



SAT KARTAR

SAT KARTAR LIFE LIMITED

H2 and FY26 Earnings Conference Call

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MANAGEMENT: MR. MANPRIT SINGH CHADHA- FOUNDER AND CHIEF OPERATING OFFICER

**MODERATOR: MR. PAWAN BHATIA- NUVAMA WEALTH PCG
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Ayush Divecha: Good evening participants. Thank you for joining the call. Before we begin, a few quick announcements for the attendees. Certain statements made during this call may relate to future performance or expectations and should be understood as forward-looking in nature. These involve risks and uncertainties, are not guarantees of future performance, and actual results may differ from those statements. Over to the host of today's call, Nuvama Wealth PCG, for the management introduction.

Pawan Bhatia: Good evening everyone, on behalf of Sat Kartar Life, I extend a very warm welcome to all the participants on the H2FY26 earnings discussion call. Today on the call, we have Mr. Manprit Singh Chadha – Founder and Chief Operating Officer.

I would now hand over the call to Mr. Manprit for this openings remarks. Over to you sir.

Manprit Singh Chadha: Thanks Ayush, thanks Pawan, and thanks to everyone who has joined this call.

You all have been looking into the company the numbers since inception, and when I say inception, since we became public. That time you were looking at Sat Kartar Shopping. Today, we are Sat Kartar Life, and this, in itself, is a definitive statement. We were a product company, categorized as a product company. We will definitely remain as a product company primarily, but yes, we are moving into a whole fledged ecosystem, into the complete sphere of the healthcare of Ayurveda.

Numbers, you must have had a look. It has been a nice year, 2026 with the revenue growing 23% crossing the 200 mark, which was our first vision for the first year after IPO. EBITDA by 73% and PAT by 74% and this eventually gives a benchmark for our next two years, numbers, which I've been always saying, is crossing 300 and crossing 500 in the next and the following year.

With this change, and with these numbers being posted, we now have a kind of a dual-engine, the product company in itself, and a wellness or a hospital, I would club it both the hospital, wellness, therapy, Panchkarma, everything into one sphere, and that engine has started rolling out with the first 30 bedded hospital already operational and running in Delhi. As I already said, this hospital was actually made a 30 bed hospital so that, as a learner into this industry, we wanted to be sure that before we invest any capital into such kind of a venture, we should be sure that the payback period, we should be clear as to what would be the payback period, what would be the profit, and yes, today we are not break-even in the second month of the hospital operations as many, few things are underway, like government empanellement and insurances, which we are hopeful by end of this month, end of this May, we will have it. And June is the time, or the last few days of May, when we hope to break even this and then move to our second phase of moving to the 300 beds which we are actually envisaging by the end of this year.

Few interesting things which actually happened or which actually were in the pipeline and which actually materialized, were we always wanted a factory under the umbrella of Sat Kartar, that's in place, working, delivering capsules. The subsidiary acquisition is now complete, with the

100% Plantomed being taken into the fold, US operations. Product range has been set, and various accounts into the marketplace are underway to roll out the sales in US.

AI has already started delivering the results, though, to a very small scale. Still, as we are very cautious, there's a lot of buzz on the AI. People are talking about AI, and in fact, I've seen many companies burning money on AI. Our few test results are very positive, and we, as since inception, Sat Kartar always looks into the ROI. So AI has started giving ROI and improving our efficiency into the company.

Another big benchmark, or a big event, which happened was we have joined hands with Jeena Sikho, a collaboration, and that collaboration is, in a way, I would put it into two folds, definitely for both the companies, but more importantly, it is a game-changer for the Ayurveda Industry for India as a whole and the world as a whole, is definitely going to gain when a product company like Sat Kartar getting huge data, already having a huge data, and generating a huge data daily, is presently into products, moving into hospitals, but definitely hospitals coming up would take time. It has a gestation period. It has a conceptualization period. It has a buildup period, the licensing period, but we wanted that we start churning this data for consumers who are in need for Ayurveda, should avail it right away. Tie up with Jeena Sikho is like this, in North India they have 2800 beds. So somewhere in inquiries, and then they are widely spread, people coming to North India from every state. So, we plan to move those to the Jeena Sikho clinical outlets, in turn, get a revenue share from whatever revenue is brought in from there, we have been very strong in South India, Tamil Nadu, Karnataka and Andhra Pradesh have been our forte. And under the agreement, we have kept those territories under Sat Kartar, we will be opening hospitals under the name of Sat Kartar, under the balance sheet of Sat Kartar in these territories, and yes, Jeena Sikho, being already a leader, and having all the clinical know how into this field, we would be taking help from Jeena Sikho to get these hospitals operationalized. And that would be the reverse way wherein Jeena Sikho would be charging a management fees for that. The complete details about those are still being formulated and would be out soon again.

