Date: October 26, 2026

The Manager
Corporate Relationship Department
BSE Limited
1st Floor, New Trading Wing,
Rotunda Building,
P J Towers, Dalal Street, Fort,
Mumbai – 400001

The Company Secretary
The Calcutta Stock Exchange Limited
7, Lyons Range
Kolkata-700001

BSE Security Code: 531279
ISIN: INE238C01022

CSE Scrip Code: 10030166

Dear Sir/Madam,

Sub: Transcripts of the Earning Conference Call held on 23rd October, 2026 to discuss the Unaudited Financial Results of the Company for the Quarter and Half year ended September 30, 2026.

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the transcript of the Earning Conference Call held on Friday, October 23, 2026, to discuss the Unaudited Financial Results (Standalone and Consolidated) of the Company for the Quarter and Half Year ended 30th September, 2026.

The same is also made available at the Company website at – www.trishakti.com.

Kindly acknowledge and take the same on records.

Thanking You,

Yours Faithfully,
For **Trishakti Industries Limited**

Mahesh Kumar Sharma
Digitally signed by Mahesh Kumar Sharma
Date: 2026.10.26 17:24:23 +05'30'

Mahesh Kumar Sharma
Company Secretary and Compliance Officer.

Trishakti Industries Limited

Q2 FY27 Earnings Conference Call

Event Date/Time : 23/10/2026, 16.00 Hrs

Event Duration : 1 hour 4 mins 37 secs

MANAGEMENT DETAILS:

Mr. Dhruv Jhanwar

Chief Executive Officer

Mr. Karan Ajmera

ConfideLeap Partners

Q&A PARTICIPANTS:

1	**Lavya Baldota**	: Zenflow Finance
2	**Ashish Mehta**	: LM Equity
3	**Pal Balar**	: Trinetra Asset Managers
4	**Pranay**	: Prime Investments.
5	**Hemant**	: Individual Investor
6	**Ishan Modi**	: Individual Investor
7	**Kiran Malampadi**	: Individual Investor
8	**Anshul Sharma**	: Vortex Capital
9	**Satya Mehta**	: Individual investor
10	**Ashish Soni**	: MN Capital

Moderator

Ladies and gentlemen, good evening, and welcome to Trishakti Industries Limited Q2 and H1 FY27 Earnings Conference Call.

As a reminder, all participant lines will be in listen-only mode, and there will be an opportunity for you to ask questions after the management's opening remarks. Should you need assistance during the conference call please signal an operator by pressing * and 0 on your touch-tone telephone. 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 management as on date of this call. These statements do not guarantee the future performance of the company and may involve risks and uncertainties that are difficult to predict.

I would now like to hand over the call to, Mr. Karan Ajmera from ConfideLeap Partners. Thank you, and over to you, sir.

Karan Ajmera

Good evening, everyone. On behalf of ConfideLeap Partners, I welcome you all to the Q2 and half-yearly FY27 Earnings Call of Trishakti Industries Limited. I am Karan Ajmera, representing the investor relations team. We are pleased to have with us Mr. Dhruv Jhanwar, who is the Chief Executive Officer of Trishakti Industries Limited.

Thank you all for joining us today. With that, I will now invite Mr. Dhruv Jhanwar to share his opening remarks. Following his remarks, we will open the floor for the Q&A session. Thank you, and over to you, Dhruv, Sir.

Dhruv Jhanwar

Thanks, Karan. Good afternoon, everyone, and welcome to Trishakti Industries Limited Q2 FY27 and half-Year Earnings Conference Call. Thank you for joining us.

Let me begin with our financial performance, which reflects the significant scale up at Trishakti Industries Limited. For Q2 FY27, our revenue from operations grew by 133% YoY to INR 1,551 lakhs. EBITDA increased by approximately 141% to INR 944 lakhs, while profit after tax grew by an impressive 223% to INR 519 lakhs.

Our EBITDA margin for the quarter stood at 60.89%. For the first half of FY27, revenue from operations reached INR 2,989 lakhs, while EBITDA stood at INR 1,790 lakhs, and the profit after tax rose to INR 949 lakhs. This represents YoY growth of approximately 178% in revenue, 170% in EBITDA, and 277% in profit after tax.

These are encouraging numbers. What is even more important is that what they represent, a business that is scaling rapidly, a larger equipment base contributing to performance, and a platform that we believe has substantial room to grow.

Coming to our capital expenditure program, we are approaching another defining milestone. We are committed to an INR 400 crore CapEx program for FY25 to FY27. We have now deployed approximately INR 370 crores worth of assets, inclusive of GST, achieving more than 90% of our program. For us, this is more than achieving a number. It is about execution.

We set out with a clear expansion plan, backed it with capital deployment, and have made substantial progress towards living on these commitments. But as we approach the completion of this program, our ambition for Trishakti does not stop here. In fact, we believe this is where the next chapter begins.

Today, I want to put out that ambition into perspective. We are setting our sights on Mission 2030. This is our long-term management objective to build Trishakti 's cumulative gross block to more than INR 1,000 crores by FY30. This is a significant step forward in our growth journey. We have progressed from building our capabilities to scaling our platform, and now we are setting our sights on creating a substantially larger infrastructure equipment rental business.

Our ambition is rooted in the opportunity we see ahead. India's infrastructure and industrial growth will require increasingly specialized equipment, dependable execution and the ability to support projects of greater scale and complexity. We want Trishakti to be positioned to participate meaningfully in that objective.

Mission 2030 is not simply about owning more machines. It is about building a stronger Trishakti with greater capabilities, deeper customer relationships, and a larger role in India's infrastructure growth story. Our guiding principle is simple. We want to grow with India, build for the long-term, and turn our ambition into measurable execution.

With our current CapEx program more than 90% completed and six months ahead of time, Mission 2030 now setting the direction for our next phase. We believe Trishakti is preparing for an exciting period in its evolution. With that, I would 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.

The first question comes from Mahesh Tolani, from GoQuarter. Please go ahead. Mr. Mahesh Tolani, please go ahead with your question, sir. There is no response. The next question comes from Lavya Baldota from Zenflow Finance. Please go ahead.

