. Good evening, everyone. This is Shraddha Telge, Chairperson and Managing Director of Telge Projects Limited. I sincerely welcome all the investors, analysts and the participants to our H1 FY'26 Earnings Conference Call. This is our first call after the listing, and I want to begin by thanking all of you for your trust and belief in Telge Projects.

I am very pleased to share that H1 FY'26 has been a period of solid progress, strong expansion in capability and a clear visibility for the growth. We continued our journey of building Telge Projects as a global structural and BIM engineering organization with a strong on-ground presence internationally and a deep engineering backbone in India. This half year has been important for us, not just from a financial perspective, but also from the viewpoint of strengthening leadership, teams, systems, technology and the geographical presence, all of which are a very long-term diverse sustainable growth.

Now, I believe everybody has gone through the presentation that we have already shared. I will start with a quick about who we are and our foundation. As a reminder to everyone on this call, Telge Projects was founded in 2018 with the vision to modernize the global structural and BIM engineering ecosystem. Today, we operate across 12 plus countries over the globe and have delivered 1,700 plus international projects. We have a very strong team of 200 plus engineers skilled across Tekla, SDS2 and Revit and we operate with almost 24x7 global delivery capability. Our presence in India is in Pune, Latur and in the United States, it's in Texas, Oklahoma, Georgia and Virginia that gives us a true global and local hybrid model.

Now, what we do in a very brief, we provide end-to-end structural and BIM engineering solutions from steel and precast detailing to BIM coordination, GA drawing, drafting, MTO and connected construction workloads. The depth of our software expertise combined with a strong QC and project management systems allows us to deliver high accuracy, faster turnaround times

and a consistent quality. Talking about the expansion, one of the biggest strength of Telge Projects is our global expansion strategy. We have established ourselves strongly in the States as well as other countries, complemented by our acquisitions of Midwest Detailing and Draftco Inc. in the United States. This combination of local US presence plus Indian engineering excellence gives client tremendous confidence. We are also preparing to expand into Canada, New Zealand and Southeast Asia where we are already seeing many opportunities further. You all must have seen a few of many the key projects as a proof of capability. We continue to work on significant and high-value projects globally from the Everton Stadium in the UK to the major healthcare industrial and performing arts projects in the US and the precast and industrial projects across Australia and Europe. These projects reflect our execution capability and the trust of our customers.

Now, talking about competitive advantages:

We operate with a clear competitive advantage of multi-software expertise, a very strong leadership, 24x7 global delivery, high repeat business, integrated group structures and R&D driven engineering automation. This strength allows us to scale faster, deliver better and maintain a high margin over the time. This was all about the Company in brief.

Now, I will cover our H1 performance:

In H1 FY'26, we delivered revenue of approx. INR 17 crores that is 119% growth year on year, EBITDA of INR 3.03 crores that is 105% growth year on year, profit after tax of INR 1.93 crores that is 82% growth year on year. We also grew our customer base from 53 to 80 that is adding 27 new clients, which is a strong indicator of market acceptance and the capability expansion. This growth is driven by improved client confidence, stronger execution capability and expansion into the high value market.

Looking ahead, we also continue to see strong visibility of our H2. Based on our confirmed orders, high probability pipeline and active RFQs (Request for Quotations), we expect H2 revenue to be 25% to 30% higher than H1. This gives us confidence that FY'26 revenue will close in the INR 37 crores to INR 38 crores range entirely organically. This is a reflection of a strong groundwork and capability building done over the last few years.

Now, I would like to address the H1 variants versus H2 FY'25:

The reason was purely external due to a 45-day US government shutdown and a policy transition uncertainties. Fabricators temporarily delayed releases, but no projects were cancelled and no work from our customers going anywhere and was just on hold for the further decisions. The market has now fully recovered, and we are expecting a very busy and a very strong H2. While revenue has grown sharply, our PAT growth appears modest because we made a strategic upfront investment in our manpower, BD and a technology. Engineering is a people-driven industry, we need to build capability before the demand arrives. These investments are now already

translating into a stronger RFQs and improved rate of clients. So, in H1, we strengthened our execution manpower across junior and senior levels, added business development teams in India for international clients and expanded our international BD and project management as well. We also strengthened support functions and initiated training cycles that take around three to six months. These investments will support H2 delivery as well as FY'27 growth and a long-term scalability. On the other hand side, our BD efforts are showing very strong traction. We hired a senior BD leader with over 15 years of US industry experience. We increased client visits to the US and Australia. Our estimation team is currently overloaded with RFQs, which is a very big positive sign for us.