If we come back to the Balance Sheet numbers, and before that, Ayurveda, and I repeat this in many of my calls that when in year 2000 we saw a boom in the IT industry, and there was a place for every player in the market. Similarly, Ayurveda has 3-4 good companies who are working on a good scale and the growth is unlimited. The total, if I'm not wrong, around 19,000 hospital beds or so, or I would correct, 19 Lakh total, allopathy beds, Ayurveda is nowhere in that, and these beds are for cure. Ayurveda has cure as one part and precaution with prevention, that a human shouldn't reach the disease phase.

If we see the total beds in Ayurveda, probably Jeena Sikho maybe has 2800 beds, KRM Ayurveda has close to 200 beds, we have 30 for the time being, but 300 and then 1000 is not far. In total, 6-7 thousand beds make the market so huge. I have made it a habit, that before any investor asks a question- I'd like to address it beforehand. Further clarification to be addressed through Q&A.

PAT is 17Cr. but cash inflow is less. Working capital, if you compare, from 2025 to 2026 working capital may show a difference, but you should compare H1 with H2, H1 is transition phase, which after IPO, company was building a factory, acquiring Plantomed, investing in

inventory, but if you compare H1 to H2, all the numbers have improved, I won't say drastically, but yes, after a transformation, you'll see a stability or improvement phase from forthcoming H1 and H2 and plus, going forward.

Moderator: Dear participants, we will now be starting with the Q A session of this call. If you wish to ask a question, please use the raise hand feature available in a zoom dashboard. You will announce your name post of which you can proceed to ask a question.

We'll take the first question from Mr. Mitansh Chheda.

Mitansh Chheda: My name is Mitansh Chheda. I'm an individual investor. Congratulations, sir, for the H2 results. My question is, so can you explain the business model and product offerings of this company called Ajooni Wellness Private limited and what is its current annual revenue, and how much stake does Sat Kartar own in it?

Manprit Singh Chadha: You are asking for Ajooni Wellness or Ajooni Life Sciences?

Mitansh Chheda: Both, if you can answer, maybe.

Manprit Singh Chadha: Ajooni Wellness is nowhere into the business of Ayurveda. Ajooni Life Sciences is actually 100% subsidiary of Sat Kartar Life and Ajooni Life Sciences is a company; Sat Kartar Life has been into the product segment with a high ticket size, into the primarily diseases for de-addiction, men's wellness, ortho, piles, into these diseases and diabetes, but Ajooni Life Sciences is more into nutraceuticals in which we have a different range by the Veda bay with the ticket size ranging from 900 to 1200. So, we have actually kept nutraceuticals away from Ayurveda and have formed a Ajooni Life Sciences, a purely 100% subsidiary to have nutraceuticals and a lower range there.

Mitansh Chheda: And what does Ajooni Wellness do?

Manprit Singh Chadha: Ajooni Wellness does nothing. It just holds a shares of Sat Kartar Shopping. That's promoters company. It doesn't do any business.

Mitansh Chheda: Okay. And for FY 26 how much money did we spend on advertising, and what percentage of it did we capitalize?

Manprit Singh Chadha: 40% is our expense on advertisement. Nothing is capitalized in advertisement. I would have loved to capitalize it, because a lot goes into the branding, but some accounting standards don't allow advertisement to be capitalized. Around some amount ranging from, would not be handy amount, but around a crore or less than that, around 50 lakhs, would be on the collaterals being produced, which actually run for a period of four to five years around that amount would have been capitalized.

Mitansh Chheda: So for the 1000 beds plan that we have for the future, approximately how much capital would be required to put up these 1000 beds?

Manprit Singh Chadha: Presently, the first hospital which we made was with a CAPEX requirement of 7-8 Lakhs per bed. But when I say 7-8 Lakhs per bed, I always take that even the gestation period till the hospital starts running, the pre-operative expenses through which it comes to 7-8 Lakhs per bed, but a facility can get operational with 3-4 Lakhs of bed cost. So taking, if I take benchmark as 4L and rest, I take it as a working capital, the 4L into 1000 would be the capex required, 40 crores.

