



Date: April 30, 2026

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BSE Security Code: 531279
ISIN: INE238C01022

The Company Secretary
The Calcutta Stock Exchange Limited
7, Lyons Range
Kolkata-700001
CSE Scrip Code: 10030166

Dear Sir/Madam,

Sub: Transcript of the Earnings Conference Call held on 28th April, 2026 to discuss the Audited Financial Results of the Company for the quarter and year ended 31st march, 2026

In continuation to our letter dated 23rd April, 2026 and pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the transcript of the Earnings Conference Call held on 28th April, 2026, to discuss the Audited Financial Results of the Company for the quarter and year ended 31st March, 2026.

The same will also be made available on the Company's website.

Kindly acknowledge and take the same on records.

Thanking You,

For **Trishakti Industries Limited**

Mahesh Kumar Sharma
Company Secretary & Compliance Officer



Trishakti Industries Limited
Q4 FY26 Earnings Conference Call

Event Date/Time : 28/04/2026, 1600 hrs
Event Duration : 58 min 30 sec

MANAGEMENT DETAILS

Mr. Rajnish Mishra
ConfideLeap Partners

Mr. Dhruv Jhanwar
Chief Executive officer

Moderator

Ladies and gentlemen, good day, and welcome to Trishakti Industries Limited, Q4 and FY26 Results Conference Call. As a reminder, all participants line will be in listen-only mode, and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistances during the conference call, please signal an operator by pressing, * and then 0, on your touch-tone phone. Please note that this conference is being recorded.

Before we begin, I would like to point out that this conference call may contain forward-looking statements about the company, which are based on the beliefs, opinions, and expectations of the company as on date of this call. These statements do not guarantee the future performance of the company. It may involve risks and uncertainties that are difficult to predict.

I would now like to hand over the floor to Mr. Rajnish from ConfideLeap Partners. Thank you, and over to you, sir.

Rajnish Mishra

Thank you. Good day, ladies and gentlemen. Myself, Rajnish Mishra from ConfideLeap Partners. We represent the Investor Relations and Public Relations for Trishakti Industries Limited. On behalf of

ConfideLeap Partners, I warmly welcome you all to Trishakti Industries Limited Q4FY26 Earnings Conference Call.

The company is today represented by Mr. Dhruv Jhanwar, the CEO of the company. I would now like to hand over the call to Mr. Dhruv for his opening remarks. Thank you, and over to you, sir.

Dhruv Jhanwar

Thank you, Rajnish. So, thank you, and good evening everyone. I am Dhruv Jhanwar, the Chief Executive Officer of Trishakti Industries Limited. It is a pleasure to speak with you today as we close out what has unquestionably been the most transformative year in Trishakti's recent history. Before I take you through our numbers, I want to spend a moment on the larger context, because understanding where Trishakti sits within India's economic landscape is essential to understanding why this business is built the way it is and why we believe the best is still ahead of us.

Over the past two years, Trishakti has undergone a complete strategic transformation with new management coming into play. What was once a diversified legacy business, is today a focused pure play infrastructure equipment rental platform, built around owning critical assets and deploying them into long-term execution linked opportunities. This shift is not incidental. It is directly aligned with what is happening in India today.

We are in the middle of a structural, multi decade infrastructure build out across roads, railways, renewable energy, urban infrastructure, and industrial capacity. Execution is accelerating at unprecedented scale. At the ground level, all of this requires only one critical enabler, which is heavy machineries.

Behind every expressway tier, every refinery columns, and every wind turbine tower, there is a crane, and increasingly that crane belongs to Trishakti. Today, we operate a pure rental model, deploying our own fleet across marquee tier-1 clients, including L&T, Reliance, Tata Shield, RVNL, NCC and many more others.

Our performance in FY26 reflects this alignment. Revenue grew approximately 90% YoY to INR 32.44 crores. EBITDA grew over 220% to INR 20 crores and 21 lakhs with margins of 62%. PAT stood at INR 7.66 crores with margins of 25%. At the same time, we scaled our fleet from just eight machines in FY25 -- FY24 to over 140 machines today with near full utilization. I would like to highlight one important point regarding our profitability.

Our reported EBITDA includes INR 4.58 crores of subvention income classified under other income. However, we view this as operating in nature, as it directly reduces our financing costs and is integral to our business model. Even on an adjusted basis, our margins remain structurally strong. Q4 FY26

was our strongest quarter to-date with revenue growing over three times YoY, giving us a strong exit momentum into FY27.

We also significantly outperformed our CapEx guidance of INR 100 crores in FY26 by deploying INR 210 crores of fresh CapEx during this year, resulting in a sharp expansion in our asset base and rental run rate. Our unit economics remain robust with approximately 3% monthly gross yield at low cost of borrowing, and targeted ROC of 22-25%, which is our strategy to continue to scale up. Looking ahead, we remain confident in sustaining strong growth driven by continued fleet expansion, strong client relationships and increasing participation in high growth sectors such as renewable energy and core infrastructure.

Before we move to the Q&A, I would like to thank all our investors, partners and stakeholders for their continued support. With this, I would now like to open the floor for questions. Thank you.

Moderator

Thank you, sir. Ladies and gentlemen, we will now begin the question-and-answer session. If you have a question, please press * and 1 on your telephone keypad, and wait for your turn to ask the question. If you would like to withdraw your request, you may do so by pressing * and 1 again. Ladies and gentleman, if you have any questions, please press * and 1 on your telephone keypad.

