

## **SANGHVI MOVERS LIMITED**

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**CIN No.:** L29150PN1989PLC054143



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February 13, 2026

To,  
The Manager,  
Listing Department  
BSE Limited  
Scrip Code: 530073

To,  
The Manager,  
Listing Department  
National Stock Exchange of India Limited  
Symbol: SANGHVIMOV

**Subject: Transcript of the Earnings Conference Call on unaudited financial results for the quarter and nine months ended December 31, 2025**

Dear Sir/Madam,

Further to our letter dated February 04, 2026, and in terms of Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the transcript of the Earnings conference call held on February 09, 2026 relating to the financial results of the Company for the quarter and nine months ended December 31, 2025.

The same is also available on the website of the Company at [www.sanghvicranes.com](http://www.sanghvicranes.com).

The above is for your information and record.

Thanking you,

Yours sincerely,  
**For Sanghvi Movers Limited**

**Vinav Agarwal**  
**Company Secretary &**  
**Chief Compliance Officer**  
**ACS: 40751**

Encl.: as above



“Sanghvi Movers Limited  
Q3 & 9 Months FY '26 Earnings Conference Call”  
February 09, 2026

**MANAGEMENT: MR. GAURANG DESAI – CHIEF EXECUTIVE OFFICER**  
**MR. PRADEEP MEHTA – CHIEF FINANCIAL OFFICER**  
**MR. PRAJWAL KUMAR – CHIEF BUSINESS OFFICER**  
**MR. AKSHAY PORE – CHIEF STRATEGY OFFICER**



**Moderator:**

Good evening, and a warm welcome, everyone, to Q3 and 9 Months FY '26 Earnings Conference Call of Sanghvi Movers Limited. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note, the investor presentation and the financial results are available on the company website and the stock exchange.

Also, anything said on this call, which reflects our outlook for the future or which could be construed as a forward-looking statement must be reviewed in conjunction with the risk that the company faces. The conference call is being recorded and the transcript along with audio of the same will be made available on the website of the company as well as on the exchanges. Please also note that the audio of the conference call is the copyright material of Sanghvi Movers Limited and cannot be copied, rebroadcasted or attributed in the press or media without specific and written consent of the company.

From the management, we have with us Mr. Gaurang Desai, Chief Executive Officer; Mr. Pradeep Mehta, Chief Financial Officer; Mr. Prajwal Kumar, Chief Business Officer; and Mr. Akshay Pore, Chief Strategy Officer.

Now I request Mr. Pradeep Mehta, Chief Financial Officer of Sanghvi Movers Limited, to provide you with the updates for the quarter and 9 months ended 31st December 2025. Thank you, and over to you, sir.

**Pradeep Mehta:**

Yes, good afternoon, everyone, and thank you for joining us today. Let me begin by briefly covering our financial performance, and then I will address some of the key areas that were discussed in prior interaction with the investors, so we can provide better clarity on our operating model, seasonality, capital allocation and growth trajectory.

So business performance overview. This quarter reflects the continued strength of demand across infrastructure, renewables, metal, cement, hydrocarbon and core industrial segment. Our top line performance remained aligned with the annual trajectory we had outlined at the start of the year and execution momentum remains healthy across both domestic and Middle East operations.

While quarterly movement may show volatility, our focus remains on annual performance, operating stability and disciplined capital deployment. On utilization and seasonability framework, one of the most important operating metrics for our business is the crane utilization. Our business has well-established seasonal pattern. The second quarter of every financial year typically reflects softer utilization due to monsoon-linked site mobilization schedule.

What is important is not quarter-to-quarter movement, but the annual utilization band. We continue to operate within a long-term stable utilization range of approximately 75% to 80%.



As we move into third quarter, the utilization level has already normalized in line with historical trends, and we remain confident of exiting the year within our targeted annual band.

Our Middle East operations will also help smooth seasonal fluctuation over time as geographic diversification increases. On margin, this is a year of investment phase, not structural pressure. During the current year, the margin reflects deliberate investments into capability building rather than the structural cost pressure. So we have expanded our operating base, strengthened safety and training infrastructure and build local capability in Saudi operations and enhanced system to support a larger and more sophisticated fleet.