Mitansh Chheda: So, Jeena Sikho has around, I believe, 50 to 60% occupancy rates currently. And so I want to know what, what is our plan for when the bed capacity comes live? What's our plan for improving the occupancy rates would it be similar to Jeena Sikho? Would it be better? And what would our plan be for improving those occupancy rates?

Manprit Singh Chadha: With the data flowing in to us and already the customer inquiring as to where I can actually meet a doctor, and if required, be in a hospital. So we feel that occupancy rates can actually be as high as 60 to 70%. But then this would all depend on the territory where the hospital is, because in Jeena Sikho case also, some territories would be giving him more than 80% occupancy, and some might be giving 30%. So we being, I would say, the third or fourth entrant, we would actually be using that data, plus our own data, so that we can have higher occupancy.

Mitansh Chheda: And would Mr. Manish Grover also promote Sat Kartar's facility in South India, like he does, does it for his own Jeena Sikho facilities in North India?

Manprit Singh Chadha: Definitely. Jeena Sikho, I won't say, had been struggling into South India, but yes, their major focus had been in North India. South, they again, for every company, there's a bandwidth they somehow could not penetrate, or were taking time in penetrating into South India. So, I won't call it a joint venture, but it would be a win-win partnership for both, wherein, yes, we would be taking expertise of Mr. Manish and Jeena Sikho so that those hospitals reach and cross the breakeven pretty fast.

Mitansh Chheda: I have just one last question. So, I am aware that our, currently, our philosophy is to be asset light. But in a hypothetical situation, let's say, if we decide to do 100% of the manufacturing in-house for all of our products, what do you think approximately would be the capital required that we would need to set up all the manufacturing facilities to do all of the products in house?

Manprit Singh Chadha: I definitely don't have any plan to produce all the products in house. We in Sat Kartar Life don't have plan to have another facility. We might upgrade this facility. We already have our capsule unit and powder unit up and running here, the capex used was around 1Cr., or 1.25Cr., including the gestation period for this facility, and in the whole number system, or the whole balance sheet, that's not a big figure, which would actually change the capex.

Moderator: We'll take the next question from Mr. Saurabh Singh.

Saurabh Singh: Good afternoon. Manpreet Ji, two questions. One, you've already explained. Sat Kartar x Jeena Sikho, but I just needed some clarification. You mentioned Tamil Nadu, Karnataka, Andhra, May, Jeena Sikho will not enter. It will be Sat Kartar branded hospitals. Is that correct interpretation?

Manprit Singh Chadha: I would like to tell you exactly what does the agreement mean. Or what is the crux of the agreement. Nowhere it is an exclusive agreement. It is a purely non-exclusive agreement. Number one. Number two. It's derived in a way and defined in a way that wherever it's a win-win situation for India, for customers of India, for Ayurveda to grow, yes, we will hold hands and work jointly there. Presently the objective is that Jeena Sikho already has three hospitals in South India. We are evaluating as to how occupancy of those three hospitals can be increased. Once with our data, we are sure that yes, this model can work. Going forward from there, Sat Kartar will open the hospitals in South India. To take expertise clinical knowledge of Jeena Sikho and try to penetrate into the South India the way Jeena Sikho has already done in North India. And yes, again, I would say it's a non-exclusive till the time. And yes, when I say non-exclusive, Jeena Sikho can open hospitals in South India. Sat Kartar can open hospitals in North India. And I would say this way, that when South Market is totally barren, why would I actually try to invest more in North India, rather than invest in South India and take the expertise and why to reinvent the wheel? Why not let the wheel move forward to South India?

Saurabh Singh: Got it. And what is the average revenue per occupied bed (ARPOB) that we are looking at for our hospitals, the present one and the future expansion that we are looking at?

Manprit Singh Chadha: I'm working on a few things where, generally the benchmark today is around Rs. 8000 per bed. But we are, we being into men's wellness and always into a high-ticket size today, our budgeting is an all our projections are on Rs. 10,000 plus per bed per day.

Moderator: We'll take the next question from Mr. Dive Agarwal,

Divy Agrawal: Hi, sir. Thanks for taking my question. Sir firstly, on the guidance part, so you have guided for product revenue of around 300 crores in FY 27 and around 500 crores for FY 28 so just wanted to know what are the three main growth drivers behind this targets, and what gives you the confidence in achieving this scale of growth.

