Management Discussion

Gautam Nagar - Assistant Manager, EquiBridgeX Advisors Private Limited
Thank you, Iqra. A very good afternoon to everyone. Welcome to the H1 FY '27 earnings call of Suntech Infra Solutions Limited.From the management team, we have with Mr. Gaurav Gupta, Promoter, Chairman and Managing Director; and Mr. Gurcharan Singh, Chief Financial Officer. We will begin the opening remarks from the management team followed by the Q&A sessions.With that, I would like to hand over the call to Mr. Gaurav sir for his opening remarks. Thank you. And over to you, sir.

Gaurav Gupta - Promoter, Chairman & Managing Director, Suntech Infra Solutions Ltd.
Yes. Thank you, Gautam. So, good afternoon, everyone, and thank you for joining us today. It's good to have you all with us today for Suntech Infra Solutions Limited H1 FY '27 earnings conference call.I'm Gaurav Gupta, Managing Director of Suntech Infra Solutions Limited. On behalf of the entire Suntech team, a very warm welcome to all our investors, analysts and stakeholders.I'll start with a quick introduction to the company and then take you through the performance of our half year. Suntech is a B2B construction and infrastructure solution company. We started our journey in construction equipment rentals and over the years, we have grown into an integrated foundation engineering company.Today, we deliver turnkey piling and foundation solutions, along with civil and structural construction across refineries, petrochemicals, power, renewable energy, high-rise buildings, metros, rail infrastructure. We continue to offer construction equipments on rental as well, which remain as an important part of our business. What really sets us apart is control over execution. We own our equipment fleet, which is now over 103 machines. We maintain these machines in-house and we have a workforce of over 700 professionals. In our business, owning the fleet and the team means we can mobilize quickly, keep our machines running and deliver on time.Let me now take you through the numbers. I'm happy to share that H1 FY '27 has been a good half for us. Revenue from operations grew 47.62% to INR99.84 crores compared to INR67.64 crores in H1 FY '26. EBITDA grew 46.66% to INR18.09 crores, with the EBITDA margin of 18.12%. What I'm most pleased about is that our profit grew much faster than our revenue. Net profit nearly doubled up to 98.94% to INR6.02 crores compared with INR3.02 crores last year. Our PBT margin improved to 9.1% from 6.4%, and our net profit margin improved by 156 basis points to 6.03%. Looking at our segments, Construction and Piling Foundation, our core business grew 44.8% to INR90.47 crores. Construction equipment rental grew even faster, up to 81.83% to INR9.93 crores.Now a few key development from the period. During the half, we secured Construction and Piling Foundation orders worth INR87.7 crores. Our order book now stands at INR204.20 crores, of which INR194.70 crores is in Construction and Piling Foundation and INR9.5 crores is in construction equipment rental. On top of this, we have an order pipeline of over INR800 crores, which gives us good visibility for the coming period.We continue to invest in our fleet. During H1, we spent INR8.05 crores on capital expenditure and expanded our fleet from 100 to 103 machines. Our project portfolio also continues to be well diversified. We have executed projects across refineries, petrochemicals, renewable energy, high-rise buildings and IT parks, including projects at Mundra, Dahej, Bihar and Pachpadra.At the same time, we have worked hard on strengthening our internal systems. We have put in place activity-wise SOPs, KPI-linked reviews, weekly MIS, ERP-based fleet tracking and tighter project costing. These may sound little small things, but they make a real difference to how well we execute and how much of our revenue turns into profit.Looking ahead, our priorities for FY '27 are clear. First, executing our order book of INR204.20 crores on time. Second, investing

selectively in higher capacity equipments so that we can take on larger and more complex foundation projects. Third, strengthening our engineering and site supervision teams. And finally, continuing to improve project monitoring and cost control so that our growth stays profitable.Before I close, I want to thank our employees and site team for their hard work, our clients for their continued trust and all of you, our stakeholders, for standing with us. Thank you once again for joining us today.With that, we can now open the floor for questions. Thank you.

Questions & Answers

Operator
Thank you very much. We will now begin with the question- and- answer session. [Operator Instructions] The first question is from the line of Bimal Panchal from Bimal Panchal & Associates . Please go ahead.

Bimal Panchal - Analyst, Bimal Panchal & Associates
Hello. Good afternoon. Am I audible?

Operator
Yes, sir.

Bimal Panchal - Analyst, Bimal Panchal & Associates
Hello? Yeah. At the outset, congratulations for the all-round performance, improvement in the results. You said you've got 700 employees. This is professional employees. So, what's the attrition rate of this thing?

Gurcharan Singh - Chief Financial Officer, Suntech Infra Solutions Ltd.
Can you come again? Sorry, we missed your...