With that, our order book today shows INR 10.4 crores confirmed orders, INR 8 crores to INR 10 crores as a high probability orders and INR 15 crores to INR 18 crores as an active RFQs. This gives us a significant confidence in the next few quarters. With 27 new customers added, we now have a portfolio of almost 80 active clients. This diversification strengthens our pipeline and reduces dependency on any single geography. Our revenue mix continues to be healthy with a strong contribution from the US, followed by Australia and Europe. We also want to highlight that there is no impact of tariffs or H-1B related concerns on our business because we have a very strong on-ground presence in the US itself. Our current execution capacity and the scalability are estimated at but not limited to INR 4.5 crores to INR 5 crores per month. This is a key driver of our confidence in H2 and FY'27.

This was all about our organic strategy, but we are also actively working on our inorganic strategies as well. So, talking about that, we are evaluating two US companies that fit perfectly within our forward and backward integration strategy. One is from architecture background, who is also backed by MEP services as in partnership with other firms, and the other one from structural design and stamping approvals. Discussion is in a very initial stage, but we are prompt in talking with them. These opportunities will help us strengthen our US presence, open new service lines, and support future main board readiness. Our R&D team is building automation tools for Tekla, SDS2, and the BIM processes and other softwares that we use. We are also developing AI driven BIM dashboards, internal plugins, custom scripts, and proprietary IP systems. This directly improves our margins, increase accuracy, and allow scalable growth without proportional increase in demand power.

So, with that, I am really pleased to announce a major governance upgrade for Telge projects. We are now transitioning to our quarterly unaudited financial results. This is a significant step forward in strengthening transparency, aligning with top tier corporate practices, and accelerating our journey towards the main board readiness. It reflects our commitment to operate with the same discipline, frequency, and visibility as the best listed companies. The IPO funds have been deployed responsibly into office premises, IT and software, manpower, and strengthening the subsidiaries. These investments elevate our delivery strength, upgrade our infrastructure, and fuel our global expansion. Going forward, our growth will be led by US operations scaling, Europe EPC collaborations, AI driven BIM automation, our structural R&D center, and the creation of one-stop AEC, that is architecture, engineering, and construction

platform for the services. Our long-term goal is to make Telge projects a globally leading and dominant engineering company.

So, before I close, I want to say that Telge Projects is at a very exciting stage of growth. We have the right team, the right systems, the right markets, and the right strategy in place. We are confident about delivering sustainable and predictable growth supported by a strong governance, strong global presence, and a strong capability. To every investor, analyst, and a stakeholder, thank you so much for the trust and the partnership that you have shown. We are committed to building a long-term value and we look forward to an exceptional future ahead. With this, we are open for the questions.

Thank you so much.

Moderator: Thank you very much. We will now begin the question and answer session. Our first question comes from the line of Madhur Rathie from Counter Cyclical Investments. Please go ahead.

Madhur Rathie: Thank you for the opportunity. I wanted to understand regarding the margin volatility between H1 and H2. So, why is that and what is the steady-state margin can we expect going forward?

Vinayak Mane: So, Mr. Rathie, I would like to just answer this. I am Vinayak, the CFO. So, you are comparing H1 2025 versus H1 2026?

Madhur Rathie: Sir, I am comparing H1 FY'25 to H2 FY'25. So, the margins have jumped quite a lot in H2. So, I understand there is some operating leverage that should kick in, but it is still a lot of margin improvement first half to second half. So, why is that and what is the steady-state operating margin we can expect going forward?

Vinayak Mane: Yes. If you see, it is just because of employee expenses, which is marginally higher than that comparative period. It was 30% in H2 and it is H1 46%. This is just an investment for future period actually. So, basically, we are having background from engineering. So, additional manpower will be having 3 to 6 months training period and after that they will utilize it as an operational capacity. So, that salary portion will be there in expense, but in nature of operating expenses, but actually in nature technically, it will be an investment for future perspective of couple of quarters.

Shraddha Telge: Thank you, Vinayak. I would like to address a little bit more about it. So, the question was about the comparison between the H1 of FY'25 and H1 of FY'26. So, as I informed earlier, we have made a deliberate investment into our people that was front-loaded investments in manpower, DD, and R&D. So, these are not recurring every half. That was done with an intention because we are an engineering company, we have to have people on-boarded well before the projects arise and we need to put sufficient time into training them, preparing them for performing on their projects. So, we have done this investment in H1 '26 when our company was not even listed. So, it was listed in October 2026. So, that was a very conscious call that we have taken

from a future perspective and that's how we are looking at H2 to perform around 25% to 30% better or more than H1 and overall about that in FY'27, we see ourselves up to 70% to 80% growth year on year. Did I address your question?