Manprit Singh Chadha: When I say 300, with the current run rate, I'm already at 225. And once I am at 225 there are many things which are in the pipeline which have started firing and which would start firing in a month or so. Those are, if I take a modest growth into my current business, say, around 25% but the new things which are coming in, I'm not talking about the hospitals and the service industry, but the new things which are coming up where I'm confident that they would be adding up and making it 300 is, our subsidiary is firing well. In this year, 2027 around its revenue would be around 22 crores. The US would give me at least 10 - 15 crores. The AI improvement and the Ajooni Life Sciences, where the nutraceutical, my residual data will start working, would give another 20 crores. So, if at a current run rate of 220 these 50 crores adds, I am at 270 crores. So that means 30 crores I have to get from my current business. So, 300 as of now, with the current scenario, I would say, is pretty reasonable, and I would actually like to cross that 300

Divy Agrawal: And on the 500 mark, sir?

Manprit Singh Chadha: On the 500 mark, again, these seeds which would start blooming, along with, in Sat Kartar Life, we have tried a few new products with high-ticket size, which are actually helping us improve the product margins, controlling the advertisement spend, and increasing the per ticket size, the

ticket size of the products. So, the aim is that today, when we became public, our ticket size was in a range of 3100 we have already crossed 3250 and we are working on to make the ticket size crossing the 3500 so the ticket size itself will give me a 20%, 15 to 20% jump, and all others. Those four parameters- AI, US, Plantmed and Sat Kartar life eventually, when they give me another 22 to 25% that takes it to 500. When I say 300, so when I say 300 in the next year, which looks pretty much inside, but at that time, at 300 the target is to be around 35 in the last month. And 35 in the last month translates it to already 400 so anything between 30 to 35 sale in the last month of 2026 takes me to 500.

Divy Agrawal: And in terms of the repeat patient, you've just mentioned it's around 25% so it's around in the same range, or has it increased

Manprit Singh Chadha: Marginally I would say 1%. Definitely on the upside. But 25 to 26%

Divy Agrawal: Okay, and in terms of the number of orders, so what were, what was the number of orders in FY 26 and what initiatives are we planning to drive this growth in FY 27 and 28 as well? In terms of number of orders.

Manprit Singh Chadha: Number of orders, it's a clear match for us, 200 crores divided by 3250 is the number of orders, and the growth is presently we are. If you see Tamil Nadu being a strongest area of us in North UP being the other strong area, Madhya Pradesh, Maharashtra, are coming up well, so now we would like to spread even deeper into though we call ourselves and we are actually pan India, but then there are many pockets which contribute to only 5 to 10% of our revenue, and the growth will come now from those pockets.

Divy Agrawal: Okay, and we are currently working towards that, right?

Manprit Singh Chadha: Yes. We are working towards that so that, because when the base is small, a growth, doubling that growth is easy, rather than taking a 21% and increasing that from 21 to 30%.

Divy Agrawal: And next you know, presentation, you have mentioned that you will be scaling your 300 beds by 27 in the end of FY, and 1000 beds by FY 28 so will this future beds be in collaboration with Jeena Sikho, as it is a three year contract with them, I believe. And you know, shouldn't be our goal to learn the operations and set up our own independent practice post one to three years of this MOU

Manprit Singh Chadha: Look, I would say, I'm not saying that all 300 beds would be with Jeena Sikho, But I'm clear that, as we are thinking being beneficial three ways, for Jeena Sikho, for Sat Kartar, and for Ayurveda as a whole, definitely 150 to 200 in this year would be something in collaboration with them. And when I say collaboration, it's a collaboration in the sense that all 300 definitely would be under the fold of Sat Kartar. But yes, 200 could be managed by Jeena Sikho.

Divy Agrawal: Right? And will this hospital be branded like in the name of the Sat Kartar or Jeena Sikho, or both?