These investments are necessary to capture the next multiyear growth cycle. So as new assets are deployed and utilized, utilization improves, operating leverage strengthens. We therefore, expect margin normalization as we progress through the second half with further improvement as we enter FY '27. Our order book quality and revenue visibility, the demand visibility remains strong.

A substantial portion of current year revenue is already secured through confirmed order and repeat client relationships across wind, steel, cement, hydrocarbon and large infrastructure projects. Our order book is characterized by long-standing customer relationships and staggered execution schedule that support predictable fleet deployment. Timing difference between quarter may occur, but demand fundamentals remain robust.

On Middle East operations, our Middle East platform continue to scale steadily. The first year of operation in any new geography is always mobilization led, and we are seeing strong inquiry pipeline and encouraging client engagement. The pricing dynamics in the region are favourable. While operating costs are higher than India, the yield profile remains healthy and asset level economics are broadly aligned with our return framework.

As scale builds through FY '26 and '27, operating efficiency improves and contribution become more meaningful. On capital allocation and return discipline, so our capital allocation remained disciplined throughout the year and every capex decision is evaluated under a return framework focused on utilization, yield and long-term return on capital employed.

Our medium-term operating anchor remains utilization in the range of 75% to 80% band. EBITDA margins are structurally healthy with operating leverage benefit as fleet scales. ROCE is targeted mid-teens range on deployed capital. These anchors guide our growth strategy and ensure balance sheet strength remain intact.

On working capital, the receivable movement during the previous quarter largely reflects billing and milestones timing across multiple sites. Collections have accelerated during the current quarter, and we expect working capital metrics to normalize in line with historical levels.

There is no structural stress on working capital. So SML today is transitioning from domestic equipment rental leader into a multi-country infrastructure service platform with deeper client relationships, higher visibility and diversified growth engines. FY '26 is a year of investments, fleet mobilization and geographic scaling. FY '27 and FY '28 are positioned to benefit from operating leverages as these assets and capability reach full productivity. So we remain



committed to stable utilization, disciplined margins, strong cash generation and long-term value creation.

Thank you, and we trust that all the investors have reviewed the financial results available on the stock exchange and the investor presentation published on our website. To optimize time for Q&A, I will avoid repeating information already in the public domain. However, we can address any financial details during the Q&A session, if required.

So I will now hand over to my colleague, Mr. Gaurang Desai, to share the business outlook. Over to you, Gaurang. After that, we will open the floor for question-and-answer.

**Gaurang Desai:**

Thank you, Pradeep, so much. And once again, good afternoon, everybody, and thank you for joining us today. On behalf of the Board and the entire team of our company, I would like to begin by sincerely thanking all our investors for your continued trust, confidence and long-term partnership. Your belief in our journey enables us to keep building stronger, more resilient and a future-ready organization.

Before we kind of get into the business, in the last call, there was mention about what is Elevate 2030. So I said let me take this opportunity and brief on our vision of Elevate 2030. So Elevate 2030 is a multiyear transformation agenda designed to be the high performance, globally competitive and anchored around 6 core pillars.

Number one, geographical expansion. So we have already seen successful entry into the KSA market. And we are particularly excited that we have secured our first order outside of KSA in Botswana, making our entry into a new region and opening the door to long-term opportunities across Africa.

This milestone reflects global trust in our capability, execution strength and reliability. People and culture first. So we believe in developing leadership and culture in the organization. Here, I would like to say that we have been consciously strengthening not our assets and market presence, but our culture because we truly believe empowered people who take ownership on the ground are central to our vision of Elevate 2030.

Customer-centric approach. Our solution-led engagement and deeper customer partnership are driving sustained confidence and repeat business, strengthening our position in key markets. Technology and digitization. Digitizing process for scalability, transparency, better decision-making remains core to Elevate 2030, enable faster response times and improved operational control.

Financial growth. So Elevate 2030 is enabling us to build a stronger leadership bench, more resilient system, a growing international footprint, disciplined and profitable growth. Elevate 2030 is not a fixed financial target or a rigid business plan. It is a long-term transformation framework designed to consistently evolve our company into stronger, more scalable, globally competitive organization.



At its core is building the engines that sustainably drive growth rather than chasing short-term numbers. Together, these pillars are shaping of how we operate, how we win the business and how we scale.

I will now share a brief overview of business outlook. So your company continues to demonstrate strong momentum and exhibition resilience. As on December 25, our consolidated order book stood at around INR1,800 crores, out of which around INR1,200 crores are executable in this financial year. This robust order book provides strong revenue visibility for the financial year.