Bimal Panchal - Analyst, Bimal Panchal & Associates
Yeah. You've said you were around 700 employees, the professional employees like engineers and all these things. So what's the attrition rate of these employees?

Gurcharan Singh - Chief Financial Officer, Suntech Infra Solutions Ltd.
Attention rate in our case is very minimal. If I may say, we have people working with us last 15, 20 years. Yes, there is the churning, but that churning is only related to very unskilled or skilled at a level where you have someone below the supervisory level. So, that's the only area where we see the churning, but largely happy to share with you all our project managers, construction managers. They are with us for last 10, 15 years.

Bimal Panchal - Analyst, Bimal Panchal & Associates
Because the key employees like engineers, and if they leave job in between during the execution of the project, it may slow down the project or trigger a little bit disturbance in the execution. But you said it's very low. It's okay. Okay. You said you have round about INR209 crores of order books and it is deliverable up to [Technical Issues]. Hello?

Gurcharan Singh - Chief Financial Officer, Suntech Infra Solutions Ltd.
Yes, yes. P lease?

Bimal Panchal - Analyst, Bimal Panchal & Associates
You said you've got order book of INR209 crores. So it is deliverable up to what period, within this year or...

Gurcharan Singh - Chief Financial Officer, Suntech Infra Solutions Ltd.
So, we have updated all the shared orders through the investor presentation this morning wherein we have stated INR144 crores worth of orders will be executed before March, but the order book in hand is INR204 crores.

Bimal Panchal - Analyst, Bimal Panchal & Associates
Okay. And just can you highlight these dynamics of construction equipment rental? So, how much -- so if you buy any machineries and equipments, what percentage on that we charge rentals? What's the dynamic for this math?

Gurcharan Singh - Chief Financial Officer, Suntech Infra Solutions Ltd.
So, typically we take into consideration 3% yield on the rental -- on the equipment value as a potential rental. Then we basically design that what is the ROI, because we have a very robust, very best equipment loan facility with our lenders wherein we draw 8% interest. So it depends upon the duration of the rental, what is the duration and then we also look at what would be the mobilization cost or demobilization cost. It factor in -- there are many factors. [Speech Overlap]

Bimal Panchal - Analyst, Bimal Panchal & Associates
Repairs and maintenance also. Repairs and maintenance also include...

Gurcharan Singh - Chief Financial Officer, Suntech Infra Solutions Ltd.
Yes, that is also -- yeah, that is also one factor. So it varies from season to season. So if the season, say H1, as you know, where we have made a disclaimer that H1 has three months monsoon period. So obviously, this period when the productivity is either low or there is no productivity because rains does not permit you to function. So it varies from season to season H1 to H2, but it varies from 2% to 3% yield.

Bimal Panchal - Analyst, Bimal Panchal & Associates
Okay. In this segment, do you want to go aggressively or just as it is?

Gurcharan Singh - Chief Financial Officer, Suntech Infra Solutions Ltd.
Yes, we have added quite a lot in the H2 of last year, and we have added two more machines in the D-wall segment this year. One was added in September and one was added in October, So, we are increasing the fleet. And that is why you could see a growth of 70%, 81% on the rental segment. We will add more if we find there are opportunities because unlike in the main segment of our business, we also like to do a business with A clients because, as you know, receivable becomes sometimes challenges in this particular space.

Bimal Panchal - Analyst, Bimal Panchal & Associates
Okay, okay. And generally contractor also finds easy to get on rent instead of going for the heavy assets. They prefer to go asset light and they prefer rentals only. This is okay. And going forward, any fundraising plan of the -- is there any?

Gurcharan Singh - Chief Financial Officer, Suntech Infra Solutions Ltd.
So, currently, we have working capital facility with the three lenders we work with. One is HDFC

bank, second is Kotak and third is ICICI Bank. So, we keep enhancing the limit. So, that depends upon the order value as well as the new order that we get. For equipment loan, we have a very robust facility with HDFC bank wherein we get the special rate of 8%. And as much as we need to draw against these facilities, we are quite comfortable. So, there is no stress in terms of our working capital facility.

Bimal Panchal - Analyst, Bimal Panchal & Associates
Okay, right. Okay, okay. Thank you very much. Wish you all the best. Thanks.

Gurcharan Singh - Chief Financial Officer, Suntech Infra Solutions Ltd.
Thank you.

Operator
Thank you. The next question is from the line of Vipul Shah [Phonetic] from ACM Advisors [Phonetic]. Please go ahead.

Unidentified Participant
Hello. Hi. I'm audible?

Operator
Yes, sir.

Gurcharan Singh - Chief Financial Officer, Suntech Infra Solutions Ltd.
Yes, please.