- Manprit Singh Chadha:** Still working on it? But yes, as you asked it, my first answer would be in South it could be the Sat Kartar Hospital co-powered with Jeena Sikho, something like that.
- Divy Agrawal:** Got it, sir. And since both Sat Kartar and Jeena Sikho have their own product portfolio, so how do you plan to manage your product prescriptions, will there be a preference towards Jeena Sikho products or Sat Kartar products? And next, sir, just wanted to ask who will maintain the customer data information and who will be the customer facing side
- Manprit Singh Chadha:** In South, the customer data remains with us. In North, the customers which we give to Jeena Sikho, those customers, we have a understanding that we will not, in future, divert those customers to any competitor, that those customers for future recurring business from that customers, Sat Kartar would have a right to those revenues streams, the % to those revenue streams. And yes, if the customer, there could be some therapies with Jeena Sikho is not doing, and our hospital is doing. Yes, Sat Kartar can use those customers in house. But yes, Sat Kartar would not sell those customers or route those customers to any of the company apart from Jeena Sikho and Sat Kartar.
- Divy Agrawal:** Got it. And in terms of the product portfolio, sir, if suppose you're calling a patient, so you'll first pitch your own Sat Kartar product or Jeena Sikho product as well, because even they have their products.
- Manprit Singh Chadha:** Presently, when in a 30 bedded hospital, the pharmacy which is running and the products which are running are totally different from the products which are already we are selling through the D2C model. And in the D2C model, the way we present a product, and the way we sell the product, and especially on a high ticket size, we would not like to bring those all products into our hospital range. There, it would be more of a service oriented fees, and the products could be of a lower ticket size. We are developing a few products in our factory for those for our pharmacy. And why not? If Jeena Sikho products are there, we can have an understanding of using their products also. Bilaterally, our products can also be placed in there, because there are many, many, I would say, problems like de-addiction. Sat Kartar has a lot of de addiction range. Jeena Sikho is presently not in the addiction range.
- Divy Agrawal:** So in a hospital which is developed jointly by Sat Kartar and Jeena Sikho, so there can be products of Sat Kartar as well as Jeena Sikho, right?
- Manprit Singh Chadha:** Yes.
- Divy Agrawal:** For the 30 bed hospital that we have currently, the utilization is around what, sir?
- Manprit Singh Chadha:** Not much. I would say. We have yet not crossed 10% but then I said, we still are there to get a few certifications, and specially the insurance tie-up. And it's still, it's been just 40 days since we started running it. Yes, our walk-in patients and our data of that territory within a 10 kilometers range, we are pushing them to our hospital. And rather than bed occupancy, I would say that the break-even for that hospital is around a revenue of 1L a day. We are already at around Rs. 50,000 today.

- Divy Agrawal:** Okay, got it. And lastly, I just wanted to know so the MOU also mentions that you'll acquire customers for Jeena Sikho. So basically, you'll acquire customers in the North, but in South, Jeena Sikho will have to acquire customers themselves, right?
- Manprit Singh Chadha:** If Jeena Sikho opens its own hospitals in South, which presently, as I said, if it is a win-win situation, why would Jeena Sikho actually today already, when they have opened three hospitals? Yes, they could open it, but that doesn't make a business sense. And it doesn't make a business sense for me that I, as a first, today when I'm entering into the hospitals, I would rather move to the hospitals in Sat Kartar in South rather than start opening in North. When in North, I can generate the revenue from that data through Jeena Sikho. So, it's, I would say it's a wonderful partnership.
- Divy Agrawal:** Right, but the revenue recognition that you'll have, it'd be only 15%, right? Instead of opening yourself, you'll get 100% of it.
- Manprit Singh Chadha:** Yes, true. I would, instead of 100% I would recognize 15% but try to understand that this 15% would have not been with me for the next two years. Today, after two years, if I open if this year, I open 300 beds, those would become operational, say, after seven months, and 300 beds would not cater to complete North India of my data. So why not I help grow through those 3000 beds? That's a dead revenue for me.
- Divy Agrawal:** Yeah, so that's what my point is. So after a three year MOU, you, you, you can get the expertise, right? You'll obviously know all the in and outs of running an hospital. So after three years MOU, you can yourself develop a particular hospital in North as well as South, right, without the help of Jeena Sikho. Is that's a possibility that you can have, right?
- Manprit Singh Chadha:** That's number one, two, earliest stage to say number two, I would give respect to Jeena Sikho this way that today, if they have 3000 beds, after three years, if I have 1000 beds, they would be at a 10,000 bed at each nook and corner and district of India. Still, I would be having data there. So why would I let that data go waste and not feed the remaining 7000 beds?
- Moderator:** We'll take the next question from Mr. Vansh Saini.
- Vansh Saini:** Good evening Manprit Ji. Vansh here this side from Street Smart Opportunities Fund. We are based out of Ghaziabad. Couple of questions I have first, sir, if I remember in your first call, who told investors at 40 to 42% of the revenue goes into advertisement, correct, sir, what is the current run rate of our advertisement going into revenue?
- Manprit Singh Chadha:** In my first call itself, when I said 40 to 42% and I've been repeating this, that this is one area which definitely in a product, if it remains only a product company. This is not going to reduce. This is going to remain around 40. The best benchmark could be 38. Yes, this would how the Sat Kartar Life would actually generate profits and improve its profits from a current 8.5 to 9% PAT to a vision of 15% now I'm dividing it two ways, the product range and the hospital range, as we are soon moving into the hospital range. So how that would happen is, which actually happened this year we moved from 6-9%, is we have around 30% of spend, which is totally semi variable. And when I say semi variable in that 30% at least 12 to 13% is totally fixed, so that get absorbed over a top line.