Further reinforcing this momentum, our inquiry pipeline has expanded to almost INR2,000 crores, INR3,000 crores, reflecting sustained demand and high customer confidence across all our core markets.

Let me give a quick overview of the markets as well. India's growth, we believe, is driven by on-ground execution rather than the policy intent alone. Infrastructure, renewables, energy, industrial are translating into real projects. The Union Budget announced a record capital expenditure of INR12.2 lakh crores. That's an 11% year-on-year increase. This also reinforced government multiyear commitment to roads, railway, port logistics, et cetera.

Renewable capacity continues at a scale with almost 5.5 gigawatt added in 2025. Core industries such as steel, cement, refineries, thermal continue to see healthy activity driven by capacity expansion, brownfield expansion. And this diversification also reduces cyclicality and provides stability across markets.

So now I open the floor to the Q&A. Thank you so much once again.

**Moderator:** The first question is from the line of Deepan Sankara Narayanan from TrustLine Holdings Private Limited. Please go ahead.

**Deepan Narayanan:** Congratulations for strong crane hiring revenue growth during this quarter. So firstly, from my side, though we have very strong capex plan for FY '26, but this revenue execution has slowed down during Q3. So is management actually witnessing capex spend slowing down on the ground? And do we expect this execution picking up in the upcoming quarters?

**Gaurang Desai:** So, thank you for the question. And we have a capex plan of INR629 crores, out of which substantial portion has already been delivered, more so in the last quarter. And we are expecting further deliveries from OEM. So around INR121 crores of capex is pending in India and INR147 crores is balance in Saudi. So we anticipate that this will be fulfilled over Q4, and we will be able to see the benefits of it going in the next financial year.

**Deepan Narayanan:** Okay. That I got it, sir. But are we seeing capex spend slowing down in the ground? That's what I wanted to get the facts from you?

**Gaurang Desai:** Sir, as I mentioned that we don't see a slowdown happening in the market because as I mentioned, that our inquiry pipeline has increased to almost INR2,900 crores, and we are seeing traction in all the core industries. I hope I have answered your question.



- Deepan Narayanan:** Okay. Okay. Got it. And from the last year numbers, we have increased the capex substantially. So what kind of capex spend are we planning or anticipating for FY '27? Are this kind of run rate will sustain next year also?
- Pradeep Mehta:** Sir, we are running that budgeting process in the company. And once this budget is approved by the Board of Directors, we'll reveal about the capex for the next financial year, sir.
- Deepan Narayanan:** Okay. Okay. And one last question from my side, specific to this wind EPC segment. So we have seen sharp degrowth in revenues and also, margins also have come lower as compared to year-on-year and Q-on-Q. So what are the key reasons for that?
- Pradeep Mehta:** So for projects, wind EPC and all this business, normally, the timing difference between the quarter may occur. But fundamental demand remains robust. And as we go ahead, it will convert it. So we have to look from the annual basis, because see, quarter-on-quarter, it may move some volatility, but our focus remains on annual performance and then operational stability, and we are disciplined in capital deployed.
- Gaurang Desai:** So also, if you see the numbers, in 9 months of this financial year, we are almost equal to the last financial year. So we are seeing a good traction in terms of revenues there as well.
- Moderator:** Thank you. The next question is from the line of Krupa Desai from Electrum Capital. Please go ahead.
- Krupa Desai:** Yes. Sir, firstly, I wanted to know what is our gross debt right now?
- Pradeep Mehta:** Gross debt will be around INR650-plus crores number.
- Krupa Desai:** Okay. And sir, going ahead, how do we see the finance cost and the depreciation?
- Pradeep Mehta:** So the depreciation is basically as new assets are capitalized, depreciation will increase in line with the fleet expansion. But this is a part of growth rate. So over time, what will happen the higher utilization and the revenue scale up will support operating leverages against this step-up.
- Krupa Desai:** And sir, in this quarter, wind EBITDA margin was as per our guidance, 10% to 12% because you haven't given the margins in the presentation?
- Pradeep Mehta:** So ma'am, you take on a YTD basis, which is we already guided in the past also. The margin in this business is between the range of 10% to 12%. And the quarterly variations happen, but you have to look from the long-term angle.
- Krupa Desai:** Okay, sir. for the next quarter in the presentation, you had mentioned that INR500 crores of order execution is pending. So can we expect INR500 crores of revenue in the next quarter? And of the order book, how much is from the crane and how much is from the EPC business? Can you guide that?
- Pradeep Mehta:** Yes. About the order achievement in this quarter 4, there is a 10% to 15% variation is possible because of a lot of reasons from the client side and other side. So variation is possible. We are



targeting our best to get the number, INR1,000-plus crores revenue we are targeting for the current year, conservative.