Madhur Rathi: Yes, ma'am. What is the steady state operating margin you can expect? Can we expect to do the 30% margin that we are doing for the past two years going forward?

Shraddha Telge: We definitely plan and target to achieve that. However, business is a very unpredictable thing. So, we really plan to achieve that. However, we are also backed by inorganic growth plans. So, I would say yes, that is our target and we will try to achieve it.

Madhur Rathi: Now, ma'am, I am comparing Telge to Mold-Tek Technologies. Our employee cost as a percentage of our revenue is closer to 30% to 35%. But whereas for Mold-Tek, it's closer to 60% to 70% and we do the same level of work. So, why is there so much variability between both of these companies and as Telge grows forward, can we expect this portion to increase as a percentage of our revenue?

Shraddha Telge: So, Mold-Tek is in line to the service that we do, yes. But we do not ideally work with these businesses. Our business is more of globally expanded and the service portfolio that we are providing is also a little different. So, with that, if I am not wrong, you are asking if we can perform better than them? Is that what you're asking?

Madhur Rathi: Yes, ma'am. Employee cost, because currently we are smaller than them, I am trying to understand as Telge grows from INR 30 crores-INR 40 crore company to INR 100 crore company, will the employee expense as a percentage of our revenue increase from the current 30% range to 40%-50%?

Shraddha Telge: No, we do not target to increase our expenses a portion like that because on the other hand side, we are actively working on research and development internally that is creating our IP that directly affects the efficiency of our people and that is something we are working very practically and inside this so that it will help our people to perform better, complete the projects within a less time and with a better efficiency. So, with that, I would say it is not going to increase proportionately as it was earlier. That is another strategy again.

Madhur Rathi: Got it. Ma'am, you've mentioned that we would like to acquire companies either on the architectural side or the structural design and the stamping approval side. So, currently we are making 15 lakh revenue per employee. So, with any of these acquisitions coming in, where do we see this increasing for our business?

Shraddha Telge: Well, the companies that we are looking actively for are the forward and backward integration. With that what I mean, right now we are into structural design and engineering phase, but we really want to back up by architectural services as well and mechanical electrical plumbing. This will provide us a complete portfolio as a one-stop solution for our customers. So, this is what we

are planning as a strategy and if you talk about the revenue, I will say the current business will have a value addition with the architecture and design and services which will also increase our ticket size and will eventually help us to have better margins than what we have at the moment.

Madhur Rathi: So, can this 15-lakh revenue per employee move to 25 lakhs with this forward and backward integration or acquisitions that we are planning to do?

Shraddha Telge: Well, I cannot simply throw that numbers at the moment because we are still evaluating the opportunities that we have on hand. So, I would try to refrain from throwing an exact number, but it will be better position than now, yes.

Madhur Rathi: Got it. So, yes, so that was from my end. Ma'am, so if you look at our IPO proceeds, the utilization, ma'am almost 40% of it is to hire manpower for standalone and consolidate for subsidiary. So, madam, to hire manpower, we don't need equity capital for that. We just need to pay the salaries from P&L?

Shraddha Telge: That is what we have been doing so far and even now we are doing the same thing. We have parked that amount for that purpose because we are into a process of acquiring the new companies which will actually need a really good manpower internationally and as you might be aware about it, that it costs a little bit higher than what we usually do. We really need capable people to be sitting in that business and handling the business forward and making a multi-fold growth for that. So, with that particular strategy, we have planned that fund for recruiting people but not for the regular execution purposes.

Madhur Rathi: So, ma'am, basically, let's say around INR 9 crore or thereabouts of IPO proceeds we will use to hire people and their salaries we will capitalize on the balance sheet. Is that understanding correct?

Shraddha Telge: It's not really about the salaries. It's also about training them and making the businesses stable by investing in people from different means. So, as I understand, you are assuming that we will be spending that money for their salaries. That is no, but that is a part of employee empowerment. So, yes, if I am addressing your question.

Madhur Rathi: Okay, madam. And I think it's mentioned in the investor presentation that we have around some two acquisition opportunities we are under evaluation in acquisition. So, madam, what I am trying to understand that what kind of ticket size are we looking at? I mean, will we require additional debt for acquisition or the IPO proceeds will suffice for the same?

Shraddha Telge: For talking about the current opportunities that we are dealing with, we won't be needing any additional funds for that. The IPO proceeds will suffice for now. That is the size that we are sitting. That's not limited to it. We are still hunting better opportunities bigger than us who can collaborate and partner with us. And maybe in future, we might need things like that or might

need better funds from what we have at the moment. But we are not looking anything like that, at least for the next financial year.