The first question comes from the line of Mr. Rohan Mehta from Ficom Family. Please go ahead, sir.

Rohan Mehta

Hi, everyone. Am I audible?

Dhruv Jhanwar

Yeah, you're audible, right.

Rohan Mehta

Okay. Perfect, great. So thank you for the opportunity and a couple of questions. So first on the industry side, I wanted to understand how do you see the overall industry for cranes, as well as heavy equipment rental evolving over the next two to three years across your key verticals where you operate, such as renewables, metro, rail, steel and also the industrial CapEx? And are there any verticals currently where you're seeing early signs of either acceleration or slowdown or moderation in order activity? And how is that shaping your fleet procurement decisions going forward?

Dhruv Jhanwar

Yeah. So see, for the next two to three years, we are seeing the demand to be really nice. In today's time also, we are continuously, every single day, getting new RFUs for machines of 500 tons to 27 -- sorry, from machines of 250 ton to 750 ton as well. So currently, the CapEx cycle is going really well.

For us right now, we just feel that how much more machines we can purchase at what rate is the major thing for us. The demand side is not the issue for us. It's just that the availability of the machines will be an issue for us in future when it comes to more than 500 tons of machine. But honestly speaking, my target for the first 400 crores of CapEx, which we are going to do, which we are doing this, the CapEx journey we are on, we would like to be into the 50 to 250 ton machine category only, because we feel that the more and more demand on an industry basis, not only on certain sector basis, is way easier to keep your fleet utilization above 95% when it comes to 50 to 250 ton machines.

As and when you keep going above in the tonnage, then obviously the ticket size is more significantly higher, but the demand is absolutely cyclic in those kind of machines. So this is -- like this answers your first question. Can you please repeat your second question for me?

Rohan Mehta

Yes. The second question is, any particular signs of slowdown or moderation, are you seeing in particular sectors? Is there anything you're observing on that front?

Dhruv Jhanwar

Actually, I personally don't see any kind of slowdown right now, because new projects like, for example, let me give an example. In Reliance Industries last AGM, they had announced that they'll be expanding into Kutch, with five and a half lakh acres expansion into renewable energy. So those projects which have been started last year, all those civil work is already done now. And maximum in the next two to three months, the cranes and manual requirements will also start coming. So like, these kind of -- like these kind of requirements are going to be generated this year, then we don't see any slowdown in demand, rather we feel that the demand should sky over from here even further.

Rohan Mehta

Got it. And when it comes to receivable, I just wanted to check with you. For FY26 your receivable days are, I think, about 200 days if I'm not wrong. And previously you spoke about, that this should get normalized in FY27. So given, you know, Q4 has ended, where do you see this number settling in that? And also, given the fact that you work with blue chip clients, are you finding it difficult to receive payment or time? And any change does that represent in our billing cycle with tier 1 clients?

Dhruv Jhanwar

The answer to your question, I feel that currently, the fact that we only tend to work with the tier 1 mutual clients, that gives us a significant advantage in terms of the receivable days. Because when it comes to companies like Tata, General, Reliance and all, so it becomes very easy for me to get the payments on time, because all these bigger clients, they follow a very strict path when it comes to payment cycles.

The second thing is that, when you go for full tier 2, tier 3 companies, which are local EPC contractors, then that is the real problem over there, because over there, your payment cycles will not be below five months or so, which we have seen on ground. So that is the only reason why we tend to only work with the tier 1 mutual clients because of this reason. And maybe if sometimes, maybe 10, 15 days, there is a delay, then when it comes to these kind of clients, we can go to any bank and get the bills discounted as well. So cash flow for us is not an issue when it comes to these clients. Now, if I go and discount some random local subcontractor's bill, then first of all, the banks will not let me discount those bills. So this is also one aspect.

Rohan Mehta

Right. My question was specifically with respect to that given that you work with tier 1 clients, so why are we still seeing a receivable day cycle?

Dhruv Jhanwar

Oh, yeah. Sorry. I missed that.

Rohan Mehta

Yeah, okay.

Dhruv Jhanwar

So see, answering to your first question, the thing that -- the only reason why our trade receivable cycle is about 200 days, is because there is a very small amount of a family settlement which we hired when we were taking over the company in 2023. So that amount is not much. Even in this year's balance sheet if you see, we have written off INR 1 crore worth of trade receivables from -- that was an inter-transaction happening between us. That is the only reason why the trade receivables are about 200 days.

But when you open the balance sheet properly and then you see the under six months trade receivables, very carefully, if you see, then you won't find a big amount or a big trade cycle over there.

So if you dive just a little bit more, then we'll get a better picture I feel. But in FY27, it will be normalized. That I can assure you.

Rohan Mehta

Okay. And any particular deals that you want to guide for FY27?

Dhruv Jhanwar

It will be done during FY27. I cannot exactly tell you a date, because the settlement is supposed to be done in FY27, but I can guarantee you that we are trying our best to get it done ASAP. But it's not that big an amount, so yeah.

Rohan Mehta

By day, it actually will be delivered on days.

Dhruv Jhanwar

Oh, yeah. So it's under 60 days. You can -- if you see. Yeah, yeah.