- Vansh Saini:** Got it, sir. And on the next question, on your vision to have a 300 beds capacity by the end of FY27 you said, could you please share like, have you finalized some leased location for the future bed capacity, or what are the status of further hospitals?
- Manprit Singh Chadha:** We have till now, just identified that we have to be in Tamil Nadu and Vishakhapatnam. And when I say Tamil Nadu, we are still evaluating, based on the earlier experience of Jeena Sikho, when they opened three hospitals in South India, as to what were the challenges they faced and why they actually were not as strong as in North India, so that when we put our step forward, the chances of success are far more. But yes, till now, we have not finalized a place. In fact, not even the district. But yes, the study is on. The data is being churned out, and we are hopeful that by next month, June, we should be ready with the place.
- Vansh Saini:** Final question on your cash generation side. So sir, you have been into the D2C space, and sir, your receivables are also quite high, and we have not able to generate cash in this fiscal year, operating cash I'm talking about. What has been the reason for this cash generation?
- Manprit Singh Chadha:** This is said in the my opening statement also that yes, in H1 we actually with the kind of a transition, our numbers, our inventory buildup, and working capital cycles and cash generations got a hit because of the hospital coming up, the factory coming up, the Plantomed acquisition going on. Now, if you see, these things have stabilized in most of the most of the parameters and ratios. And in fact, they have started improving. Apart from inventory days, which has marginally increased by 12 to 15 days, all other parameters of the working capital have actually improved on H1 to H2 basis.
- Vansh Saini:** Okay, so going forward, what like CFO to PAT to conversion ratio we can expect for the company?
- Manprit Singh Chadha:** Otherwise, I would say if cash is not generated, my difference between which has never been the EBITDA to PAT, is going to get screwed.
- Moderator:** We'll take the next question from Mr. Darshil Jhaveri.
- Darshil Jhaveri:** Hello, good evening, sir. Thank you so much for taking my question. Firstly, Congratulations on the great set of results, sir. I just wanted to understand a bit more about our, you know, hospital. So right now, like we want to end the year by nearly 300 beds, right? So, so, but if not, you finalize the district. So how much time will it take for that to set up? Because I'm assuming there'll be need for interior, there'll be because of hospital, there'll be some, you know, level of quality that we'll have to maintain. So how much time does it take to set up a bed and the location like we're looking at. So are we looking at like 30 seater beds, or in terms of bed size hospitals, what are we looking at?
- Manprit Singh Chadha:** We are looking anywhere between the range of 50 to 100 beds. So that means it would translate to four facilities, each facility we plan to start simultaneously, or in a range of 30 to 40 days. Once finalize those four places, then it generally takes six months from interiors till all the licensing, it could stretch to another two months, eight months. So, when I say 300 beds, I mean

to say by last quarter of this year, 2027, but again, I am not taking any revenue from these. As I said, 300 is all from our current business, so the revenue of these hospitals would actually flow in the following year.

Darshil Jhaveri: Okay, okay, fair enough, sir. And so just want to know like so for this year, our margin will be similar to what we have done, kind of in H2 right? Or credit, because a major revenue in this year will be product side. So the the double digit margin that we are planning to do in terms of PAT can it come this year? How would you know we look at sir?

Manprit Singh Chadha: Yes, if from a revenue growth from 160 to 200 has given a margin growth from PAT margin growth from 6 to 8.5% so a revenue growth of 200 to 300 with that 30% and out of that a fixed cost being a huge cost. In those 30% we are targeting anywhere between 11 to 12%.

Darshil Jhaveri: Oh, that's really great to hear, sir. And just wanted to know, like so nearly the 300 beds, if I see we are allocating nearly, I think, 7-8 lakhs per bed. Are we thinking around right so the current year that we have enough cash for it. But once we plan to go to 1000 beds, sir, will we need another fundraiser? Because what about the status of cash then sir?