Lavya Baldota

Hello. Thank you for the opportunity, sir. So, today I actually had three questions for you. First is, from the last two years, the debtor days have gone up by quite a high number. What are the plans to improve that?

Dhruv Jhanwar

Answering this question, we have stated this in our Q3 and Q4 con call from last year also. But while we had a family settlement three years back, this debtor cycle was being extended because of that settlement. So, some money was yet to be received. Then this quarter, we have already written off some of that amount. Approximately, INR 75 lakhs' worth of provision has been created. By the end of this year, this number will again come to its actual place, which is around 60, 65 days.

Lavya Baldota

Nice to hear that. Another question --

Dhruv Jhanwar

Just answering this thing again. If you see in the other end, there was an increase of around INR 75 lakhs more than the previous quarter, and the other expenses also had this provision. This thing has already been set off.

Lavya Baldota

Okay, nice to know that, Sir. Another question was, like, are you doing any CapEx? How are you planning to fund the Capex?

Dhruv Jhanwar

So, when we started these INR 400 crores of journey in FY24, then we started with eight machines. Whatever CapEx we have actually done in FY25, most of those CapEx is going to be free of bank financing by FY28. FY28, our cash flows are going to go significantly higher.

Because of this reason, we have given a new guidance on Mission 2030 about having more cash flow, which will help us to get to a INR 1,000 crore gross block in the next three years. This will be done via bank financing, debt, and also, internal accruals all at once.

Lavya Baldota

Okay, so mainly debt. Last question, like, you're most of the revenue is coming from certain states of India. How are you going to plan to decentralize the geographic areas of revenue?

Dhruv Jhanwar

See, that is something which is not in our hands, because most of the CapEx happening in India is currently in Gujarat and Odisha. If we want to do a lot of CapEx, then these are the two places which are currently having many, many number of new plants coming up. If in future, in other states, we get an opportunity, then obviously, we will diversify.

Lavya Baldota

Basically, our main focus is still Odisha and Gujarat, right?

Dhruv Jhanwar

Wherever CapEx is happening, we are central vendors of L&T, Reliance, Tata Steel, anywhere. We get RFQs on a daily basis. Now, if these RFQs are coming from mostly Gujarat and Odisha, then, for the time being, we'll be doing a lot of CapEx in these two states. But if we are getting some -- if we are able to get some work in south or north, or something like that, then obviously, we'll go for it. But since it's a centralized system, wherever these companies are doing CapEx, we have to follow them.

Lavya Baldota

Okay, got it. Thank you so much.

Dhruv Jhanwar

Yeah.

Moderator

Thank you, sir. The next question comes from Ashish Mehta from LM Equity. Please go ahead.

Ashish Mehta

Hi, Dhruv. Hope I'm audible.

Dhruv Jhanwar

Yeah, you're audible.

Ashish Mehta

Thanks for the opportunity. Dhruv, I have basically three sets of questions. I will go one by one. The first aspect is by 2030; we had a plan to increase the asset base by INR 8,000 crores, right? Basically, next four years, we would be incrementally deploying INR 700 crores worth of CapEx. If you give some idea on what the share of debt internal accruals, like how we are planning, in particular share, what would constitute the majority share for the CapEx?

Dhruv Jhanwar

Yeah. According to our assumption, we should be having the net debt of anywhere between INR 400-450 crores for the next three years, until FY30. Why I'm telling you this number is very simple because when we take debt in equipment financing, Trishakti takes debt for either three years or four years.

When we are taking a four-year financing for the machines, which we have already bought in FY25 and '24, so those machines are going to be free on bank financing in the next one, one and a half years. When those machines also start generating free cash flow, then those can be used for repaying of debt or to buy more machines on a monthly basis.

According to this strategy, we feel that our net debt should not cross more than INR 400-500 crores on the long-term basis. Because after 2028, every year, approximately INR 100-150 crores worth of machines are going to be coming out of finance. Every year, our cash flow will keep going up significantly.

Ashish Mehta

Got it. Is it fair to assume, then INR 450-500 would be our peak debt in our balance sheet, what we are going to spend?

Dhruv Jhanwar

Yes, absolutely.

Ashish Mehta

And on the debt, Dhruv, any internal DCR ratio or something we are maintaining? Because since the sector is generally cyclical in nature and the phasing also happens in a staggered phase. How do you factor in the margin of safety in terms of debt coverage? Because the monsoon, the sector generally cyclical in nature, right? Do we have any internal ratios we are monitoring?

Dhruv Jhanwar

We try to follow our debt to equity only, but in our business, we are at a hyper-expansion phase right now. The demand is going up like anything. Because of that reason, we try to make sure that our debt to equity is under 2, for the next one, one and a half years. But, of course, as I've said, that after 2028, when our cash flow skyrockets, then it will be much easier for us to deleverage.

But for another two or three quarters, I don't see any kind of deleveraging happening. I rather see more CapEx happening. Because in this quarter also, CWIP maybe have got around INR 78 crores worth of machines. If we include GST, it's almost INR 95 crores worth of machines, which we still have to deploy in Q3. Honestly, I don't see that any slowdown or anything is going to happen.

Ashish Mehta

Finally, on the debt, Dhruv, since interest rates are increasing generally, do we see any our interest payment or financial cost is going to increase? Not in terms of absolute figure, but the interest payment out. What are we going to need?

Dhruv Jhanwar

Yeah, we have only fixed IRR loans right now. We don't have floating IRR loans. The only floating IRR loans which we have is the CC limit. But from January to today, we have not even used our working capital limits

even once because we have got good cash flows. That is the reason why the interest rate hike should not have an issue for us right now, because we have almost done with the INR 400 crores CapEx as well.

So, majority of our CapEx, which we had planned, is already done. In future, of course, when we go for funding, then there shall be an increase of 25 basis points. But it should not be that bigger difference for us because we are repaying our debt significantly. Every month, we are repaying 2.5% our net debt. So, it should not be an issue.