Rohan Mehta

Got it. And just one final question before I get back in the queue. On the unbilled revenue side, so I saw that on a six month basis, it jumped from about INR 2 crores to about INR 4.5 crores. So I just wanted to understand what is exactly causing this. Any delay in formal invoicing or what is it exactly?

Dhruv Jhanwar

That's a really good question. See, first of all, we need to understand one thing very clearly that from H1 to H2, if you compare our balance sheet, you will see that our fleet size has doubled. Hence, our unbilled amount has also been doubled simultaneously, right. We have got INR 125 crores worth of machines and closing our taxes in H1, and now it has gone up to INR 250 odd crores, right? So because of this reason, the unbilled amount has gone up.

Now, what happens is that we tend to give results as soon as possible on a quarterly basis. And because of that reason, in the first, it takes us approximately 20 days to submit the bills as well to our clients. Because when you are working with the blue chip clients or tier 1 clients, they have a lot of compliances. For example, in JFSL and general standards, they are very -- they have got seven levers of compliances, which we have to follow before we submit the bills. We have to do the overtime

calculation, and there are many such compliance issues. So because of that, we take 20 to 22 days in order to submit the bills.

So if we are giving you all the results in the first three weeks or in the first four weeks, then we have to take out the number from our log sheets, which is on the hourly basis, that how much are we getting paid on this very day. So that becomes very difficult for us, but we still do it, and we have to add it to the unbilled amount, so that we can give a clear picture. So whatever the unbilled amount is there, it is actually a calculation of our hourly rates into the hours machines have already worked in those very days. So it will always be there. I cannot tell you that the unbilled amount will just vanish away from the balance sheet. It will be here in H1 also, H2 also, always.

Rohan Mehta

Got it. So there is no foreseeable risk of any bad debt write off. I just wanted to confirm on that.

Dhruv Jhanwar

No, no. Absolutely.

Rohan Mehta

Okay. Got it. I'll get back in the queue for more questions. Thank you.

Dhruv Jhanwar

Sure, sure.

Moderator

Thank you, sir. The next question comes from the line of Rishi Maheshwari from AKSA Capital. Please go ahead, sir.

Rishi Maheshwari

Thanks so much, and congratulations, Dhruv, and your team. Good set of numbers. I have two, three questions. One, I need to understand that you mentioned that heat utilization is at 100%. Dhruv, is this because of considering only one usage in a day or you think double shift -- will you consider double shift and then reach that 100%?

Dhruv Jhanwar

No. If our machines are -- you see, whatever the contract is, we ideally sign contracts for single shift only. So our machines are always at 100% utilization only. 100% utilization can be in a single shift also and in a double shift scenario also. So that is not relevant to the use of the machines. If it is a double shift job which we are doing, we'll be paid more, but the utilization will be the same.

Rishi Maheshwari

Okay. So if you would have -- okay. So if you had used the machine for twice a day, would a effective annual net yield increase nearly by using twice a day?

Dhruv Jhanwar

Absolutely. If you're getting paid more, than it will, probably like the payback period for the machines will become even faster, but that's a seasonal thing. Generally, in the big -- because when you're doing jobs which are going to be, like the contract tenure is going to be two, three, four years, when the Giga projects are being made, then some, mostly during the monsoon times, the number is going -- the machine is going to single shift, and post monsoon the machine is going to double shift. But this is not a confirmed thing. It's a very variable factor.

Rishi Maheshwari

Right. Obviously, it depends on the requirement of the client at that point in time. I understand. The second part was to understand this, the nature of this subvention income. What is this? Can you explain what it is exactly? You mentioned on the slide 17, that this is linked to equipment financing.

Dhruv Jhanwar

Yeah. So see, maybe I can just tell you for now that it's a quite complicated structure. I can say that it's a financing arrangement between the OEM banks and NBFC we are working with. If you want more detail about it, you can probably get on a call or I can write an email to you regarding this, so maybe after the con call.

Rishi Maheshwari

I see. Okay. Now I realize. Okay, I'll connect with you later on this one. The third question was to understand -- there's a debt of tax liability that has been created. It's largely created as a difference

of the taxes that you have to -- and because of the depreciation that you use over in accounting books, as well as on payment statement. Is that all or is there anything else to that?

Dhruv Jhanwar

That only, and I'm really feeling happy that somebody has asked me this question. If you technically see the 1.7% of deferred tax liability, so see how is it done, I'll tell you. So in income tax, if we have got hypothetically INR 20 crores worth of depreciation, right? And in the books in the P&L we've got INR 12 crores worth of depreciation. So whatever my income tax liable is going to be, it will be 20 minus 12. So INR 8 crores will be the amount, which is a taxable amount.

But when it is deferred tax, since in the income tax, we are getting more depreciation which is going to be carried over to the next year. So on that amount, we -- it's just an accounting entry. If you see, technically we don't have to pay that tax, but according to company law, we have to mention that in the P&L, hence our PBT goes down. Our PAT comes down. But this INR 1.7 crores is not to be paid to the government, that is the whole point.

Rishi Maheshwari

Got it. I thought so. I just wanted to clarify. Perfect. Lastly, you know, there is on slide 15, is this the projection that you've given for FY2728, crane hiring revenue growth in INR lakhs 62.5 crores and then INR 95 crores in FY28?

Dhruv Jhanwar

Yeah, absolutely. This is the --

Rishi Maheshwari

In this projection, your assumption is INR 400 crores of CapEx deployed by FY27, with which you would be at the yield of about 2.2% to 2.3% net yield. Oh, sorry, gross yield up to 3.2%. Am I right on this?