Unidentified Participant
Hi. G ood afternoon, first of all, and congratulations to you and your team for the great results for the H1. So, as you said, my -- first of all, my question is that as you said that the company reported an order book of approximately INR200 crores, correct, a nd an order pipeline of over INR800 crores.

Gurcharan Singh - Chief Financial Officer, Suntech Infra Solutions Ltd.
That's correct.

Unidentified Participant
Correct. So out of the current INR200 crores order book, and approximately INR194 crores comes from construction and piling foundation?

Gurcharan Singh - Chief Financial Officer, Suntech Infra Solutions Ltd.
That's correct.

Unidentified Participant
So, what is the expected execution timeline for this?

Gurcharan Singh - Chief Financial Officer, Suntech Infra Solutions Ltd.
So as we stated in our investor presentation, INR135 c rores will be executed before March out of INR195 crores.

Unidentified Participant
Okay.

Gurcharan Singh - Chief Financial Officer, Suntech Infra Solutions Ltd.
Y eah.

Unidentified Participant
A ll right. A ll right. G ot it. So, my next question is, what is the expected capital expenditure for FY '27 and FY '28?

Gurcharan Singh - Chief Financial Officer, Suntech Infra Solutions Ltd.
So as we answered to the gentleman, it would be there, obviously, because we see a growth in both the segments. We would need the equipment for our own consumption as well as for the rental segment. We anticipate close to INR20 crores investment into the capex. It might be in H2 completely, or it might spill over H1 of next year. But it will continuously be going in the direction of investment for enhancing fleet for our own uses as well as for rental business.

Unidentified Participant
All right. Okay. Got it. And just one more question. Like -- does management plan to increase its fleet beyond 120 machine over the next two years?

Gurcharan Singh - Chief Financial Officer, Suntech Infra Solutions Ltd.
Yes, yes.

Unidentified Participant
Okay. Okay. Got it, got it. Got it. Okay then, thank you. T hank you for your time.

Operator
Thank you. The next question is from the line of Yash from Shaan Patel Asset Management. Please go ahead.

Yash Jain - Analyst, Shaan Patel Asset Management
Hello?

Gurcharan Singh - Chief Financial Officer, Suntech Infra Solutions Ltd.
Yes.

Operator
Yes, you are audible.

Yash Jain - Analyst, Shaan Patel Asset Management
Congratulations on the great, great set of numbers, sir. My first question is with respect to the revenue guidance. Like...

Gurcharan Singh - Chief Financial Officer, Suntech Infra Solutions Ltd.
Yes, yes. Can you be little louder? Yes. Can you be little louder? We can barely hear you.

Yash Jain - Analyst, Shaan Patel Asset Management
Hello? Hello? Am I audible, sir?

Gurcharan Singh - Chief Financial Officer, Suntech Infra Solutions Ltd.
Yes, yes.

Yash Jain - Analyst, Shaan Patel Asset Management
So just wanted to -- wanted some guidance over the revenue. Like, we have grown over near 50% in first half. So, are we expecting that we are going -- we are maintaining same trajectory over second half?

Gurcharan Singh - Chief Financial Officer, Suntech Infra Solutions Ltd.
Well, I mean, as per our presentation, we have already demonstrated the visibility. One can easily look at the amount of work to be executed. We are pretty sure we will beat all our guidance.

Yash Jain - Analyst, Shaan Patel Asset Management
Okay. So, like we are going to maintain the same rate of growth, which we have shown in H1?

Gurcharan Singh - Chief Financial Officer, Suntech Infra Solutions Ltd.
Yash, as I said, we have already mentioned in our presentation that we will close INR235 worth of orders this year, plus we will get new orders we will execute. It is very difficult because situation sometimes becomes dynamic, especially in NCLT where you hearing, there is a prohibition on the construction activity. So if it goes as per plan, yes, what we anticipate we will execute. If there is any situation which gets worsened again, there could be some impact. But broadly, what we have stated on the presentation, we will be able to achieve the INR135 crore worth of orders.

Yash Jain - Analyst, Shaan Patel Asset Management
Got it, sir. Got it. Sir, second question is with respect to margins. Like, we have seen a decline of around 3% over quarter-on-quarter. So, what kind of margin we can expect for H2 and further?

Gurcharan Singh - Chief Financial Officer, Suntech Infra Solutions Ltd.
So no, there is no decline in the margin because H1 and H2 are not comparable. H1 consists of three months of monsoon period. So the business-wise, if you look at the construction activity, out of 100, 60% always H2 and 40% H1. That too the H1 does not give you the productivity, which you anticipate in a normal activity. So, those you -- we have demonstrated by achieving a higher volume But it has come up with a huge amount of mobilization both in terms of our machine as well as our team. So, productivity is not as good as we get in H2, but however, we have maintained the margin at an EBITDA level and gone further -- enhanced margin on PBT, PAT as well.