Ashish Mehta

Got it. Dhruv, I have one question. Should I ask, or should I fall back on queue?

Dhruv Jhanwar

You can ask.

Ashish Mehta

I missed out your comment on the receivables because, if you could able to repeat, it would be helpful. Because what I understood is we have some INR 23 crores receivables. There is some portion earmarked for the family settlement. In your previous call, you mentioned there is an INR 1 crore write-off if, I'm not wrong. Of the INR 23 crore, how much belongs to the equipment rental and, your outlook, do we provide anything for that? If you exclude the family settlement amount, what would be our receivable days look like if you do something, by which year?

Dhruv Jhanwar

By the end of this year, I can assure you all that the receivable cycle will go back to normal. Because every quarter, we are writing off some amount, and we are receiving that amount from our family members and other income as well. In this quarter also, we have not taken a bad debt.

We have just created provisions. By the end of this year, when the annual report also comes out, or maybe the Q4 balance sheet comes out, you all will have much more clarity. That is not an issue as of now, because that is not hitting our P&L or anything like that. By the end of this year, whatever trade receivables cycle will be there, the debtor cycle will be there, will entirely be from crane hiring business itself.

Ashish Mehta

Ideally, it would be from 40-60 days, like, you mentioned earlier, right?

Dhruv Jhanwar

Yes. It would be around 60 days because, see, what happened is that in Q4, now I'm being very honest -- only the Q4 March cycle payment takes a lot of time for us to hit, because everyone wants to carry cash in their balance sheet.

Ashish Mehta

Because of that year closing?

Dhruv Jhanwar

Yeah, exactly.

Ashish Mehta

Got it.

Dhruv Jhanwar

Yeah, that's okay.

Ashish Mehta

Thanks, Dhruv. Best of luck, I will fall back on the queue.

Dhruv Jhanwar

Yeah. Thank you so much.

Moderator

Thank you, sir. The next question comes from Pal Balar from Trinetra Asset Managers. Please go ahead.

Pal Balar

Hi, Dhruv. Congrats on good set of numbers. Am I audible?

Dhruv Jhanwar

Yeah, you're audible.

Pal Balar

Yeah. When I was looking at the cash flow from operations, I wanted to understand this increase in other current liability and other current assets. If you would throw some light on that, it will be helpful for me.

Dhruv Jhanwar

Basically, the thing is that, when we are in a hyper-CapEx expansion, even in Q3 of last year, we had given the same answer for this. Whenever we want to purchase more than INR 75-80 crores' worth of machines in one go, then, obviously, it takes a lot of time. Then that is the reason why it is in our CWIP.

Because of that reason, it takes some time to get the machines funded as well. Because of that reason, that always stays in our other current liabilities, but it keeps on changing on a monthly basis. You can refer to the con call in Q3 last year. It's the same answer, but if you want more clarity, you can check that con call as well.

Pal Balar

Apart from that, if you could give me the breakup of your receivables, how much of that is less than one year, and how much of it more than one year old this year? So that will be helpful for me.

Dhruv Jhanwar

More than one year should be around INR 3 crores, which is the family settlement amount, which is not a big amount with respect to our, FY27 estimated revenue. Except this, I can give you the data set. If you can just mail us at info@trishakti.com, I can send you the exact thing, because we have to check it out with Tally. In Q4 only, we actually give out our exact debtor cycle.

Pal Balar

Understood. Thank you. That's it.

Dhruv Jhanwar

Yeah.

Moderator

Thank you, sir. The next question comes from Pranay from Prime Investments. Please go ahead.

Pranay

Thank you for the opportunity. Congratulations on a great set of numbers, too. I just have a couple of questions. With the current INR 370 crore being deployed, how much worth of machinery have we currently deployed? How much are we yet to receive the machinery?

Dhruv Jhanwar

Yeah. So, whatever amount you're seeing in CWIP, which is approximately INR 77-78 crores, this figure is without GST. This amount is yet to be deployed. All other machines have been deployed, which is around INR 300 crores worth of machines have been deployed in the last quarter itself.

Approximately, INR 40-odd crores' worth of machines have been deployed during last quarter. You have not seen the entire revenue of those machines in Q2. In Q3 and Q4, you'll be able to see a higher revenue when all these machines have been deployed completely.

Pranay

Understood. On a full-year basis, this INR 400, entire crores of deployment, can you give us a rough idea as to what kind of revenue that you would contribute on a steady state, full-year basis?

Dhruv Jhanwar

See, for us, 400 is not an issue only right now. We're getting it this year or next year, anytime, because 370 is already done in those machines. We have already won contracts for all these INR 95 crores worth of machines. This is going to be deployed in Q3. Now, the thing is that, if you all have noticed, our wind energy expansion is still yet to be done. The machines are going to come to India from November 2nd week onwards.

When we do that CapEx itself, that is another INR 125 crores worth of CapEx. We could have announced Mission 2030 with our Q4 results. The only reason we have announced it in Q2 is because we are very sure of getting this INR 400 crore plus of CapEx in this financial year.

Pranay

You meant to say by the end of this year, we would basically be somewhere around INR 480-odd crores of gross block, is it?

Dhruv Jhanwar

Yes. It should be above 400. I cannot comment if it will be 500 or not. Because it all depends on the machine, actually, when it is exactly coming to India. If it takes another one month, then I don't want to commit to it right now. But we can guarantee you that as the machines are coming, we'll be taking delivery and making sure that we have executed those contracts as well for wind energy.

Pranay

Understood. Just one last question. For FY27, what kind of revenues do you foresee? Is it somewhere around 70s? Or are you still sticking to that 60.5-65 revenue mark?

Dhruv Jhanwar

See, 60 and 65, we keep it in our investor presentation because that was our guidance, because the year has not ended. As of last quarter, our ARR was 72. So even if we stop expanding here, 72 is something which is anyways going to come in. Right now, our ARR after this quarter's INR 40 crores worth of machines which have been added, it has gone to around 78.