Dhruv Jhanwar

Yes. Now see, there is a change in this thing. If you go to our Q3 presentation, Q2 presentation, Q1 presentation --

Rishi Maheshwari

Sorry, Dhruv, can I ask you to come closer to the speaker so that it'll become more audible?

Dhruv Jhanwar

Yes, sir. Am I audible now? Better?

Rishi Maheshwari

Yes Dhruv, better.

Dhruv Jhanwar

Yeah. So see, over here in this graph, if you actually see properly, FY26 is INR 33 crores, right. But if you see the previous presentations which we have given since FY25, we have always given that FY26, we would have done a net top line of INR 20 crores to INR 22 crores. Now since we have already reached FY26 and the numbers have come in, so we have outperformed that by almost 50% to 60%. So that is the reason why this particular number we have changed and put it as the actual number which we have already achieved.

Now, coming to the FY27 numbers, the INR 62 crores which we are talking about, currently our ARR from the last month is approximately INR 5 crores. So INR 5 crores per month billings actually reflect to a INR 15 crores to INR 16 crores per INR 2 crores billing for FY27 even if we stop expanding here. So by that, we mean to say that whatever figures we have given in the future forecasting, is all the guidance we have given. But till FY27, the INR 33 crores which we have written, is actually the amount which we have already done. So you'll have to actually see the previous quarter's investor presentation to understand this better.

Rishi Maheshwari

Okay. Got it. Fair enough. Thank you so much. I'll reconnect with you if there's any more questions. Thank you so much.

Dhruv Jhanwar

Absolutely, yeah.

Moderator

Thank you, sir. Ladies and gentlemen, if you have any questions, please press * and 1 on your telephone keypad. I repeat, if you have any questions, please press * and 1 on your telephone keypad.

The next question comes from the line of Mr. Raghavendra Singh, an Individual Investor. Please go ahead, sir.

Raghavendra Singh

Hello. Am I audible?

Dhruv Jhanwar

Yeah, you are audible.

Raghavendra Singh

Yeah. Hi, Dhruv. Congratulations on a good set of numbers. So most of the questions are already answered. So I just wanted to know more about the INR 4.58 crores of this automation income. What is the nature of that and how it is? Like you mentioned INR 4.58 crores in the other income and in the PPT, you have mentioned that it is in the nature of your regular revenue from operations. So just if you can clarify on that part, that will be great.

Dhruv Jhanwar

Yeah, absolutely. See, the -- I can tell you in a summarized way that this is basically an accounting transaction, which we have, we do with the OEMs and we have seen in bankers which we are getting the machine financed from. So over there, we do get some kind of benefits in terms of interest rates and all, which the bankers pass it back to us in terms of subvention. So this is the reason why this entry has come on 31st March, because the first three quarters are all unaudited financials, so we have to take some provisions.

But in Q4, when we receive all this amount at once, so that sums up completely and is ballooned together. So that is the reason why this amount seems bigger, but this is actually part of our core hiring business itself.

Raghavendra Singh

Okay. Thank you for answering that. And one more question, on the fleet side. So currently, you mentioned that you have around 143 plus fleet side. And like how many -- like what size of fleet you have commissioned in the last three, four months and is underutilized or not put into the project yet?

Dhruv Jhanwar

Yeah. See, if I'll be very honest with you all, then since in the last, from H1 to H2, we have bought almost INR 150 crores of the machine, which we have almost doubled our CapEx from H1 to H2. So that is the reason why the costs and all have suddenly gone up. But, of course, when you see our balance sheet, the net asset base has become INR 290 crores now, so as and when all these machines come out from CWIP. Like for example, we have got some machines in CWIP also, around INR 27 crores worth of machines, so all these machines have just now been installed.

So now in the upcoming quarters, you'll see a very different picture altogether when it comes to top line and all, because when we are doing, when we are at a hyper CapEx expansion plan, then whenever you do CapEx, then the revenue takes a little bit time to come, because there's a lead time of one, one and a half months. Because we have to do – after purchasing the machine, we have to do a lot of compliances. We have to transport the machine, the TPI happens, then there are many such things. So because of that, there is a general one to one and a half month delay in the revenue.

So whatever CapEx and all has been done in FY26, the real fruits will be seen in FY27 numbers. Whatever CapEx we'll be doing this year, well technically, you'll have a 12 month run rate in FY28. So you can see the change in our balance sheet, which is happening. We have gone from INR 36 crores of assets to INR 260 crores of assets. So that's a very big jump. Because of that, the cost and all is very difficult to get the exact numbers right now. But now from Q1 FY27, everything will be streamlined again.

Raghavendra Singh

Okay. And one last question from my side. So on your order book, so in the recent, you have made a few disclosures. So if you can quantify the amount, what size of order book are you currently at? And like, how much is executable over the next six months to one year?

Dhruv Jhanwar

Yeah. Our FY27 order book is currently standing at INR 62 odd crores. And whatever -- I'm sorry, whatever overtime we will be generating will be added to this, and it's a variable factor. I cannot comment on that. But currently, our order book is INR 60 crores and above for FY27, financial year.

Raghavendra Singh

Okay, thanks. Thank you very much, Dhruv. I'll fall back in the queue.