Yash Jain - Analyst, Shaan Patel Asset Management
Got it, sir. Okay. T hat is it from my end. Thank you, and all the best.

Operator
Thank you. The next question is from the line of Divya Shah [Phonetic], an Individual Investor. Please go ahead. Divya, your line has been unmuted. Please proceed.

Divya Shah - Individual Investor
H ello? A m I audible?

Operator
Yes.

Divya Shah - Individual Investor
Sir, I have a few questions. The company has delivered strong revenue growth of nearly 48%. Can you tell us the major factors behind this growth and how much came from the existing projects?

Gurcharan Singh - Chief Financial Officer, Suntech Infra Solutions Ltd.
So, ma'am, if you look at the FY '25-'26, we raised the money through IPO, which further goes into the capacity enhancement by procuring machines as well as boosted our working capital requirements. So, what momentum we have built in, in H2 of last year continued in H1 of this year. So it was basis the investment into the capex, which allowed us to further lease out this machine for rental as well as enhance the working capital requirement for getting the new order, which we got secured in H2 of last year. So the momentum continued. So, this will be continued in H2 also.

Divya Shah - Individual Investor
Got it. Got it. And looking at the company's historical performance, EBITDA margins have gradually declined over the last few years. Can you tell us -- can you give us a sustainable range of margin and what steps are being taken to improve this margin?

Gurcharan Singh - Chief Financial Officer, Suntech Infra Solutions Ltd.
So historically, the company had a mix of business. One was purely a job work. Second was work with material, which we call construction and piling foundation. So when you have only job work, your margins are pretty high. But when you get the order with the material, the volume goes up, but the margin little bit gets shrinked. Now if you look at our EBITDA margin of H1, we have secured 18.12% of a work done of about INR100 crores. So it is improving and it will improve in the H2 also because we have a very low productivity in H1. If we do a similar business in H2, our margin level will go up because the productivity will go up automatically.

Divya Shah - Individual Investor
Okay, sir. And if I'm not wrong, our order book currently is INR204 crores?

Gurcharan Singh - Chief Financial Officer, Suntech Infra Solutions Ltd.
That's correct, ma'am.

Divya Shah - Individual Investor
Okay. Could you explain the nature of these orders and how much revenue visibility they provide for FY '27 and '28?

Gurcharan Singh - Chief Financial Officer, Suntech Infra Solutions Ltd.
So out of INR204 crores, ma'am, there are two segments we are in. One is rentals. The second is the piling foundation. Against INR195 crores, we have stated we will achieve INR135 crores this year and the balance will be finished in FY '28. Out of INR9.5 crores, which comes from our rental business, we will achieve 100%.

Divya Shah - Individual Investor
Got it, sir. One last question from my end. As the business expands, how is the company's working capital requirement changing? What is the typical payment cycle for large infrastructure projects? And are the collections also improving?

Gurcharan Singh - Chief Financial Officer, Suntech Infra Solutions Ltd.
So, I think if you look at the cash flow, we have demonstrated by achieving INR20 crores surplus coming from the operating activity, which demonstrates that our collection cycle was good. Also, we deal with marquee clients when it comes to our main segment, which is Piling Foundation. So, our payments are mostly secured and we know upfront when we will receive the payment because all

these companies follow very strict timelines. Now, from the perspective of the cycle of payment, it varies from, say, 30 days to 45 days.

Divya Shah - Individual Investor
Receivable days?

Gurcharan Singh - Chief Financial Officer, Suntech Infra Solutions Ltd.
Yes, ma'am.

Divya Shah - Individual Investor
Okay. So the payment days, can you comment on payment days, receivable days and inventory days?

Gurcharan Singh - Chief Financial Officer, Suntech Infra Solutions Ltd.
So, inventory is roughly around 90 days, and that too is only in terms of consumable items, not the raw material. Raw material-wise, I think we keep inventory between -- under 30 days. But consumable, yes, because these are the items which we have to ensure at a par stock level at all the sites is for 90 days. When it comes to the receivable, I said 30 days to 45 days is the time when we get the money in our account. Sometimes we have the clauses wherein we get the ad-hoc payment against the work done. Say for example, for the month, if we submit the bill by 15th of the following month, we get 60 % to 65% ad-hoc payment upfront and remaining after 30 days.

Divya Shah - Individual Investor
Got it. And how fast do we have to pay up? So our payment cycle also, if you can tell us?

Gurcharan Singh - Chief Financial Officer, Suntech Infra Solutions Ltd.
So payment cycle, we secure between 45 days to 60 days.

Divya Shah - Individual Investor
Okay. Got it. Also, sir, we are diversified in a lot of industries; refineries, power, industrial infrastructure, metro, renewable energy project. Could you tell us, which sectors will be contributing most in coming years?