Madhur Rathi: Now, ma'am, in the investor presentation, page number 19, it says that we are doing INR 4.5 crore-INR 5 crores per month of execution. So, ma'am, does that mean that in on a 12-month basis, we can do something like INR 60 crore revenue?

Shraddha Telge: Well, that is a plan. Here, we are dedicatedly talking about our capacity that we have just increased, meaning that that is in a transitional phase of 3 to 6 months. So, we can achieve that number for month-on-month, INR 4.5 to INR 5 crores. Yes, that is our target. But we see that within 3 to 6 months, we will be reaching that level that will effectively show the results in FY'27.

Madhur Rathi: Okay. So, ma'am, basically, as your investor presentation page 11 says that this year, we are expecting a minimum revenue of INR 37 crores-INR 38 crores. And next year, possibly, FY'27, around INR 60 crore is a possibility, is that understanding correct?

Shraddha Telge: Yes, in that case, we are getting. So, we are targeting almost 70%-80% year-on-year growth after this. So, if we close between INR 37 crores-INR 38 crores this year, we, of course, target to 70%-80% for the next year.

Madhur Rathi: Okay. And, madam, what kind of operating margin should shareholders expect?

Vinayak Mane: So, around 30%-35% EBITDA margin you can expect in this FY'27.

Madhur Rathi: Okay. So, no, but our competitor, Mold-Tek, despite having a higher revenue base than us, they are doing around, I mean, quite like around 10%-15% kind of margin. So, what gives you the confidence that we can maintain this kind of 30%-35% EBITDA margin?

Vinayak Mane: So, see, basically, earlier investor has mentioned that 60% was the employee cost for Mold-Tek, right? And we are having that much amount of 30%-35% of operational cost. So, that gap itself is giving us better margin in terms of operations.

Madhur Rathi: Right. And last question. So, will the company be a dividend-paying company by yearend?

Shraddha Telge: We cannot commit anything right now, but we will actively think over it, sir.

Madhur Rathi: Okay. Right. And madam, last question, we have other current assets of around INR 30 crores. So, madam, what exactly is this number? What is included in other current assets?

Vinayak Mane: So, you are considering consolidated, right?

Madhur Rathi: That's right.

- Vinayak mane:** yeah, assets included corporate office of around
- Shraddha Telge:** That asset includes the corporate office of Telge Project that is based in Pune. And it's the biggest asset we are considering right now. I think, Vinayak, you are finding out the value for it.
- Madhur Rathi:** Yes. Okay, madam. Thanks a lot.
- Shraddha Telge:** Yes. Thank you.
- Moderator:** Thank you. Our next question comes from the line of Deepak Poddar from Sapphire Capital. Please go ahead.
- Deepak Poddar:** Thank you very much for this opportunity, ma'am. And many congratulations for the listing. So, ma'am, I wanted to understand, now you mentioned INR 37 crores-INR 38 crores minimum is what we are targeting, right? So, any optimistic number also you want to share? I mean, on the optimistic side, what sort of execution we might target for this year?
- Shraddha Telge:** So, it was intentionally mentioned that minimum INR 37 crores to INR 38 crores. However, we are targeting a little bit more than that. The optimistic number that we look forward to, but we are not committing asset is around 40. Yes, that's what we are targeting. Yes.
- Deepak Poddar:** Okay, understood. INR 40 crores, that can be the optimistic. And in terms of margins, I mean, this year also we are having the same margin band of 30%-35% that we have shared for next year as well?
- Shraddha Telge:** Yes, as I really mentioned, we are targeting similar margins this year. However, with our active internal processes and systems and the R&D development, I think it will be better in the coming year. And the results will be, of course, good than this year, but it will be gradual. So, we are actually working on it. And you will see the difference when we discuss about the further projections and further year performance.
- Deepak Poddar:** Okay. Because the reason I am asking because first our margins is only 18%. So, to have 30%-31% of margin for the entire year, you have to do 40% margin in the second half. I mean, given the scale that we are talking about in terms of, will we see that operating leverage advantage that we can see 40% margin in the second half?
- Shraddha Telge:** The margins will be, of course, better because we are not planning any further hirings in the H2. And that is directly going to impact our cost. So, yes, we are on it that the margins will be better for H2 than the H1.
- Deepak Poddar:** Yes, I mean, better in H2 versus H1. I mean, there's no comparison, right? Last year, your first half margin was 19% and your second half margin was 39% last year, FY'25. So, that's what I am saying. We'll see the same kind of trajectory in the FY26 as well. I mean, first half your

margin is 18%. So, ideally, to have that 30%, you have to have second half margin of 40%. So, second half and first half, there's no comparison, right? I mean, that's what I was just trying to understand.