Moderator

Thank you so much, sir. Ladies and gentlemen, if you have any questions, please press * and 1 on your telephone keypad. I repeat, if you have questions, please press * and 1 on your telephone keypad. The next question comes from the line of Mr. Ravinder from Dhawarkamayi Capital. Please go ahead, sir.

Ravinder

Yeah. Thank you. Good evening to the management. Thank you for giving this opportunity. So the first question I have is -- hello? Am I audible?

Dhruv Jhanwar

Yeah. You're audible.

Ravinder

Thank you. So the first question I have here, I've seen that in this quarter our margins have been dipped quite significantly from the 60% benchmark you have set. So do you have any comments on it?

Dhruv Jhanwar

Yeah. Actually, we have given guidance and clarification on that, that the other income is actually part of our core hiring business itself. And to prove that, you can actually just turn the first page and see in the second page that in the segmental revenue, our core hiring business has that income. But according to company law, we, our auditors have to mention that as other income. So that is why we have given a clarification on that, yeah. So, technically the margins are stable.

Ravinder

Okay. Can you quickly explain like, you know, to a non-accounting guy, what a subvention income is, specific to our line of business?

Dhruv Jhanwar

Yeah. So when you work on a very higher CapEx model, when you get some benefits from the OEMs and the bankers as well, where the interest payments, where there are some waivers on the interest and interest you're paying to the banker, so those waivers are actually called subvention. You can move it out also. It will say the same thing. So in our industry also, like in our P&L also, like this is the perfect explanation of what this is.

Ravinder

Okay. Yeah, got it. So does that correlate anything with the increase in payables that we see, like you know, which currently stands at around INR 159 odd crores?

Dhruv Jhanwar

Yeah. So, see, when we are going on expanding in a very high screen, then what happens is that, first of all I would like to say that the demand on ground is too much right now. And in the last two quarters, we have doubled our fleet. So when you are buying INR 150 crores, INR 200 crores of machines in a few months, then you need support from the banking system, the OEMs also in order to make sure that those machines can be delivered on-site properly ahead of time, and the operations will be smoothly done, yeah.

So that is the reason why, this particular figure of INR 159 crores you can see right now, but eventually it will be blended to the -- just a second. Eventually, it will be blended to the cash from financing activities. So is it that you are waiting for --

Ravinder

I'm talking from balance sheet where we approved -- like, under the other current liabilities, we have posted INR 150 crores, right? But is that --

Dhruv Jhanwar

Yeah, yeah. Yeah, please sir. Please complete your question.

Ravinder

No, no. Go ahead. I was specific to that.

Dhruv Jhanwar

Yeah. So, see, whenever we are going through a very big expansion phase, then this -- there is a -- we have to work as a team, the bankers, the OEMs, and us as the contractors as well. So in this case, what happens is that some machines have been delivered on-site today. Some will be delivered in a few days. So the funding and all, it takes a lot of time. So this particular time which is being taken, those machines will stay in our trade payables, but eventually, it will come to our asset. It will eventually come to our borrowings, the liability side. It's just a matter of you know [inaudible 00:32:12].

Ravinder

Got it. So currently, our debt to equity is already, you know, above one, right? Our non-current borrowing is at INR 65 crores. So when this gets translated, so what -- by the -- by FY27 what debt levels can we assumed? Because, you know, even that would -- if that number would have given, it would have been very good, along with our CapEx program and everything.

Dhruv Jhanwar

Yeah. So see, every month a few like -- every month, this is getting, like rooted out already. So by FY27 you will see a significant jump. Right now it is very difficult for me to give you the exact figures. Maybe after the call, we can discuss properly, where I can actually give you every single exact figure as well, that in FY27 how it's going to --

Ravinder

No. My intention was on a broad basis. Like, you know, it's a INR 400 crore CapEx program. So what numbers are you quoting?

Dhruv Jhanwar

Eventually, in the next 12 to 18 months, this whole thing will move out to the other side of the balance sheet, this I can tell you. Because we are -- it's not that we are not going to buy any machine now, right. We are still purchasing machines on a weekly basis.

So as and when we keep adding more machines, some amount will go from left to right, then again, it will be added to left, and then again, it will go to the other side of the balance sheet. So that is the reason it's almost impossible for me to give you the current definition -- the correct answer for it right now. Maybe once we start, to slow down in terms of the CapEx we are doing, then I can give you a better understanding, but right now, it's next to impossible.

Ravinder

Okay. Yeah. But right now we are at INR 65 crores. Am I correct?

Dhruv Jhanwar

Yeah. I will say it like that, yeah.

Ravinder

Okay. And what is our average, you know, cost of borrowing?

Dhruv Jhanwar

It's approximately anywhere in the range of 4% to 6% depending on -- this is a flat rate. So it's anywhere in the range of 5% plus or minus 0.5%.

Ravinder

Got it. So I see that we have a plan of increasing fleet size towards north of 200. Can we map it, like, you know, to a INR 100 crore deployment?

Dhruv Jhanwar

Absolutely, more than that. Because now, see, we have already expanded into the 100 ton machines. We have bought a good amount of machines. So now we are trying to focus only 150, 160, 200, 220, and 260 ton machines. So as and when you start going for these machines, like, 10 of these machines will cost me a good INR 40 crores, INR 50 crores.