Gurcharan Singh - Chief Financial Officer, Suntech Infra Solutions Ltd.
Industrial houses, ma'am. We have recently entered into real estate also. So, industrial houses is contributing, say, 45% to 50%. Real estate is contributing 15% to 20%, and remaining all other works that we do.

Divya Shah - Individual Investor
And in future also the split will be similar, sir?

Gurcharan Singh - Chief Financial Officer, Suntech Infra Solutions Ltd.
No, we might enter into the new sector like solar. As I said, real estate, we are expanding. We have a good connection and we are working in an advanced stage with a renowned real estate player in Delhi. And data center also is one area. Semiconductor is other area. We have already done some BD work, and hopefully coming months we will get a fresh order -- first order from these two sectors.

Divya Shah - Individual Investor
Got it, sir. And also looking ahead to FY '28-'29, what would be company's key growth priorities, maybe in terms of higher equipment utilization or larger project wins or geographical expansion? Or are we planning to enter new specialized construction services?

Gurcharan Singh - Chief Financial Officer, Suntech Infra Solutions Ltd.
Yes, we are expanding. Within the piling, there are multiple works. We do bored pile. We are going into ground improvement work, retention systems. So, there are multiple areas where we see ourselves doing -- expanding ourselves and getting our business in these areas. When it comes to the segmentation of the business, we see a growth in both the segment, rental as well as in the piling foundations. So it's very difficult to predict the mix. Currently, it is close to 10% of the business for the rental. Hopefully this will go up to about 20% of the total business in the next two years.

Divya Shah - Individual Investor
Okay. G ot it, sir. Thank you very much. That's it from my side. All the very best for your future, sir.

Gurcharan Singh - Chief Financial Officer, Suntech Infra Solutions Ltd.
Thank you, ma'am. Thank you.

Operator
Thank you. [Operator Instructions] The next question is from the line of Priyansh Miri from NGP Family Office. Please go ahead.

Priyansh Miri - Analyst, NGP Family Office
H ello, sir. A very good afternoon. Hope I'm audible.

Gurcharan Singh - Chief Financial Officer, Suntech Infra Solutions Ltd.
Good afternoon. Yes, you are very much audible.

Priyansh Miri - Analyst, NGP Family Office
Yeah. T hank you, sir. Sir, I have few quick questions. So, you mentioned we are working with the INR800 crores pipeline set. So, what is your view, sir? B y end of this H2, how many orders we can close, or those are in, like, advanced stage of negotiation? Any guidance on that?

Gurcharan Singh - Chief Financial Officer, Suntech Infra Solutions Ltd.
When it comes to the stages wise, advanced stage, we are expecting close to INR100 crores to INR150 crores worth of order secured in the next 30 to 45 days. And there are many more bids because maximum churning in terms of obtaining the order happens in H2. So, we are quite hopeful that 20%, 25% of the total pipeline that we have should be secured before end March '27.

Priyansh Miri - Analyst, NGP Family Office
Okay. Sir, just to reconfirm this, so we have INR200 crores order book, INR144 crores we are going to deliver in H2, so that leaves us with INR60 crores with existing already secured pipeline by end of this, say, March next year, right? So, you are saying addition to INR60 crores, we'll have INR100 crores to INR150 crores, right? So overall, we are looking at around INR150 crores to INR200 crores order book confirmed by end of March. Is that the correct understanding?

Gurcharan Singh - Chief Financial Officer, Suntech Infra Solutions Ltd.
Yes, yes, your understanding is correct.

Priyansh Miri - Analyst, NGP Family Office
Okay, okay, sir. Second, sir, next on our rental fleet. So, currently, we stand at 103. So, what is our plan, sir, for next, let's say, next six months or 18-month period, so that I can have some sort of clarity by end of FY '27 and '28? How much fleets we are going to have?

Gurcharan Singh - Chief Financial Officer, Suntech Infra Solutions Ltd.
Yeah. I answered that we plan to invest close to INR15 crores to INR20 crores in the next 90 to 120 days. Equipment-wise, it is still not finalised, but this will continue year- on- year because though we do not own all the assets, we own those that are very critical equipment for our own consumption like rigs that we always have to have our own rigs. So therefore, as we grow, our order goes up and we get a bigger order. T he equipment buying will be, a consistent effort from our side.

Hello?

Operator
Thank you. The next question is from the line of Simran Sharma [Phonetic], an Individual Investor. Please go ahead.

Simran Sharma - Individual Investor
Hello. G ood evening. Am I audible?

Operator
Yes.

Gurcharan Singh - Chief Financial Officer, Suntech Infra Solutions Ltd.
Yes, ma'am. You are audible.