Manprit Singh Chadha: Thinking about this 1000 beds, thinking about this 1000 beds, thinking about a capital of, say, 7L or 6L per bed, as we reach the economy of scale, that is the reason that immediately, when we thought that we are moving into this field, we raised a capital we would be with another 45 crores into the bank, which would help us build up the first phase of hospitals. And the cash generation in the hospitals, plus the cash generation coming from this company, will help in rebuilding the second phase of hospitals. Eventually, if at all, if there is a shortfall in the working capital that would be funded from presently, the plan is from a debt. Presently, the plan to further dilute the company and raise the fund is not there.

Moderator: We'll take the next question from Mr. Lokesh Agarwal.

Lokesh Agarwal: Hello, sir. Congrats for a good set of numbers. I'm an individual investor. So sir, my first question is, what is our current gross margins, and what are the margins we anticipate for our hospital business when it reaches, let's say, an occupancy rate of 50 to 60% so is it like a margin lucrative for us, or what can be the hospital margins we can expect in FY 28 when our 300 Bed kind of capacity is in its optimum stage.

Manprit Singh Chadha: Hospital business at a occupancy of 60% should give us margin ranging from 30 to 35% and any occupancy increase would exponentially increase that margin. So, on a blended scale, with the product company, say, at 300 and the revenue coming from those 300 beds, and the product company 300 we targeting at a margin of 11 to 12% the blended rate, including the hospital revenue in the first half of 2028 we should be crossing 18 to 20%.

Lokesh Agarwal: One other thing is the revenue projections that you have given of 300 and 500 crore. That is excluding of this hospital revenue that we will get, right so it will be on the cherry on the top if I can say.

Manprit Singh Chadha: Definitely.

- Moderator:** We'll take a follow up question to Mr. Darshil Jhaveri.
- Darshil Jhaveri:** So just more on the industry side, I wanted to know like it's very great to see that you're collaborating with Jeena Sikho. So is there, like, any kind of, you know, industry plan, like, you know, we see ads of *mutual funds sahi hai*, so like, full industry where we promote more Ayurveda, because I think, as we are also spending so much on ads, more recognition is needed for this, right? So just wanted to, you know, gather your thoughts in terms of the industry, and when you say that enough place for everyone, but at a point of time in a small, micro market, like a city, there will, when will the competition start beeping up where we know we will turn more profitable in the future.
- Manprit Singh Chadha:** Today? With 19 lakhs beds in allopathy, with companies like Apollo, Max, Fortis and many more taking a chunk, I'm really, I myself sometimes ask myself that we are worried that Ayurveda would reach a saturation point with, say, 5000-10,000 beds in a country like India, where at the time of Corona, yes, people have a very short memory, but Corona pushed all of us to Ayurveda. Our present government and honorable Prime Minister is taking Ayurveda to the world. Our whole ecosystem is evolving around the Ayurveda. So 5000-10,000 beds. Why not even if these 10,000 beds are at 2L. So just see that the kind of time it would take to reach there. So I don't think that for the next three years or four years, the actual or in fact, five years, the space is so wide. Forget about the competition, the collaborations are the things which are needed to actually take this industry to the every nook and corner of India. And why not? Why India bring the international customers here for the transformation and therapies!
- Darshil Jhaveri:** Okay. Fair enough. So my thing was more, not from like, the demand perspective, like, like, in terms of so many beds setting up, I don't know the industry that well, but like, the doctors that are needed, like, will there be, like, a competition in that perspective? Like, because one person, like, I don't know how many current doctors are there, but even if new supply has to come in, so it will take, like, the graduation time, four to five years for more doctors to come in. So how does how is that set up, sir, in terms of, is there like, enough, you know that. And how do we certify? How do we hire? What is our plan?
- Manprit Singh Chadha:** I don't have a handy number on the doctors. BAMS doctors already there, but yes, when I see the market by sitting into my office, and when I put a ad to hire doctors, yes, the BAMS doctors who are ready to come for the interview are for far more than when I put a ad for a customer care person.
- Moderator:** We'll take the next question from Shruti Malpani.
- Shruti Malpani:** So sir. My first question was on the line that, how much working capital do we require for bed or, like, how do we analyze the working capital requirement? Or, you know, for the hospital business,
- Manprit Singh Chadha:** I would say when I say 7-8L lakhs, whereas when other companies are quoting three to four lakhs per bed. So in fact, I have already when I say seven to eight lakhs, I have already taken from four to eight the difference is actually the working capital.