Ravinder

Understood. Yeah. My last question is, I see that we have given a ROC guidance of north of 20%, right. But also in the same slide, we are stating that our EBITDA -- expected EBITDA is 60%, right, on a revenue guide of INR 100 crores. So, I think both are not in sync, right. Like, you know, if you see a ROC of 22% on a INR 400 crore asset base, right, it's not of INR 80 crores, whereas if you're targeting like 2%, yeah.

Dhruv Jhanwar

Yeah. See, now what the thing is that, that when you actually -- it's not that we are going to complete the INR 400 crores expansion in the month of May, right? So when if, for example, we complete the INR 400 crore plan in the month of May, then you can expect the ROC and all the numbers will change in the guidance. But that's not practical, right?

So I already know that when the season comes, H2 comes, we'll be more aggressive that time. So that time you will not get a full blend of the year, right. So that is the reason why our projections are very conservative on the terms of those not being full year -- full year, what do you say, expectations. If I would have completed the full INR 400 crore CapEx in this very month, then of course, we would have given different guidance's. We would have changed everything. The whole PPT would have been changed.

Ravinder

Right. If you may, I have one last question. That's it.

Dhruv Jhanwar

Yeah. Sure.

Ravinder

So I've gone through our past, like the boom cycle of infrastructure from 2000, you know, in the -- in the earlier decade. And I've seen the same strategy being taken by different equipment rental companies out there, you know, leveraging height and then increasing all their CapEx and everything. But I think a significant downturn has occurred after that for nearly more than six to seven years, right. We've been getting caught up with one industry or one customer concentration. So how do you read that? And, you know, what, what are we trying to do different in the next three to four years strategically to ensure we have something in the longer time frame?

Dhruv Jhanwar

Yeah. So you're right to a certain point. The whole point of this particular thing is that, we want to do something very differently, right. But the point is that our logic is that we only enter those contracts. There is a contract term that's longer in terms of tenure. So if I'm getting a contract for two years or three years, and I know that my equipment payback period is under four years, so that gives me a massive amount of safety, right. And according to our view, we have got more than 30 years of experience in this industry. So when we see a site, we can actually understand that what is the kind of requirement the site needs and how long will it actually take.

Now, if you see -- if suppose the timing work has just ended in the site, the civil work is already done. So now I know that the site is a very big site, for example, Reliance, Tata, L&T and all, wherever they enter, it takes three to four years for them to build a blast furnace plant or anything like that. So we have to enter in a very sustainable way, and we have to make sure that we enter in the right time. To do CapEx is not a very difficult thing. You can just buy a machine left, right, and center and keep doing it to different sites, but the actual art is to actually give in those particular moments when the first phase has just started.

Now, for example, Reliance is coming up with a 5.5 lakh acre expansion in Kutch. That is going to take 10 to 12 years to be built. So, of course, we -- our first target will be to do as much CapEx over there as possible. So you have to make sure that when you are entering and where you are entering. So this is what we are trying to do different, that we enter those sites in which we can at least get 15, 20 machines at the bare minimum, so the site is in our control. This is the kind of practice which we are trying to do.

Ravinder

But will we slow down on the leverage post 2027, 2028?

Dhruv Jhanwar

Yeah. I don't see the demand going down. If the demand goes down, then obviously we don't have any option, but we have to slow down. Right now, if you are getting good projects with a good timing, then why not enter it? That's the whole point.

For me, I am looking at it from that perspective. If I'm getting a good entry point, then why not enter? That's the thing. And we are not working with government bodies also. So government spending is also not very directly linked to us. We are trying to teach most of our exposure in the private sectors only, towards the private CapEx's being done. But I know that the private CapEx is also, you know, related to the government segment. But whatever projects have been started, it cannot be stopped midway, because those are all legal projects.

Ravinder

Got it. So if in other way around, like you know, even if we see FY27 or FY28, which is INR 62 crores or INR 100 crores, you know, what would our industry grouping would be for that revenue scale?

Dhruv Jhanwar

We are trying to keep most of our machine into a very good diversified field. Currently, the renewable energy space is growing like anything, and the chemical space is also growing like anything. So we are trying to be as diversified as possible. Probably in a few more months, new metro projects are also coming. So currently, we have got very less exposure in metros. So eventually, we'll make --

Ravinder

Can you add any numbers to the -- can you add percentages, like to you know, for the FY26?

Dhruv Jhanwar

Out of the whole INR 250 crore fleet, we have given -- just a second. I shall tell you the exact slide number as well. You can see on the 10th slide of our PPT, you will be able to see the exact breakdown of every single aspect, every single industry.

Ravinder

Okay. Thank you for that. Yes, I think that's it from my side. Thank you. Thanks a lot, Dhruv.

Dhruv Jhanwar

Thank you.

Moderator

Thank you so much, sir. Ladies and gentlemen, if you have any questions, please press * and 1 on your telephone keypad. The next question comes from the line of Mr. Rahul Singhanian, an Individual Investor. Please go ahead, sir.

Rahul Singhanian

Hi, Dhruv. First of all, congratulations. I think the company has a -- is at a good juncture at this stage. Current growth yields are roughly 3% monthly. My question is that how sustainable are these yields as the fleet scales and the competition potentially increases over the next couple of years?

Dhruv Jhanwar

Yeah. See, these rental rates are very much sustainable, I can say that with good confidence. It's just that the 3% mark is mostly for the machines below 100 tons. When you go above 100 tons, then your margin increases and your top line decreases. So this happens only when you go way above 100 ton machines, where the yields are low, the margins are higher. So these yields are -- when you see the net blended yield, then you'll be able to see that it's very much sustainable, like I can say that.