- Shraddha Telge:** Yes, as I said, there are no major costs in the coming period. So, yes, it will be better.
- Deepak Poddar:** Understood. And just one last thing on the inorganic strategy. Is there any timeline? By when we are looking for this acquisition that we mentioned in the forward and backward integration in structural as well as in architectural side?
- Shraddha Telge:** Right. So, as I mentioned, there are two opportunities that we are currently working on. Among that, I truly believe that the one opportunity that we are working on will be completed in this financial year, but that is what we are targeting. But I cannot commit about it. That will be sooner this year or the next year. But about the second opportunity, I think it will be delayed a little bit for the next financial year.
- Deepak Poddar:** Okay. So, one you expect to complete by this FY'26?
- Shraddha Telge:** We target to do that. Yes.
- Deepak Poddar:** Okay. And just one last small thing. All the billings that we do, is it in USD? I mean, that's what or USD or if it's in Europe, Euro and all. So, which currency we do the billing to clients?
- Shraddha Telge:** Majorly to the United States. Yes. But we are also doing active and high business in Australia, Europe, UK, Ireland, and some Southeast Asian countries as well.
- Deepak Poddar:** Okay. But majority will be USD?
- Shraddha Telge:** Majority is US, yes.
- Deepak Poddar:** Currency would be USD, right? That's what I am saying.
- Shraddha Telge:** Currency will be USD. Yes. That's right.
- Deepak Poddar:** Okay. I think that would be from my side. I would like to wish you all the very best. Thank you so much.
- Shraddha Telge:** Thank you.
- Moderator:** Thank you. Our next question comes from the line of Kapil Adwani from Aarth AIF Growth Fund. Please go ahead.
- Kapil Adwani:** Good evening, ma'am. Congratulations on the great set of numbers. I just have a few questions. My first question is on the new clients which we have added. So, we have added about 27 clients

during H1. So, what is the average order size? And also, you have mentioned better rate clients in the presentation. So, could you please share some light on that?

Shraddha Telge: Well, these 27 clients are potential customers than the last year, of course, because our ticket size has been already increased and we have built a very good portfolio. And we have been working for almost 3-4 years to establish our identity in better companies. So, I think almost these 27 number of customers are having a bigger ticket size. Even one project costs around maybe INR 1 crore and that project lasts for 5-6 months. So, most of these customers are from that line and we are targeting to increase them vertically so that we have a better stability in-house for the revenue growth.

Kapil Adwani: Understood. Can you please talk about the valuation of the two US companies which we plan to acquire?

Shraddha Telge: Well, that is really confidential information. I am so sorry that I can't disclose it right now. But I would say they are lesser than us. I am talking about the two opportunities that we are currently working on. And Vinayak, are you there?

Vinayak Mane: Yes.

Shraddha Telge: So, I would say this is actually confidential information. So, sorry, I cannot disclose it. But that will be lesser than us. That's all I can share right now. In terms of revenue, I am saying.

Vinayak Mane: It is in pipeline. So, we have not yet finalized, we cannot commit on this meeting, actually.

Kapil Adwani: Okay. Can you please share the topline and the PAT margin for those two companies?

Vinayak Mane: Well, I am really restricted to share that information right now. You will be in a better position to know about those things in our maybe next quarter release. And we might throw some information by that time. Because as you know, these US companies are really sensitive and they really don't want the information to be passed when we have not signed any kind of letter of intent yet. So, I would request you to please hold on for the next quarter and I'll be in a better position to share that kind of details further.

Kapil Adwani: Sure, ma'am, no problem. Could you please share some update on the Pune office?

Shraddha Telge: Well, in Pune office, we have around 160 employees working from here. And we have these two major departments, Precast and Steel. These are headquarters and we have almost major outcome as an execution part coming from this location. What exact information you would like to know about it?

Kapil Adwani: I was asking for the new Pune office which was a part of the object of the issue.