- Shruti Malpani:** Okay, so per bet 50% is the working capital that we requiring.
- Manprit Singh Chadha:** And balance would be, how fast that working capital can be rotated and turned into the cash.
- Shruti Malpani:** Yes, actually that was only my next question. So. Like, how do we see our receivables? Or, like, since we're offering therapy, so they these could range differently in 7 days, 10 days. So how do you see that conversion?
- Manprit Singh Chadha:** It would all be, now, if we go back and understand that where the working capital gets stuck, it is the blend between the insurance, government and the non-insurance and government customers. So the non-insurance and government customers are paying upfront. Some insurance companies are having a timeline ranging from as high as 30 to 40 days. Government is having a high timeline, so eventually it would boil down on the customer mix. So that customer makes in a territory where in that hospital is being brought, the customers will actually decide the final outcome of the working capital, which, yes, could go to 45 or even higher, 60 days, or could be depends if the government business is high, it could go far higher. But each hospital as a unit would have a different working capital.
- Shruti Malpani:** Okay, I do understand the non-insurance and non-government, and then insurance funds for government. You said, Is it? What are the number of days?
- Manprit Singh Chadha:** Again, different empanelments. There is no rule, it is the getting the money into the bank generally takes apart from the rule another 30 to 35 days.
- Shruti Malpani:** Okay, so in the financial statements, I also read something about that the company has not received RBI approval for the US subsidiary.
- Manprit Singh Chadha:** Yeah, RBI approval is not there for the subsidiary, which, so it's actually not a subsidiary yet. But yes, the RBI, all documentation has been done for the direct investment overseas direct investment. We are waiting for the approval, but that approval is more of a like there's no red flag in that approval. It's just that it's a time consuming activity. But that does not stop us from actually starting operations in that company in US. Yes, it could take time another 30 days or so till it actually that company docks into Sat Kartar Life, and that's the time still we need to actually get the product across to the US company and set up other things.
- Shruti Malpani:** Okay, so the company can totally be operational without that as well.
- Manprit Singh Chadha:** Yes. Today, company is already operational with a bank account. Business hasn't started there. But even if the RBI approval takes time till the equity is subscribed by Sat Kartar Life, that operations can start.
- Shruti Malpani:** Okay, sir, and as you were mentioning in the call earlier, about the AI usage, wherein it will increase our ROI. So like, do we have a number to support? Like, how much ROI or how much margin expansion we've seen from the AI, especially if you have the ROI figure,

Manprit Singh Chadha: Yeah, with the current trial, we are getting a better ROI today by another 4 to 5% but as we scale, this ROI will further improve. AI is something like it's ever everyday things are evolving in this, so it's going to be a constant effort in this.

Moderator: We'll take the last question from Mr. Bhaskar.

Bhaskar Kanrar: Hello, sir. Can you tell me how many subsidiaries Do you have?

Manprit Singh Chadha: Three subsidiaries as of now and fourth one would be the US company. When I say three subsidiaries, one is Ajooni Life Sciences, which is into the nutraceuticals, Plantomed, which is into the low-ticket size diabetes. And then we have also formed wherein we have not started operations, is Sat Kartar Ocean, that we have formed primarily for the marketing efforts, wherein we can actually show it as an advertising company and get discounts from Google, Facebook because these they do not provide discounts to the end user. So as a advertising company, we should be able to get discounts from Google and Meta and even television people. So that's a subsidiary, but operations have not started in that subsidiary yet. Two subsidiaries which are firing well, are Ajooni Life Sciences and Plantomed, and the next one would be the US company,

Bhaskar Kanrar: Okay, as on FY 26 how much revenue come from those subsidiaries.

Manprit Singh Chadha: '26 would be not the right number to quote as these are growing companies, but as of March 26 the revenue which poured in from these subsidiaries was 1.2 crores,

Bhaskar Kanrar: And if FY27 targets?

Manprit Singh Chadha: Between 25 to 30 crores.

Sat Kartar Shopping is now Sat Kartar Life, anything more I say to this and the other thing which is imprinted into every partner employee of Sat Kartar life is the vision of 200 is achieved, 300 and 500 plus must be achieved! Thank you very much.

Moderator: Thank you, participants, that concludes the call.

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