Rahul Singhanian

Understood. And one more general-purpose question I had is, in the coming two, three years, what do you see the challenges that we can potentially face? And apart from our core business, do you see any scope for diversification into other segments as well?

Dhruv Jhanwar

Yeah. So, see, what we are trying to do is that we want to have a very good diversification of our fleet. It's not that that we, like only want to have crawler cranes or truck mounted cranes or only man lifters or only all-terrain cranes. So we are trying to make sure that we have got a very good diversification in the fleet size -- in the fleet type. So when we have got around seven, eight, or maybe ten products in our portfolio, then that helps us to make sure that our utilization rate always remains higher than our competitors.

So we are, currently, we are focusing on this aspect only. Challenges, I can only say that there can be operational challenges, because at the end of the day all these are heavy machineries. There are breakdowns, there are downtimes. Currently, we should not feel these things, because all our fleets are extremely brand new. All the fleets are less than two years old. So that is the reason why I personally feel that for the next two to three years, we should not have a lot of operational challenges.

Rahul Singhania

Understood. Yeah, that's it from my side. Congratulations and best of luck for the future.

Dhruv Jhanwar

Thank you so much.

Moderator

Thank you so much, sir. Ladies and gentlemen, if you have any questions, please press * and 1 on your telephone keypad. I repeat, if you have any questions, please press * and 1 on your telephone keypad. We have a follow-up question from Mr. Rohan Mehta from Ficom Family Office. Please go ahead, sir.

Rohan Mehta

Thanks for the follow-up. So just a couple of bookkeeping questions. I wanted to know what your gross block and net block is as of the closing year?

Dhruv Jhanwar

Yeah. So our gross block for this year is approximately INR 258 crores. This is inclusive of GST, because GST is a very big amount for us. Approximately, INR 33 crores of our money is stuck in GST right now, which is getting recovered every month. So currently, inclusive of taxes, it is INR 258 crores.

Net block, I'll have to calculate, and I'll tell you. I don't have the exact data. But since all our machines are extremely brand new, you can just do a basic 7.5 % on the something like that.

Rohan Mehta

Got it. And couple of clarifications. So in your results, what I noticed was that, firstly, if you take a look at employee cost. So the employee cost, that has jumped quite significantly along with other expenses.

This I'm calculating on a QoQ basis because the base is very low on a YoY basis. And even if, let's say, I take the interest subvention income and I add it to revenue, so your EBITDA comes to somewhere around 58%. So generally, 58% was the margin that you did somewhere around September quarter, which is usually the monsoon quarter where the demand or the workflow is a bit on the weaker side. And Q4 is generally slightly stronger. So I just wanted to understand, is there anything particularly this quarter that impacted the workflow?

Dhruv Jhanwar

Yeah. See, when it comes to Q2 numbers, then you can send the transcript on that con-call also. We had clearly mentioned that we have bought approximately INR 75 crores, INR 80 crores worth of machines in a very short period of time, and we had to get the labors approximately 20 to 25 days in advance on the sites.

Again, the same thing has happened in this quarter also. We have bought approximately -- in this quarter itself, we have bought INR 60 crores to INR 65 crores worth of machines. So, again, the same thing has happened that we have to pay for 20, 25 days extra labor cost, where we have to station the people before.

So as soon as you station the people, for companies like Reliance and Jindal and Tata Steel as well, it takes approximately three to seven days just to generate the gate pass of the operators and the helpers. So that additional three to seven days, I have to pay the employees also, right? Because they have already started working for me.

So when we are doing a lot of CapEx, then these kind of things will keep happening. The exact same thing which has happened in Q2 has again happened in Q4 because we have bought so many machines at once.

Rohan Mehta

Got it. And was telling you --

Dhruv Jhanwar

In Q2, also, if you see these the exact two line items had become significantly higher. So again, like, it's the same thing that, again, these two line items have become significantly higher.

Rohan Mehta

Right. And on your cost of borrowing, you had mentioned 5% plus or minus 50 basis points. So that is inclusive of interest mentioned, right?

Dhruv Jhanwar

No, that is not inclusive of interest. Because if it would have been, then my finance cost would have been like -- there would not be any finance cost on the P&L, right, if that would have been included.

Rohan Mehta

Okay. Yeah.

Dhruv Jhanwar

We can talk about it post the call because it's a very -- it's such a topic where I have to give you the exact percentages, exact numbers, and I'll have to explain it to you in a very deeper way.

Rohan Mehta

Sure. I'll reach out to you.

Dhruv Jhanwar

Absolutely.

Rohan Mehta

My final question would be, you spoke about fact that you won't see any particular demand issue. But I just wanted to understand, company specific as well as industry, right, any two to three key risks that you see at this particular stage, which could sort of slow down the growth momentum?

Dhruv Jhanwar

See, currently, I'm talking about that the only issue which we can face is operational challenges. But for now, all our contracts have been extended to 31st December. Over the next eight, nine months, we don't have any problem with the order book. There are many contracts which will be extended. More from my experience, I can tell you that all these contracts will again be extended for another 12 months.

But currently, on paper, we just have it till 31st December. So in the short-term, we don't have an issue with the demand side and any challenges. The only issue which can happen is operational issues. So this is what I can tell you right now. The demand is going up every day. This, I can tell you for sure.