- Shraddha Telge:** Well, yes, that is something under construction and we look forward to be in a new place maybe the next financial year. But that is not fixed. We are still evaluating the better new places to move in. However, our another plant is also to expand in Latur region. So, that is what right now there are almost 30-35 people working from there. And we will see if there are better opportunities to expand in Latur than Pune from a perspective of cost savings. We will also explore that side then.
- Kapil Adwani:** Okay, understood. And my last question is on the R&D team. So, how many people do we have in your team?
- Shraddha Telge:** Right now, we have five people working under R&D team. However, we are also partnered with the external companies to work with us closely. So, we will just get the help from them. But our internal five people team will be working confidentially to develop the systems processes and the tools that will be only used by Telge projects internally.
- Kapil Adwani:** Okay, understood. That was all from my side. I wish you all the best. Thank you.
- Shraddha Telge:** Thank you so much.
- Vinayak Mane:** Before moving for the further question, I just wanted to clear, previous question were asked for other current asset of INR 30 crores. Actually, this was for our IPO funds only because allotment was done on 30th September and funds were not credited in accounts. So, hence that other current assets are covered of 30 Cr. from that IPO proceedings.
- Moderator:** Thank you. We have our next question from the line of Kaustubh Babrekar, an individual investor. Please go ahead.
- Kaustubh Babrekar:** So, my question was, you are planning to open another office in Nashik region. So, do you have any update regarding that?
- Shraddha Telge:** About the Nashik location, we have actively identified a good resource base over there. We have been conducting a lot of interview drives from last couple of months. And right now, we are also looking after finding out an office location over there. However, this will be a thing to be started from January, most probably, but I am not committing anything right now. It will be started before the end of this financial year, yes.
- Kaustubh Babrekar:** Okay. Thank you.
- Moderator:** Thank you. We have the next question from the line of Kapil Adwani from Aarth AIF Growth Fund. Please go ahead.
- Kapil Adwani:** Sir, I have a question on the order book. What is the execution timeline for these orders that we have in the pipeline?

- Shraddha Telge:** So, usually the order book that we have, having a very different kind of project. Some projects might even get completed in a month or something, but some projects last for more than five months as well. So, that is a varied duration for the projects, I would say. However, we target to utilize the maximum capacity that we have mentioned that we'll try to execute to 4.5 crores per month starting January. And the order book is continuously building. As I mentioned, our RFQ line has been built so strong that the order book will be better in the coming months.
- Kapil Adwani:** Okay. And then any large-sized orders we have that we are going to execute in the near future?
- Shraddha Telge:** Yes, we already awarded with almost two to three projects that cost around, maybe starting from 60 lakhs to 1 crore and 1.5 crores. That is the cost for only one project. That is the ticket size. And these customers are growing really well. So, once we get a better relationship with them that our BD team is working on, we might get similar ticket size projects more in the further quarters.
- Kapil Adwani:** Okay, understood. And then we have mentioned in the presentation that we are exploring new service lines within the ecosystem. So, can you please shed some light on that?
- Shraddha Telge:** Yes. So, right now we are into structural building information modeling services. And when we also add our structural design services to it, the ticket size will also increase with that. And we are not restricting ourselves to it. We are also exploring the architecture side so that we get the project right from the start from the contractors and the builders. And we start from the architect itself. Once we have this architect part finished, we will also have the engineering design, stamping approvals, and then that is backed up by our current services. Not only limiting to that again, in future, we also plan to add the other services that is mechanical, electrical, plumbing as a part of services again. So, that will have a one-stop solution for our customers. Those are basically the contractors and the builders. And we can have everything under one roof. And this will also help us to have a better ticket size because adding all those services will actually have around maybe 8 or 10 times of ticket size that we are having at the moment.
- Kapil Adwani:** So, how much margin uplift are we seeing when we do the 8x to 10x of the ticket size?
- Shraddha Telge:** Of course, we are targeting better margins because then we do not need to rely on other parties to get our services done. So, whatever margin we have might increase at least 2x to 3x or maybe better than that.
- Kapil Adwani:** 2x to 3x?
- Shraddha Telge:** Yes, we are discussing about the margins, right? So, there are multiple things that we are working for the margins. So, of course, the margins that we have at the moment will be better in future. I am saying 2x to 3x immediately because I am targeting my R&D team to perform in that line. That will be a result of their efforts. However, adding the other services will have even better margins in future.