Simran Sharma - Individual Investor
Yes. Sir, my question is what is the average useful life of the company's major equipment?

Gaurav Gupta - Promoter, Chairman & Managing Director, Suntech Infra Solutions Ltd.
Seven to 10 years.

Gurcharan Singh - Chief Financial Officer, Suntech Infra Solutions Ltd.
Seven to 10 years, ma'am.

Simran Sharma - Individual Investor
Okay. Fair. And how does management evaluate the return on investment before purchasing new piling rigs and heavy equipment?

Gurcharan Singh - Chief Financial Officer, Suntech Infra Solutions Ltd.
4%.

Simran Sharma - Individual Investor
Sorry?

Gurcharan Singh - Chief Financial Officer, Suntech Infra Solutions Ltd.
4%.

Simran Sharma - Individual Investor
Okay. Okay. What is the current employee cost as a percentage of revenue?

Gurcharan Singh - Chief Financial Officer, Suntech Infra Solutions Ltd.
8%, ma'am.

Simran Sharma - Individual Investor
8%?

Gurcharan Singh - Chief Financial Officer, Suntech Infra Solutions Ltd.
Yeah.

Simran Sharma - Individual Investor
Okay. And last is, how does management ensure compliance with safety and environmental standards across multiple construction sites?

Gurcharan Singh - Chief Financial Officer, Suntech Infra Solutions Ltd.
I think, ma'am, safety is one area where we have actually excelled. If you look at our presentation, we have shared with you some of the pictures where HSE standards are displayed. And happy to share with you, at every site, we have the recognition from the client. When I say client, meaning the owner themselves have given us recognition that our safety standards are example for others to follow. So, this is one area, I think, we have excelled. We will be achieving an operation excellence combining of quality, safety and timeline. But on the safety front, we have already achieved that milestone.

Simran Sharma - Individual Investor
Okay. Yes, I understood. Okay, sir. All the best. If I have any more questions, I will join again. All the best, sir, for your future.

Gurcharan Singh - Chief Financial Officer, Suntech Infra Solutions Ltd.
Yes.

Operator
Thank you. The next question is from the line of Chandramouli Jagannathan [Phonetic], an Individual Investor. Please go ahead.

Chandramouli Jagannathan - Analyst, Individual Investor
Hello, sir. Sir, what is the current debt right now, sir?

Gurcharan Singh - Chief Financial Officer, Suntech Infra Solutions Ltd.
So current debt is -- from the equity and debt equity perspective, it is 0.6, has gone down from 0.8. On April 1, it was INR52 crores, which has come down by INR14 crores. So it is reducing month- on-month because we are aggressively repaying all our loans. So as on October 1, the equipment loan will be sitting between INR42 crores to INR43 crores.

Chandramouli Jagannathan - Analyst, Individual Investor
So the debt is about INR42 crores right now, net debt?

Gurcharan Singh - Chief Financial Officer, Suntech Infra Solutions Ltd.
Yeah, yeah.

Chandramouli Jagannathan - Analyst, Individual Investor
So by the year end -- financial year end, what is the expectation, sir?

Gurcharan Singh - Chief Financial Officer, Suntech Infra Solutions Ltd.
We anticipate by end of '28, we would be debt free unless we further raise the money for our future buying.

Chandramouli Jagannathan - Analyst, Individual Investor
I mean, you are talking about the next financial year?

Gurcharan Singh - Chief Financial Officer, Suntech Infra Solutions Ltd.
Yeah, yeah, yeah. Because we pay about INR2.8 crores monthly for the repayment because most of our loans are halfway done. And we feel confident that in the next two years we will be debt free.

Chandramouli Jagannathan - Analyst, Individual Investor
Okay. W ell, what is the expectation next year growth, sir? This year , I know pretty well that we'll do well because we have got a decent order book in hand. What is the plan?

Gurcharan Singh - Chief Financial Officer, Suntech Infra Solutions Ltd.
So sir, I think instead of giving you a number, I think what we are focusing on is sustainable growth that we continue to achieve year- on- year. S o, we are building up all the capabilities towards it, that all our team, all our engineering capabilities, our working capital support, all are in place and we achieve a sustainable growth. Of course, our objective will be to go multiple X in the next two, three years, but that will happen once all factors are in our favor. But what we can assure you that we are working on sustainable growth in the next four, five years.

Chandramouli Jagannathan - Analyst, Individual Investor
The thing is, you were mentioning that you are moving into other industries like real estate and things like that, but the payment over there, all those things are all at par with your other industries that you are -- I mean, the real estate, Gurgaon, something you were mentioning, right? Some top real estate player where you are doing the work for them.