Now, when this INR 90-95 crores of the machines are also deployed, another INR 2.5 crores worth of revenue per month will be added. So, maybe if these machines are deployed in Q3, then from December month, FY27 to FY28 Q3, you'll be able to see that our ARR has gone up to even INR 120 crores.

Pranay

Understood.

Dhruv Jhanwar

The new fleet which is coming in, yeah.

Pranay

Yeah, okay. Got it. That is all, Dhruv, all the very best for future. Thank you.

Moderator

Thank you, sir. The next question comes from Hemant, an Individual Investor. Please go ahead.

Hemant

Sir, congratulations on a very good set of numbers, and thank you for providing me the opportunity. Sir, I had one question in mind. I had a look at one of the presentations, and if I'm not wrong, the guidance for the FY27 given was INR 70-80 crores. But I had looked at the current presentation, which was uploaded as of yesterday. The guidance mentioned there is INR 60-65 crores. Is this the guidance? Can you put some light on it?

Dhruv Jhanwar

Actually, see, we have been given the same guidance in the first two years. We have got the exact same initial presentation. That particular slide has never been changed. You can check it out once more. I am very, very sure that we have never guided INR 70-80 crores. The only thing we have said is our ARR is INR 72 crores.

That's in a way that we are giving you our next 12-month revenue run rate. But our guidance has always been INR 60-65 crores, which I am very, very confident that we will surpass that number very easily because of our current ARR itself.

Hemant

I mean, what kind of revenue we can expect? Maybe you can throw some light for FY27.

Dhruv Jhanwar

FY27, our current order book is at INR 78 crores, which is the executable order book. It should be above INR 75 crores for sure. In H1 itself, our revenue from operation is at INR 30 crores, and our total revenues are INR 35 crores. In H2, which is actually our season time, after the monsoon, we get a lot more contracts.

Hence, that is the reason you can see that INR 90-95 crores worth of assets are still under CWIP. When these assets are deployed, in Q3 and Q4, there will be a jump in the revenue. Because these assets will also be deployed. Once they are deployed, another INR 2.5-3 crores per month revenue will go up. In Q3 and Q4, which is H2, we are expecting even better numbers. INR 60-65 crores, we have already clogged half of it in this financial year, in this H1 only. So, that is not an issue at all.

Hemant

So, sir, the INR 75 crore of revenue, is it including the other income or excluding other income, which we are targeting?

Dhruv Jhanwar

This is excluded, yeah.

Hemant

Excluding other income? I mean, the core revenue from operations should hit INR 75 crore, right?

Dhruv Jhanwar

Yes, you're right.

Hemant

Sir, what can be the peak revenue post that INR 1,000 crores gross block?

Dhruv Jhanwar

We can talk around INR 300 crores worth of revenues easily.

Hemant

And what can be the time?

Dhruv Jhanwar

Can you please repeat your question?

Hemant

Sir, I wanted to know the time frame. I mean, by what time we can hit the peak revenue for an INR 1000 crore gross block? What can be the peak revenue?

Dhruv Jhanwar

Yeah, so we feel that we have guided till FY2030 because we are quite sure that by then, we'll be adding many different kinds of machines also in our portfolio. But if the demand is good, we can even be there by '29. That's not an issue.

For a company whose net balance sheet size was INR 11 crores in '24, when we took over the company, from INR 11 crores to INR 404 crores total balance sheet size, we have raised in two and half a years. For us to reach from INR 400-1,000 in the next three years should not be an issue because now bankers are also willing to take a bet on us. Initially, it was very difficult for us to raise debt as well. But now it is not an issue for us because many of our machines are at 15%, 20% banking LTVs right now.

Hemant

Sir, is it fair to conclude that we can hit INR 300 crores of revenue by FY29 or later by FY30, right?

Dhruv Jhanwar

Yes. You're right. Absolutely right.

Hemant

Okay. Thanks a lot, sir.

Moderator

Thank you, sir. The next question comes from Ishan Modi, an Individual Investor. Please go ahead.

Ishan Modi

Yeah, am I audible?

Dhruv Jhanwar

Yeah, you're audible.

Ishan Modi

First of all, congratulations on the good set of numbers. I had a question around our ambition of INR 1,000 crore, I mean, this particular FY30 ambition. As far as I have understood the business model, we take a loan and then give our equipment on rental, and whatever the company we get EMI and from the free cash flow, we again buy the sales and again take loan. Here, right now, we are having a 100% utilization. I want to ask, like what is the best assumption of utilization of our debt, debt we are going to maintain to reach our FY30 ambition, and also the INR 300 crore of potential net investment?

Dhruv Jhanwar

Yeah. See, being very honest, we have always been at 100% utilization since the past three years. The only reason for that is that we take like, longer-term contracts, whereas many of our competitors take very short-term contracts for three, four months. One of the reasons for that is this. And the second and biggest reason is that there's a lot of Capex happening in India.

If you see, Reliance has also announced Kutch expansion, which is 5.5 lakh acres expansion in Kutch. They have also publicly said that they are going to invest INR 7 lakh crores in the next few years in Gujarat itself. A lot of Capex is anyway happening.

Because of that reason, we are at 100% peak utilization, and I feel that in the next few years, it should be like that only. Maybe 100 is a very bold thing, but anything above 90 is extremely superb in this industry. To maintain fleet utilization above 90% is a very, very good thing if someone can do that, and we are hoping to do that.

Ishan Modi

Yeah, I understood that. But are we too optimistic to assume that our utilization will be more than 90% in FY30 to achieve our FY30 ambition? Or if there can be a possibility that a lot of it gets older, or maybe we don't get more of contracts from this marketplace? Our fleet utilization can drop off to the like other fleet utilization in the due course?

Dhruv Jhanwar

Absolutely. See, that's always an option, but that is the reason why in our conference, we have always mentioned that we are very much into diversifications. We currently have rough terrain cranes, all terrain cranes, crawler cranes, truck-mounted cranes, AWP, different types of AWPs. We are going to get into port equipment as well. It's just taking some time because we have been doing CapEx in these particular types of products.