- Kapil Adwani:** Okay, understood. And then you have mentioned a European EPC company that we are partnering with.
- Shraddha Telge:** Yes, so with that what I mean, we are in active discussion with some companies in the European market wherein we are not thinking of directly acquiring with them because that is the market we really want to plan strategically, not going so fast as we have done in the States. So, we will first try to partner with them so that we increase our experience and exposure in the EPC projects. That will help us to grow our own expertise in that line and then slowly we can percolate into the European market after that.
- Kapil Adwani:** Okay, that is all from my end. Thank you. Thank you so much for answering my questions.
- Shraddha Telge:** Yes, thank you.
- Moderator:** Okay, thank you. Our next question comes from the line of Mayank Kapur, an individual investor. Please go ahead.
- Mayank Kapur:** Thank you so much for the opportunity and congratulations on a great set of numbers, man. I have two questions. I joined the call late, so it might sound repetitive. But the first question is, so in H1, we do about 18% of EBITDA margins or operating profit margins is what we have come across with, right? However, for the overall year, as I can see for last year as well, the overall margins were 30% plus. So, what I am trying to understand is, how will we get that increase in margin? Will it be because of, let's say operating leverage kicking in, but exactly by what means? Can you just explain that?
- Shraddha Telge:** So, in this year, we have already made upfront investments into our people, meaning we have increased our capacity already. And that's why our revenue targets will be better than the H1. That was one thing. Another thing is, we are already backed by many other developments. We already added 27 new customers on boarded who are actually very potential customers and will have a better ticket size in terms of projects. That combination along with our new BD people addition is giving us the confidence that, of course, the margins will be better, and the ticket size of the projects will be bigger and the capacity that we are targeting, we can meet very soon.
- Mayank Kapur:** So, essentially, ma'am, what I understand is that we have made some investments which will be fruitful in the H2 in terms of both topline as well as margins. So, will we be able to reach that 38% figure for the EBITDA margins for the whole year?
- Shraddha Telge:** We are very optimistic on achieving that. As this is a service industry, we have to make upfront investment in our people because it takes a little time to prepare them to perform on the project. This is a core engineering field and the investments that we have done upfront as we're in the service industry, they cannot be depreciated and is accumulated in one period. So, yes, this is the fact of this industry and the business. However, this is going to have a better transformation in the coming future. So, yes, I hope that answers your question.

- Mayank Kapur:** It does. Just one last question. So, you were just saying that we'll have 2x-3x margins of something, right? I didn't understand that 2x-3x EBITDA margins compared to H1'26 or what? Can you please elaborate?
- Shraddha Telge:** So, with 2%-3%, I was telling that our R&D team is working in that direction. However, it is not directly backed by our inorganic growth in that sense. So, let's not get into that particular number as a margin because I would say we will try to make our margins better than what we are at now. But I cannot simply throw that number that, okay, this will be my margin for the next year or the next half. But it will be surely better than where we are standing right now.
- Mayank Kapur:** Got it. No, that is fair, ma'am. What I heard was that you are going to make 2-3 times the margin and not 2-3 percentage increase. So, is it like 2-3 percentage point increase, right?
- Shraddha Telge:** I will not stick to it because that was not something I meant to say. We were discussing about the inorganic growth plans and that was a very different topic. So, I am not telling anything about 2%-3% related to direct margins on the organization. But what I can all say is, it will be better, better than the current stage right now.
- Mayank Kapur:** Got it, ma'am. Fair enough. Thank you so much and all the best.
- Shraddha Telge:** Thank you.
- Moderator:** Thank you. Our next question is from the line of Murtaza from PinPoint X Capital. Please go ahead.
- Murtaza:** Hi, good evening. Congratulations on the successful listing. I just had a few questions regarding what is our ideal focus market in terms of geography that we have? Is it USA?
- Shraddha Telge:** So far, we have worked with almost five major countries. So, that includes the USA, Europe, UK, Australia, and Southeast Asia. However, we have seen a big surge in the US because as everybody knows, this is a growing economy and you get the biggest potential over here. And we also got a big contribution from this phase. And even we are sitting in this state so that we can focus better on this market. So, yes, US is the biggest part, I would say, contributing to our overall revenue. However, this doesn't mean that we are not focusing other countries. We are actively working on Australia and Europe this year as well. That will be not similar to the US, of course, but will be a biggest part again of the contribution.
- Murtaza:** Okay, this helps. I have a follow up on it. Like, we have a biggest exposure to US. So, the currency that we have exposure is US dollars. So, do we have some kind of hedging policy in place so as to safeguard ourselves?