Gurcharan Singh - Chief Financial Officer, Suntech Infra Solutions Ltd.
So, sir, we have worked with all marquee clients like Adani, Reliance, HCL. All these entities have a very strict payment plan -- payment structure. So what they commit, they fulfill that commitment. So, I don't see any reason that payment-wise we will ever struggle working with this large corporation. And however, there are options available wherein companies do tie up with the bank to do factoring, wherein we have to sell our invoice and get the money in, and the payment is collected directly by the bank or institution from the client. So like for ICICI Bank, Tata is one entity where they have a nationwide contract, and we do not need to actually get money from Tata, and then Tata pays to that institution directly. So, I don't see any challenge in terms of payment collection from these large institutions in any sector we are in.

Chandramouli Jagannathan - Analyst, Individual Investor
Okay. Great, sir. Sir, what is the overall EBITDA margin that you are expecting this whole financial year?

Gurcharan Singh - Chief Financial Officer, Suntech Infra Solutions Ltd.
I think, sir, this should be 3% up of what we have done in H1.

Chandramouli Jagannathan - Analyst, Individual Investor
H1, no, I'm talking about the whole year. Last year you've done about my 20%, 21%, am I right?

Gurcharan Singh - Chief Financial Officer, Suntech Infra Solutions Ltd.
Yeah, as I said, 3%. It will be cumulative 21% EBITDA margin

Chandramouli Jagannathan - Analyst, Individual Investor
For the whole year, ' 21%?

Gurcharan Singh - Chief Financial Officer, Suntech Infra Solutions Ltd.
Yes. Similar to that. That is correct. That's correct, sir.

Gaurav Gupta - Promoter, Chairman & Managing Director, Suntech Infra Solutions Ltd.
Okay. Sir, by the end of the year, because you are saying that you have an order book of about INR200 plus crores and you will be able to achieve two-thirds of that, so end of the year, what is the order book that you are expecting, sir? Because that means you'll be left out with only with INR60 crores, INR65 crores assuming that there is no order in your booking.

Gurcharan Singh - Chief Financial Officer, Suntech Infra Solutions Ltd.
If I may say -- if I may say that all are -- I'm talking about the Piling Foundation work. Unlike in the civil work where you have a project tenure varies from 12 months to 30 months, but in a Piling Foundation, it varies from three months to nine months. Most of our work gets over within the nine months. So order book-wise, yes, we have to build order book more than what we have a target as a sale, but I don't think order book should be seen as a challenge for us because order comes quite often during the year. Ideally, we will have to see ourselves achieving order from 1.25 times to 1.5 times, which means if you have a target of, say, INR300 crores for next year, we should have an order book of INR350 crores to INR450 crores. So that -- you mean to say that is possible?

Operator
I'm sorry to interrupt you. Sorry to interrupt you, sir. Can you please rejoin for a follow-up question?

Chandramouli Jagannathan - Analyst, Individual Investor
Yeah. No problem.

Operator
Thank you. [Operator Instructions] The next question is from the line of Jhanvi Singh [Phonetic], an Individual Investor. Please go ahead. Jhanvi, y our line has been unmuted. Please proceed.

Jhanvi Singh - Analyst, Individual Investor
Hello?

Operator
Yes, you're audible. Please proceed.

Jhanvi Singh - Analyst, Individual Investor
Yes. Sir, my first question is, what is the current status of diversification into elastic crane and lifts and other allied products?

Gurcharan Singh - Chief Financial Officer, Suntech Infra Solutions Ltd.
Ma'am, there is so much background noise.

Jhanvi Singh - Analyst, Individual Investor
Hello? Am I audible?

Gurcharan Singh - Chief Financial Officer, Suntech Infra Solutions Ltd.
Yes, ma'am. Yes.

Jhanvi Singh - Analyst, Individual Investor
Sir, my first question is, what is the current [Technical Issues].

Operator
We lost the line for Jhanvi. The next question is from the line of Priyansh Miri from NGP Family Office. Please go ahead.

Priyansh Miri - Analyst, NGP Family Office
Yeah. T hank you, ma'am. I had sir o ne follow-up question on the capital requirement. You said we are targeting debt-free in two years. So is it fair to understand, sir, we'll only use our internal accrual for capex going forward for FY '27 and '28?

Gurcharan Singh - Chief Financial Officer, Suntech Infra Solutions Ltd.
So, there are models available, like operating lease model is also available. We have a proposal. We have already explored that route also, which allow us to keep these items off the balance sheet. Not necessarily we have to do the financing, but I have put a caveat to it that we will be debt-free provided we do not raise any further capital on this.

Priyansh Miri - Analyst, NGP Family Office
Okay. So in the shared revenue -- yeah, so in the leverage -- yes, sorry.