I personally feel that if we have a diversified portfolio of products and, obviously, to maintain a fleet utilization of 90% and above could be easier for us when compared to other players who only have two types of machines or one type of machine.

Ishan Modi

All right. My second question is more about what is the progress of a UAE and KSA expansion, there is no update so far, do you want to comment?

Dhruv Jhanwar

So, see the UAE expansion, KSA expansion is going to happen. It's just that these INR 95 crores worth of machines which we have bought, which is in our CWIP right now, this was a surprise CapEx for us. Because we are seeing a lot of demand in India, it is very difficult for us to actually choose where we have to do our next set of CapEx.

If over here, I'm getting some contracts in which I can deploy the machines in one month, then that will be my first priority. This INR 100 crores of CapEx which we just did in September end was a very big surprise for us also, that we suddenly got contracts from four, five different companies.

Coincidentally, the machines are available with our OEM as well. It's just that once our balance sheet deleverages just a little bit more, then we can get into expanding into UAE and KSA. But the paperwork is already 60, 70% done. Now, it's just about the execution time.

Ishan Modi

All right. One more question about data center approach. On the last quote, you mentioned that there is some 80-ton tower cranes which are being used for the data center for CapEx. Is there any progress on what the revenues are coming from there and how the management is looking into it?

Dhruv Jhanwar

Absolutely. There's a lot of progress in that. The machines are going to come in by October and November mid. The machines are still in transit. The only thing with the tower cranes are that it takes a lot of time for the tower cranes to be set up, because you need five engineers to actually set up the whole thing. Because of that reason, it is still in play, but it takes a little more time. But at the same time, for the growth in our CapEx, we are already doing a lot of CapEx in other products as well along with these things.

Ishan Modi

All right. Because the kind of data center that demand is there, is it fair to assume that the debt net per-month rent will be higher than our average?

Dhruv Jhanwar

There are no 80-ton machines in India right now, hardly two or three machines. I'll give you an example. If you track our concalls from last year as well, you can just like go to any AI system and just ask them when we have exactly called out this thing. We have got 70 meters man lifts, and there are also two of them.

In the whole of India, now there must be around 20, 22 machines, and we have got two of them. The per-month revenue in that particular segment of machines is more than two times our current fleet revenue. Of course, when we go into extremely specialized product, these kinds of things which are extremely rare in India, the revenue will surely be higher than any other products in our fleet.

Ishan Modi

All right. Just one more thing I want to confirm that, here, the base assumption is that our fleet utilization should be remain more than 90% if you want to achieve our FY30 vision, right?

Dhruv Jhanwar

Yes.

Ishan Modi

That's all. Thank you very much.

Dhruv Jhanwar

Thank you.

Moderator

Thank you, sir. The next question comes from Kiran Malampadi, an Individual Investor. Please go ahead.

Kiran Malampadi

Hi, sir. Congrats on the great set of numbers for Q2.

Dhruv Jhanwar

Thank you.

Kiran Malampadi

My question is, I want to understand regarding the recent announcement of INR 1,000 crores till FY30. How much of it is going to be to expand the current portfolio? How much of it is for the other lines that we are exploring, like wind energy equipment?

Dhruv Jhanwar

See, 20% of our fleet should be in wind energy expansion when it comes to the whole INR 1,000 crore block which we are targeting. Actually, to get the wind energy machines, there's a task. The OEMs can only manufacture and send four to five machines per-month in India, and these are the machines in which we have to replace around 250 to 300 such machines in India. Because of the shift from 3.3 to 5.2 megawatt. We are targeting that.

But it all depends on the yields and the opportunities at that current time. Maybe one year down the line, we see that the rental rates for our current fleet is going up significantly, then we invest more at that time. That will be a strategic call on a quarterly basis, which the management has to take. But what I can assure you that out of the INR 1000 crores of fleet, we will not be getting into one or two or three types of machines. We will be having at least five to eight different kinds of products, entirely into different kinds of industries so that we can make sure that the fleet utilization is higher.

Kiran Malampadi

Okay, yeah. And within the current portfolio, in which type of cranes are we seeing huge demand? Is it in crawler or all terrain?

Dhruv Jhanwar

I think crawler cranes are very hot right now. So, many companies are wanting crawler cranes, but, see, our truck-mounted cranes are also very hot product.

For truck-mounted cranes, the only problem is that, the lower-tunnage machines are very, very hot products. If I've got like 80 tons, 100 tons cranes, then it's like to maintain 100% fleet utilization throughout the year, and those machines are also not difficult. It's on the easier side. For crawler cranes, anything above 150 ton, and plus has a very good demand.

Kiran Malampadi

Thanks, Dhruv. I'm a recent investor, actually. Great to be part of this Trishakti journey.

Dhruv Jhanwar

Thank you so much.

Moderator

Thank you, sir. The next question comes from Anshul Sharma from Vortex Capital. Please go ahead.

Anshul Sharma

Hi, thank you for the opportunity. Just wanted to understand regarding the Mission 2030. The gross block for three years around INR 600 CR. Is this like will be deployed linearly, or can we expect it to be higher towards the end of the time?

Dhruv Jhanwar

Being very honest, we can even try and do it in the next six, seven months also. But will you all like it if we take so much debt? That's the only thing. Because getting the machine is not an issue for us. Getting the demand is also not an issue for us because the demand is there. But the only reason we are saying, three years is because we want to grow gradually. Because the debt repayment has to be there.

If the debt repayment is not on point, we just get on a debt trap, right? There are so many moments in the last four, five months, six months, that we feel that, yeah, we should have started this thing again just two years from when we had actually started it.

Then we would have been at an INR 1000 crore block in this financial year itself because the demand is so much. But the whole thing is that as fast as we are repaying our debt, according to that, if we multiply the debt repayment by just two times, then we can achieve that CapEx number in three years' time.

Anshul Sharma

Got it.

Dhruv Jhanwar

This is my personal opinion so that we can always make sure that it's a sustainable way to grow.

Anshul Sharma

Agreed. Also, is it purely for India?