- Krupa Desai:** Okay. And sir, of the order book, how much is crane rental and how much is EPC?
- Gaurang Desai:** Ma'am, also in past, we have never given forward guidance. And this also we would like to request you to avoid it because it's also competitive data in nature.
- Pradeep Mehta:** So, ma'am, what happened, while we do not provide this granular breakup what you are asking, but the overall structure of the book remains consistent. And with our historical model, we are dominating by crane rental led work and that staggered execution schedule and repeated customers. So demand fundamental remains healthy. And also this SFRL, this wind project EPC, they feed the SML crane requirement.
- Moderator:** The next question is from the line of Sunil Jain from Nirmal Bang Securities. Please go ahead.
- Sunil Jain:** Yes. Sir, if I see your segmental information, the crane hiring EBIT is around INR49 crores as against last quarter INR50 crores, whereas our revenue are substantially higher as compared to last year. And also our utilization and yield are also higher than last year. So was there any one-off expenses because of that EBIT has declined quarter-on-quarter?
- Pradeep Mehta:** There are certain exceptional items are also there, which is given on the P&L statement. Exceptional items basically on the Labour Code impact, we have, I think we have provided in the books of account. And there is some assets which is damaged. So we have put up in the P&L conservatively. The insurance claim is under process.
- Sunil Jain:** So can you quantify how much is the total amount for that?
- Pradeep Mehta:** On group level, it is INR8 crores. Total amount is INR8 crores, which is charged in this quarter for the current year. It's already given in the results, and we have spoken also for that.
- Sunil Jain:** Fine, fine. That exceptional item was INR8.4 crores, which you are talking about?
- Pradeep Mehta:** Yes, yes.
- Sunil Jain:** Okay. Okay. Adjusted to that, the things will get normalized?
- Pradeep Mehta:** Yes.
- Moderator:** Thank you, sir. The next question is from the line of Krishna Agarwal from Mangal Keshav Financial Services. Please go ahead.
- Krishna Agarwal:** Yes, sir. So I have two questions to ask. So the first one is, sir, I have a question regarding our expansion strategy. So sir, recently, we have expanded into Saudi Arabia. Now we see SML expanding simultaneously into Botswana, South Africa and now in Qatar. So sir, what gives you the confidence of the reason to diversify across multiple geographies at the same time instead of like first scaling up in one market and then expanding gradually into others?



And sir, what is the strategic rationale behind this back-to-back international expansion in such a short span of time? And sir, more importantly, what are the key execution risk or potential downsides that we might see going forward?

**Akshay Pore:**

So firstly, thank you for asking this question. So the basic rationale behind the KSA expansion, if you look at our vision, which will talk about delighting the world by providing sustainable and scalable engineering solution. So with this thought when we come up with a very executable framework, which allows us to deliver on this vision, very early, we started thinking of how we can grow beyond India as a market after 35 years.

And Saudi was the obvious choice because of the kind of growth room it is offering for next 5 to 10 years. And that's where we decided to grow into Saudi. So to give you some outlook on the Saudi, Saudi is going to grow at Saudi crane rental market, we are expecting to grow at 1.7x in coming 5 years and which is backed by multiple agendas starting with the Vision 2030 of Saudi and they wanted to avoid their overdependence from oil and gas where they are trying to invest heavily into transport and tourism, construction, chemicals, and energy projects.

So which allows Sanghvi to take this expansion leap. And very early when we started deploying our manpower and assets into the market, we realized that we have developed a repeatable capacity, and we wanted to capitalize on this capacity. So especially talking about Qatar, we are not looking at each of the country in GCC market very separately.

For us, it is a one engine growth, and we are looking at that because there are a lot of options to cross synergize the benefits by expanding into GCC region. In fact, it is one of the agenda. The question you asked is about how -- what are the risks you are exposing yourself to. And we do not want to expose all our capital investment to one country in the new region. And that's where the idea of Qatar is coming in. And we are not going in different countries with the different tracks.