Rohan Mehta

Right. Thank you. Thank you so much. That's all from my end.

Dhruv Jhanwar

Thank you.

Moderator

Thank you so much, sir. The last question is coming from the line of Mr. Yash Junjhunwala, an Individual investor. Please go ahead, sir.

Yash Junjhunwala

Hi. Am I audible?

Dhruv Jhanwar

Yeah. You're audible.

Yash Junjhunwala

Hi. Okay. Firstly, thanks for the opportunity. I actually just wanted to understand, you just explained to the previous participant why your employee cost was higher. But can I know why your other expenses also shot up drastically?

Dhruv Jhanwar

Yeah. So when we purchase machines, so along with the machines, we have to purchase many other things for the machines. So, for example, a few spare parts and all these things for the machines we have purchased in FY24. So those spare parts and all also, we have to now the FOCs for those machines are getting over. So because of that, these the other expenses have gone up slightly.

But, eventually, when our top line also goes up in the next quarters, in the upcoming quarters, then you will be able to see that it blends in then. Because currently, INR27 crores, INR 28 crores worth of the machines are going to see the CWIPs, which is now being started. So currently, we are in zero CWIPs.

So all these machines also will start generating revenue, then all these numbers will still be the same, but the top line will go up. So that time, you will be able to see that it has been blended in a very nice way.

Yash Junjunwala

Okay. Got it. Okay. My next question is on the receivables end, like, because on paper, right now, your receivables look pretty high at about 205 days. What are your payment terms with these clients? How soon do they pay?

Dhruv Jhanwar

See, on paper, we have got, we have signed the contract with 45 days of payment with everyone, but there are a few clients who pay in 30 days also. There is a there are a few clients who pay in 45 days also.

Sometimes when it comes to quarter ending, especially March 31st, everyone wants to carry cash in their book. So that is the reason why they pay after 10 to 15 days, which is fine. But, overall, if you see, our payment cycle currently under six months is around 45 days.

Yash Junjunwala

So, on average, your payment terms are set at 45 days?

Dhruv Jhanwar

Yeah.

Yash Junjunwala

And will we see these receivable days come down as you -- because right now, I think there is some -- is there some receivables built in which are not related to the Crane Rental business?

Dhruv Jhanwar

Yeah. Absolutely. That's a family settlement issue which we have. It's not a very big amount. So in the FY27, that small amount will also be coming to us. So once that happens, then that rate receivable, about six months, will become zero. Then you will be able to see that again, not about six months, about 60 days will become zero.

So then my whole trade receivables cycle will come down. So it's an internal adjustment which was done during the restructuring of the company, which we cannot help right now. But if you want to actually understand our core businesses, data cycle, you have to see under 60 days aging, which will come in the annual audit.

Yash Junjunwala

Got it. Okay. And my last question was actually connected to some previous participant was trying to understand just I wanted to understand, like, you were saying that you are comfortable taking on debt as long as there is demand visibility. But is there any internal, I mean, benchmark you have in mind where you have capped debt to equity? Currently, debt to equity is close to 2:1. So is there any internal benchmark that you've kept that, okay, regardless of demand for balance sheet health, you will not take on more leverage?

Dhruv Jhanwar

See, balance sheet, we will always be in this particular range only, and then as we are expanding, we are going on expanding. The thing is that all our trade tables, if you see also, sorry, all our repayments are also quite fast. We pay approximately 2.5 % per month back to the bankers.

Yash Junjunwala

Per month.

Dhruv Jhanwar

So because our tenure of this – yeah that's per month. So on when you see from a month on month perspective, every quarter, we are approximately paying 7.5% of the loan book. So that's very high because in our industry, this is how it works.

People take a 4 year funding, so you ideally pay 2.5% every month. But we take -- we have taken many 3 years and 3 years funding as well because our internal approvals are very nice right now. So, eventually, when you see as and when you are going on paying of our loans, we will be adding more.

But this debt to equity of around 1.5, eventually, we will blend it out to be 1.5. Because with our current order book, this year's FY27 predictions are very strong. So our debt repayment will also be significantly higher, and we expect really good financial stability also in the company.

So when you actually see at the end of the year, when we are paid INR 40crores, INR 45 crores worth of debt, then approximately, we can borrow at least INR 100 more crores, right? Because the debt repayment is extremely fast.

Yash Junjunwala

Got it. So you will try to maintain your debt below 2 times equity?

Dhruv Jhanwar

Yes. You can say it in that prospect. Absolutely.

Yash Junjunwala

Got it. Okay. Thanks. That's all from my side.

Moderator

Thank you so much, sir. In the interest of time, that will be our last question for the day. Now, I hand over the floor to the management for closing comments.

Dhruv Jhanwar

I would like to thank everyone for joining our call today. It was really nice chatting with you all, and we'll keep doing it QoQ. I really appreciate everyone giving a good one hour time to listen to us, to have good conversation. So I would like to thank everyone. Yeah, thank you.

Moderator

Thank you so much, sir. Ladies and gentlemen, this concludes your conference for today. Thank you for your participation of using Door Sabha's conference call services. You may disconnect your lines now. Thank you, and have a pleasant day.

- Note:**
1. This document has been edited to improve readability
 2. Blanks in this transcript represent inaudible or incomprehensible words.