Dhruv Jhanwar

We have not thought about it that it's purely for India or not right now, because it all depends when we are going to start with the UAE expansion. Because the only issue we are facing right now, is that whatever internal accruals we have is all going back into the business in India itself. Until and unless our internal

accruals either raise up, or we get some more equity in the company, something like that has to happen so that we can explore and get direct cash so that we can expand into UAE as well.

Right now, we have got amazing cash flows, no doubt in that. But if you want to repay our debt faster, then we are reinvesting that money into repaying debt as well. Because of that reason, it's a bit difficult for us to comment on that. Either we have to raise equity or because of the opportunity cost. It all depends on the opportunity cost. Let's see in the next, one or two months, we'll have more clarity. When the seasonal demand even picks up more, then we'll decide about it.

Anshul Sharma

Got it. That's it from me. Thank you so much.

Dhruv Jhanwar

Yeah.

Moderator

Thank you, sir. The next question comes from Satya Mehta, an Individual Investor. Please go ahead.

Satya Mehta

Hello, Dhruv, sir. Congratulations on the great set of numbers. I hope I'm audible.

Dhruv Jhanwar

Yeah, you're audible, Satya ji.

Satya Mehta

Great, sir. On the expansion that we have planned, sir, congrats on that as well. I just wanted to check, do we have any sort of support or soft commitments on the customer side as well as we embark on this expansion?

Dhruv Jhanwar

Honestly, no. Because I will tell you why. The only soft services we can have is via the announcements we are doing. For example, if we are working with KEC, everyone you are seeing that they are winning a lot of contracts. So, when they win a lot of contracts, they come to us only for machines.

Same thing with Reliance, L&T, Tata, everyone. If you believe in the manufacturing in India, and the India's growth story, I personally feel that we are proxy to them. In the whole India story, the first proxy should be us only. Because any kind of manufacturing happening in India, translates to CapEx happening in India, and CapEx happening in India requires machines.

Satya Mehta

Right. Got it, sir. Secondly, on the utilization side, we have constantly been having a 100% utilization, and the presentation said the industry is at around 80%. Why are we running at a higher utilization compared to the industry, sir?

Dhruv Jhanwar

Actually, it's about business strategy. For us, the fleet utilization is higher because our customer relationship is very nice. Our customer relationship is seen by, Pranav, who's my brother, he is the director of the company. He only looks after the customer relationships, and he has been doing a very good job at it.

Now, for us, I feel that we only take 11-month, 12-month contracts. We don't want to take four months, five months, taxi jobs, and with rental yield, a little bit higher. But if you do the math, then if the machine is running for four months and then a crawler crane needs at least 15-20 days to be transported to another site. There the TPI happens, the commissioning happens, which takes another four, five days. Labor gate pass and all of the arrangements takes another three days.

Almost one month's time, no gap are happening between. People don't understand that they're losing 10% of revenue over there, and they are gaining, like, 5% extra revenue for shorter-term contracts. What we believe is that the only reason why we are at 100% utilization is because, we take the contracts which has a higher tenure rather than contracts having lower tenure This is the crux of the thing, basically,

Satya Mehta

Right, got you. As we go into this expansion, and we are having some special types of equipment that even on the wind side, you've been talking the yields are expected to be higher. At a blended level, as we expand, do we expect the yields to improve generally?

Dhruv Jhanwar

We don't expect the yields to improve right now. Being very honest, the cost of the machine is also going up a little bit in the global markets. In India, since the rental yields are kind of fixed, that is where the machine pricing is also fixed. If we want to sell out the machine in somewhere, maybe like a Vietnam, or Seoul, where the currencies are depreciating, then we can get good selling price for our machines as well.

Right now, it's not that the rental yield is - it's not like a commercial property rental yield, which goes up by 5%, 10% every three years, something like that. It's going to be good thing; we are going to change entirely. I was just saying that with overtime, next to the yields change entirely in the next two.

In this very month, we have achieved 15-20% of more machines into double shift, which is getting us 50% more revenue in those 20% machines. Because of that, of course, as a net rental yield, both of them we'll declare that in Q3 and Q4 numbers for sure.

Satya Mehta

But the product mix that we are talking about, we have the AT and TT and machines and the wind-related equipment. They won't be having higher yields compared to the general yield that we have. As you move towards those, do you think the blended yield will go up?

Dhruv Jhanwar

See, when the data center machine come out the tower cranes, the yield is very, very, very high. But when it comes to wind energy machine, the yield is going to be quite similar. It's all about the overtime. In those kinds of machines, if we didn't get a lot of overtime, then, of course, it changes everything for us because one machine is literally for INR 27-27.5 crores.

Satya Mehta

Right. Got it, sir. Sir, one last question. On the receivable side that we discussed, so of the INR 23 crore receivable that we have, we said about INR 3 crore is the family settlement if you keep that aside. remaining INR 20 crore is related to operations. First of all, is that correct? Our past 12-months revenue is in the ballpark of INR 48-50 crores. That's still about four months or so of receivable. Do we think that will come down to 60 days, or so?

Dhruv Jhanwar

I want to make one thing very clear, and I really want you to understand this thing that we work on a monthly basis, right. If you see our not billed figure is actually INR 9 crore 40 lakhs. When you see our not

billed figure, what that exactly means is that in one quarter, there are three months, right? First month are billing. Second month are billing. It is shown entirely correctly on our P&L.

Now third month billing has to be going into directly not billed figure because we take 10-12 days to generate the bill. But when it comes to Tally, which is our ERP software, we have to input according in what period has the bill been generated. If you work for 30 days, and then on the first of next month, we cannot generate a bill.

Our third month revenue will always be there in our trade receivables as not billed or because of that, the receivable cycle will be higher. On the cycle, the trade receivables will be higher. Because in manufacturing, what happens, you build up, you manufacture a product, you take the product, build the product, and you get the money. The invoicing is done immediately.