- Vinayak Mane:** Currently, we are not having any hedging policy, but we are in the thought of that. So, as we are dealing with these foreign currencies like USD and Euros, so we are having in our mind to have a hedging policy for this. Okay, this helps.
- Murtaza:** Another question I just have, if you could expand on is that what kind of incremental revenue can we expect, like post the synergies of an acquisition, if we happen to do? Any ballpark?
- Shraddha Telge:** I understand and appreciate your question, sir. But as I said earlier, we have to refrain from addressing any kind of numerical figures, even as in part of an increase in our overall growth, because we are in a very initial stage. And this is a US company policy that we cannot share any details like that, because we have not even signed the letter of intent for now. So, as I said earlier, we will be in a better position maybe in the next quarter to share about it a little bit more.
- Murtaza:** Sure. One final question, have we received the IPO proceeds as of yet, or is it still not received?
- Vinayak Mane:** The proceeds have been received actually, that IPO funds we have received in this month, this October month, but it is yet to utilize actually. So, partially we are utilizing in this H2.
- Murtaza:** Okay, thank you very much. These were my questions. Thank you.
- Shraddha Telge:** Thank you.
- Moderator:** Thank you. The next question is from the line of Kaustubh Babrekar, an individual investor. Please go ahead.
- Kaustubh Babrekar:** So, I have one request that is it possible for you to shift to quarterly disclosures and quarterly results?
- Shraddha Telge:** So, I have already mentioned in my deck that we are planning to go on a quarterly unaudited result that is for a better investor visibility. So, we might pass on a circular about it maybe in the coming couple of weeks. So, yes, we are already on it.
- Kaustubh Babrekar:** Okay, thank you. It will increase the transparency for the shareholders as well. And another question regarding like to increase a bit of transparency is that the orders that you get, so is the business order book driven and do we get orders in bulk? So, is it possible for you to disclose that to the exchange or maybe in terms of any big orders that you receive or some kind of like you could do it monthly or bimonthly something like that?
- Shraddha Telge:** Well, our order book increases almost every month because our customers keep giving the projects at any point of time in the overall month. What we always try to give as a better insight is as we will be transitioning to the quarterly results, we are optimistic that we will be in a position to disclose our current order book till that time. We can go with that.

- Kaustubh Babrekar:** Okay, fine. That's it from my side and congratulations to you and your team on a great set of numbers and wishing you all the best. Thank you.
- Shraddha Telge:** Thank you so much. Appreciate it.
- Moderator:** Thank you. We have our next question from the line of Kapil Adwani from Aarth AIF Growth Fund. Please go ahead.
- Kapil Adwani:** Ma'am, I wanted to ask a question on the employees. How many employees did we hire in this session?
- Shraddha Telge:** Yes, I think Vinayak is having a better clarification on that.
- Vinayak Mane:** Currently we have 200 plus employees with us, out of which 180 is operational and by other backend teams. So, you were asking about how many are additions in H1, right?
- Kapil Adwani:** Yes, right.
- Vinayak Mane:** So, in H2, it was 150 actually. So currently you can consider 30% we have added in terms of operations and in overall 60 headcount is added in H1.
- Kapil Adwani:** Okay, understood. And so do we incur any MTM loss on FOREX, because I cannot see it from the financials?
- Vinayak Mane:** Yes, small portion is there actually. In other parts, it is included.
- Kapil Adwani:** Sorry?
- Vinayak Mane:** FOREX loss on this foreign currency term loan which we are having, so FOREX loss is booked on that as on 30th September.
- Kapil Adwani:** Sir, under which line item?
- Vinayak Mane:** In other costs actually. I can share with you.
- Kapil Adwani:** Thank you, sir. That was all.
- Moderator:** Thank you. We do have one entry to the question queue. We have a question from Murtaza from PinPoint X Capital.
- Murtaza:** Hi, again, I just had a short question. I just wanted to understand a little bit about order acquisition. How do we like kind of get the new orders? Or is it a little bit more on the repeat side of things? Or is it more on bidding for the orders? How does it work? Could you please share some?

- Shraddha Telge:** Yes. So we have a huge repeat orders from our customers. As we have mentioned that we are added 27 new customers on board. That shows that we are not only relying on our repeat business. However, we also target the new customer onboarding always all the time. Because now our target is to move from customer A to customer B, who is having better potential, better ticket size, and huge projects in terms of size, complexity, and niche areas and that we want.
- Murtaza:** Okay. If possible, can you quantify a repeat rate, if possible?
- Shraddha Telge:** If I stick to our H1, so I would say we have almost 70% repeat business.
- Murtaza:** Okay. Thank you very much. This helps. All the best.
- Moderator:** Thank you. As there are no further questions from the participants, I would now like to hand the conference over to Ms. Shraddha Telge for closing comments. Over to you, ma'am.
- Shraddha Telge:** Thank you so much. So before I close, I want to really say this that the Indian project is in a growth phase and we are very committed to our further journey. There are many exciting things planned ahead. And with that, as we will be having the quarterly unaudited results publishing every quarter, it will have a better visibility to all our related parties. And we are committed to and also following the governance for the same. Thanks all the questions today from everyone and I really appreciate your interest into our business. And I look forward to the same thing in future. Thank you very much.
- Moderator:** Thank you. On behalf of Telge Projects Limited, that concludes this conference. Thank you all for joining us. You may now disconnect your lines.