Gurcharan Singh - Chief Financial Officer, Suntech Infra Solutions Ltd.
Also, as I said, couple of options. We have the option of hiring equipment from outside, which means that when we expand our business, we have the -- because these all machines are very common and they are easily available. So, either we go for the operating lease, we do a hiring. It all depends upon how we see ourselves maintaining our balance sheet. It could be hybrid model.

Priyansh Miri - Analyst, NGP Family Office
Sir, in hybrid model, our margin will be lesser, right? So for, like, guidance that you provided, right, overall 21% EBITDA for FY '27, So going ahead, like, are we confident that we can maintain that 21% or it can again come back to 20% or less than 20%?

Gurcharan Singh - Chief Financial Officer, Suntech Infra Solutions Ltd.
So, I think the segment -- the other segment we are in, which is rental, gave us EBIT of about 33%. So margin-wise, I don't think we have a challenge. We will achieve the margin because the other segment is very, very high- margin business. Currently, we have a hybrid model, meaning all our smaller equipment we take from the market. These are DG set, excavator, JCB. We do not buy because these are very small equipment. We have to have an operator for this. W e have to maintain these equipments. So, we are already having a hybrid model.

Priyansh Miri - Analyst, NGP Family Office
Okay, sir. Just one small number query if you can answer question. Like FY '28, what will be the split between rental and job works, sir and 27, if you can just...

Priyansh Miri - Analyst, NGP Family Office
10%. A bout 9% to 10% was the rental business.

Priyansh Miri - Analyst, NGP Family Office
Okay. T his is for '28 we are targeting, right? One and a half years from now, correct?

Gurcharan Singh - Chief Financial Officer, Suntech Infra Solutions Ltd.
No, we are -- I think, as I said to one of the gentlemen, our target is to take the mix from 10% to 20% in the next two, three years.

Priyansh Miri - Analyst, NGP Family Office
10% to 20%. Okay, okay. Thank you, sir. All the best for that. Best of luck.

Operator
[Operator Instructions] The next question is from the line of Chandramouli Jagannathan , an Individual Investor. Please go ahead.

Chandramouli Jagannathan - Analyst, Individual Investor
Hello sir, I'm again.

Gurcharan Singh - Chief Financial Officer, Suntech Infra Solutions Ltd.
Yes, sir. W elcome back.

Chandramouli Jagannathan - Analyst, Individual Investor
Yeah. Sir, in the last year, end of the year, that you are saying that the last year margin has gone down by about 3% to 4% due to few reasons and you said that you will get back those things this year. B ut now kind of you are alluding that you'll be able to finish this year with about 21% EBITDA margin. But I think the previous peak was close to 24%, 25%, if I am right. Will you be able to get to that level? Is it possible? Or is there some reason why you could not be able to achieve that?

Gurcharan Singh - Chief Financial Officer, Suntech Infra Solutions Ltd.
So as I said, historical comparison is not the right comparison because during those times we have, say, 40% to 50% as our job work, pure job work. And now we have hardly any job work. Still, we are very closer to that number. Once we close this H2, we will be around 21%. So, we are already there. And then stated, our rental business is growing up, and we foresee a mix of moving from 10% to 20%. So, achieving EBITDA margin to the last level is not a big challenge for us. Our challenge is to grow the business top line and have more profitability for the investors. EBITDA margin, as I said, for H1 would be slightly lower than the H2. Those are seasonal effects, but by and large, when we see ourselves achieving the target on top line and the bottom line, the company will show robust growth.

Chandramouli Jagannathan - Analyst, Individual Investor
Okay. Okay. And after the debt-free, will you have a dividend paying policy in place? Do y ou have any plans?

Gurcharan Singh - Chief Financial Officer, Suntech Infra Solutions Ltd.
So, we will -- we will surely work on this in the next financial year '28 to design the dividend policy, and we will surely look into it, sir.

Chandramouli Jagannathan - Analyst, Individual Investor
Thank you. That's all from my side. Thank you.

Operator
Thank you. L adies and gentlemen, w e'll take this as the last question for today. I would now like to hand the conference over to Mr. Gautam Nagar for closing comments. Over to you, sir.

Gautam Nagar - Assistant Manager, EquiBridgeX Advisors Private Limited
Thank you. On behalf of Suntech Infra Solutions Limited and EquiBridgeX Advisors , I thank everyone for taking time to join today's earning call. If you have any queries, you can connect us at info@equibridgex.com. Once again, thank you for joining the conference. Thank you, sir. Thank you everyone.

Gaurav Gupta - Promoter, Chairman & Managing Director, Suntech Infra Solutions Ltd.
Yeah. Thank you, everyone. Thank you for joining.

Gurcharan Singh - Chief Financial Officer, Suntech Infra Solutions Ltd.
Thank you.

Operator
[Operator Closing Remarks]