In our case, the invoicing takes 10-12 days because we have to calculate the OT, the overtime. Then we have to calculate the OT for the operators as well who have been working extra for us. On every month, 8th, we get our operators OT, and we add it to the bill, and then we submit it to our clients. Because of that reason, whenever we are working in all quarters and all balance sheets, the last month of every quarter has to be coming as not billed because it's a service we are offering.

Satya Mehta

Right. Got it. Roughly correspond to the run rate, the ARR that you have.

Dhruv Jhanwar

Exactly right. In this case, since you moved from quarterly GST to monthly GST, around INR 2.5-3 crores worth of billings were left for the second month of previous quarter because we have moved from quarterly GST filing to monthly GST filing.

In L&T, we could not submit INR 2.5 crores worth of bills. This given system we have increased our cycle also, debtor cycle, but that's just a temporary thing. What used to happen is, in every three months, we used to get GST payment all at once. When we have moved from quarterly to monthly GST -- sorry, filing, so our cash flow will also significantly improve from this quarter onwards.

Satya Mehta

Got it, sir. Thank you. I'll fall back in the queue.

Moderator

Thank you, sir. Dear participants, if you have any question, please press * and 1 on your telephone keypad. Next question comes from Ashish Mehta from LM Equity. Please go ahead.

Ashish Mehta

Hi, Dhruv. This question is regarding the Middle East expansion. In one of our earlier call, it was mentioned if you want to expand into these regions, we want to form a JV. We need to include a local person having some 20% equity stake, right? Recently, we are expanding, how this is being structured? We would be giving our machineries to L&T. L&T will operate, or how this is being structured?

Dhruv Jhanwar

Earlier, I had said that if you see the last quarter's transcript also, we have said that till 1st May, it was required for a local person to be in our cap table when it comes to KSA, not in Dubai. But after 1st May, the rules have changed, and we can build a proper, 100% ownership in the company in KSA as well. This is not actually valid from now on.

But the only thing I would like to say is that because of us doing a lot of CapEx in India, we are spending, like, anything with our internal accruals in India itself. We are just waiting for the right moment to step into UAE as well.

Ashish Mehta

Got it.

Dhruv Jhanwar

Yeah.

Ashish Mehta

Thank you.

Moderator

Thank you, sir. The next question comes from Ishan Modi, an Individual Investor. Please go ahead.

Ishan Modi

Thank you. If I heard right now, that our net monthly yield is going downward direction because of machine cost is increasing, but the rents are not increasing. Are we also saying that our EBITDA margin will be better in Q3 and Q4, on a YoY and QoQ basis, or any EBITDA margin guidance?

Dhruv Jhanwar

Can you repeat the first part of the question?

Ishan Modi

I think you told that, machine cost is going up right now due to inflation, but the rents are same. Basically, net monthly rental yield is decreasing on an overall basis for the new machine. If the new machines come in a picture, can it impact our EBITDA margin?

Dhruv Jhanwar

What I mean to say was that the higher-tonnage machines have a very big market, in the global market as well. If we sell the machines globally in future, the rental rates are similar since the last two years right now. But in future, when we want to sell off the machines, we have an option to sell it off anywhere in the international markets as well, which can hopefully get us a better selling price for the machines.

We're not saying that in India, the prices are going up, rather I had said exactly the opposite thing. Since in India, the rental yields are stable. If we increase the machine pricing, then, obviously, either the rental yield has to go up. Since the rental yield has the same, the pricing of the machine in India are going to be constant only.

Ishan Modi

I just wanted to understand, what is the first time that you --

Moderator

I'm sorry to interrupt you, sir. Ishan, can you please join the queue for more questions, sir?

Ishan Modi

Okay.

Moderator

The next question comes from Ashish Soni. Please go ahead.

Ashish Soni

Sir, you said your contracts are almost a year. You explained the competitor has like four, five months and the turnaround time. How much is the turnaround time to deploy to other contract after that one year of contracts, typically?

Dhruv Jhanwar

Generally, if you move a crawler crane from Gujarat to Odisha, for example, a 260-ton crawler crane will take around 14, 15, 16 trailers. All the trailers have to come to Gujarat first, then the machines have to be dismantled, then loaded, then the transportation time. Then when the machines reach Odisha, they have to be assembled again. Then TPI happens, commissioning happens, labor gate pass happens, everything takes a lot of time.

This is at least a one-month procedure from going to Point A and reaching Point B, and the machines to start generating the revenue. Because of that, the transportation period, be it 11-month contract, or the 15 months, or a two-year contract, or a four-month contract is going to be identical. It's just that when you go for higher-tenure contracts, your yields are stable.

Ashish Soni

The increase in CapEx, is it just the CapEx of your customers for manufacturing that you're deciding -- you spoke about that peak debt also you want to maintain to INR 450-500 crores. Once you plan for a particular equipment, so is it visibility from customers you already have for next one or two years or three years? How do you do decide on the CapEx for a particular aid?

Dhruv Jhanwar

What we have been seeing since the past three years is that, every year, post-October, we get a lot of good contracts from our current clients who are building new plants and all. Having seen that kind of a

demand and the kind of contracts we have already signed, so with that, we can easily say that we want to do this much amount of CapEx.

Now, the only problem is that with the internal approvals, and all this CapEx, I can try and get another INR 500 crores' worth of orders in the next six months, but that is not sustainable. Because of that reason, we say that another INR 600-700 crores of CapEx can easily be done in the next three years on a blended way, by seeing the last three years' demand. Honestly, majority of the mega companies in India are having their Phase 1 and Phase 2 plan set up in this financial year. If they are starting those jobs, all are five-year, six-year contracts, right?

We know that in Phase 1, these kinds of machines will be required. Phase 2, these kinds of machines will be required. Accordingly, we can plan. It's not that we win the contracts or we get LOI from our customer, but it's that we can assume that this is the amount of CapEx which will be required to finish on these current sites, plus the new sites within these clients will be getting us.

Ashish Soni

When do you plan to sell off your equipment, or you want to keep them in life for a longer duration? I just want to understand replacement strategy for equipment, or what's your thought process there?

Dhruv Jhanwar

Crawler cranes have a life of more than 25 years, and top-mounted cranes have a life of around 17, 18 years, and AWPs have a life of 15-plus years. Now, the thing is that if we want, we can keep it for 20, 25 years on an average. But my belief is that all the bigger companies, the blue-chip companies in India, have an age criterion of 10 years.

In the 8th year, 9th year, we will be bidding some government tenders for BHEL, ONGC, and all who have an age criterion of 15 years. If the machines have the L1 bid in those contracts after 8, 9 years, then we will be giving our machines to those customers, or we'll be selling off the machine and buying newer equipments.

Ashish Soni

Thanks, and all the best for the future.

Dhruv Jhanwar

Thank you.

Ashish Soni

Thank you, sir. The follow-up question comes from Ishan Modi, an Individual investor. Please go ahead.

Ishan Modi

Thank you. I wanted to understand one thing here. If the demand is so high, are we thinking of equity dilution along with the debt to accelerate all the CapEx plan, and to not take much risk over, right now?

Dhruv Jhanwar

It's a call which we have to take. Because, if we are being very honest, with the wind energy machines of coming in, the tower cranes also coming in. We are already at INR 370 crores of gross block and so many more machines coming in this financial year. That is the reason that we are not very sure about it right now because we want to go for debt first.

If it is getting difficult for us to raise debt, then, with the current size of opportunity, we have the potential of doubling our fleet minimum by next year also. For that, we'll have to go for an equity dilution. Let's see, how everything pans out, and then we'll take a call on it.

Ishan Modi

Equity dilution is the only final option for us right now; the first part is trading at equity?

Dhruv Jhanwar

First priority is to share in debt, of course, and that is only cheaper than equity. If that is a concern, then equity is the only option.

Ishan Modi

I just wanted to ask about the sustainability of our net rental yield per machine. As our fleet gets older, are we seeing that from next year onwards or maybe, FY29 over, our internal yield can go downwards?

Dhruv Jhanwar

Rental yield does not go down because, it's been fixed in the past two, three years. The only rental yield which are available are for extremely specialized, products like a 70-meter or an 80-meter man lift. Those kinds of machines which are under 15 machines in India have a very specialized rate.

If the client's demand is very urgent, then we can ask them for a higher decision. Or else if you see for the normal 50, 18, 110, 160, 260-ton all the good companies have already got a great contract. For us, it's all about if we can buy INR 100 crores' worth of machine at once, then the machine pricing, we can get a 5-10% discount than our competitors. It's all about the buying power.

Ishan Modi

But as the machine gets older, we may need a more maintenance to own that debt. On a net debt basis, still are you saying that rental rate, what is currently on a company, it will be sustainable in a future for at least next year?

Dhruv Jhanwar

It's very, very sustainable. Very much sustainable because, see, I'll tell you one more thing that's a very interesting philosophy which we have that we are getting, hypothetically, three years of FOCs with our machines. FOCs are Free of Cost based. Now, if I'm getting a 100-ton machine, for example, in FY27, then my FOCs are valid for this particular 100-ton machine for the next three years which is FY27, FY28, FY29.

Now, when I buy another 100-ton machine in FY28, my FOCs are valid till FY28, FY29, and FY30. For example, now if I'm buying machines in FY30, my FY27 FOCs are getting over, but whatever machines I'm buying at that time has two additional years of FOCs. Because of that, the OpEx cost comes in very late, and it will only come in when we stop our expansion.

But if we are going on expanding and turning our fleet every eight, nine years, then the OpEx cost should not be a lot on our P&L so that, the margins should not drop significantly. The margins will only drop significantly when our fleet utilization goes down.

Ishan Modi

Got it. That's very clear to me. All the best for the upcoming quarter.

Dhruv Jhanwar

Thank you.

Moderator

Thank you, sir. The next question comes from Satya Mehta. Please go ahead.

Satya Mehta

Hi, Dhruv, sir. Just one follow-up. We said that our equipment prices are slightly going up, but the yields may remain the same. I know you addressed it a little bit, but does that mean the return on capital gets impacted over time?

Dhruv Jhanwar

No. You don't understand, this is the point. I'm saying this that in India, it is not going up. If it goes up in other countries, then we can sell it over there. That's what I'm trying to say in this call. In India, it is not going up. When you want to sell maybe a 500-ton machine or 900-ton machine or 1,200-ton machine, then there might not be a lot of buyers in India. Indian buyers must have a thing that we will buy only till this rate.

But if the currency is depreciating in some other company like Vietnam or anything, then we can get a massive arbitrage over there. I know 90% or maybe 99% of the people don't think it it's an agreed. But since I have an investment banking background, I want to make sure that we can get that arbitrage as well. What I'm trying to say is this only. When we buy, we send a specialized product in the global market. If the currency is differentiating the market, we can actually use it and sell it over there.

Satya Mehta

But the most of the equipment, the commodity prices have been going up, our currency is depreciating or depreciated. Doesn't that mean the equipment prices should go up again for us to purchase, since we are imported?

Dhruv Jhanwar

The only imported equipments are actually above 250-ton. Those are completely imported. Others are assembled in India. XCMG have about ten factories in India each. That's also early 2000. Like, 2001, 2002, they had come to India. They already have a lot of factories.

They manufacture 500 excavators every month. It's not that they cannot manufacture your own machines about 260-ton it's a completely imported machine. Other machines have the potential to be assembled. Some are CPD units. Some are CV units.

Satya Mehta

Understood, sir. Thank you so much.

Dhruv Jhanwar

Thank you.

Moderator

Thank you, sir. There are no further questions. Now, I hand over the floor to management for closing comments.

Dhruv Jhanwar

Thank you, everyone, for joining our Q2 con call, which is also our half-yearly con call. It was really interesting interacting with you all, and it's really encouraging for us to see so many people who have been on the journey with us.

I can recall so many people from our previous con calls also have asked us questions. I'm really grateful for you all. Thank you so much. Hopefully, we'll be achieving our Mission 2030 target ahead of time. That's our goal. Thank you so much.

Moderator

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

Dhruv Jhanwar

Thank you.

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