We are following our customers. So whatever customer connects we have established with Saudi market, we have a leadership team, which is very, very capable to transfer these capabilities and get business into different countries. So we are following our customers. We have got our first inquiries from Qatar, and we are serving those inquiries with the common leadership from SML.

At the same time, Botswana, again, as I said, it was a very, very interesting opportunity by the same logic of following the customer. And when customer offered us to work with them in the global territory of Botswana, we evaluated multiple options to serve our customer. And when it was win-win for both of us, we agreed to take this order.

And we are very, very clear that while delivering or we are interested, excited about this order, we are not giving up on our strategic framework or our 6 pillars, which Gaurang talked about earlier in the Elevate 2030. We are keeping our eyes on the financial framework. We are keeping eyes on what kind of benefits, returns we are getting. We are having our eyes on the risk and how we can cover all these risks.

**Krishna Agarwal:**

Yes. And sir, my second question was regarding tower cranes. So sir, since Sanghvi Movers operates a large fleet of over 485 cranes across major categories. So sir, why does Sanghvi



Movers currently does not offer tower cranes on rental basis, given the rising construction demand for tall buildings as well as redevelopment and restructuring of existing small buildings into taller ones?

So sir, tower cranes appears to present a significant opportunity in the long-term and the near-term, too. And also, sir, as you know, these cranes typically generate long-term sticky rental revenue as they remain deployed for the full construction cycle of a building that is until a building is fully constructed. So sir, thereby providing revenue visibility and stability for the long-term for Sanghvi Movers if they diversify into this crane rental segment. So sir, what's your opinion on this?

**Akshay Pore:**

So, thank you very much for the question again. But if you look at when we earlier spoke about 11 pillars of product portfolio expansion, this exactly means that we remain interested in exploring the opportunities about diversifying our products from crawler and tire-mounted cranes.

But at the same time, it is very important to realize that there are 5C framework which we follow. And basically, it talks about customer, competencies, cost, channel and competition. So as long as there is an overlap when we are expanding into any new product category, if it allows us to work with any of these files, then we are very, very eager and we are very excited to take our lead into this new business. And we have done that with a couple of other products and maybe Mr. Gaurang can add to that.

**Gaurang Desai:**

So we have already done that. So for example, last year, we have an understanding with a company called Mt&t, where we have gone into spiders. So we lease out spider cranes to them. You must have also seen news articles on association with KSA. So as a company, in our journey for Elevate 2030, we are evaluating all these options, but with a framework or a perspective in mind.

**Akshay Pore:**

And just to give you a complete closure, specifically about your question on tower cranes, we believe that the tower cranes require different competencies. The kind of competencies we have with our cranes are completely different than the tower crane operations. So yes, we can explore that opportunity only if we believe that there is a competency with which we can differentiate from the existing players.

**Moderator:**

Thank you, sir. The next question is from the line of Aashish from InvesQ PMS. Please go ahead.

**Aashish:**

Yes. Just wanted some details on the domestic market. How do you see the utilization for your cranes and the yields shaping up? Some details on this would help. What are you seeing on the ground and also on the competitive intensity there on the ground and stuff.

Second is on the Saudi and EPC businesses that we have. So is it possible to give us some framework as to what kind of scale are we looking at in what time frame here? Because what we understand is the logic is to expand our skill set into newer geographies so that we have better scale in the overall operations. So if you could help us with this, maybe what are you looking at maybe 1 or 2 years down the line on these newer geographies that will help us to visualize where Sanghvi Movers is moving?



- Gaurang Desai:** So it's a very interesting question. As compared to domestic market, I did touch upon that we are looking at growth and there's growth in all the sectors. And Elevate is especially being kind of derived or dreamt of us so that we are able to kind of set the direction of where we want to go.
- Saudi and wind EPC, so it will tantamount to kind of giving a forward guidance, which we avoid. However, the growth momentum what your company is able to achieve, I think that would be sustainable in times to come.
- Aashish:** Okay. But sir, any details on this thing because being shareholders, we would be interested in understanding what the management's thought process is in the Saudi business.
- Akshay Pore:** Yes. so specifically, when we spoke about Saudi business earlier, we are expecting the market to kind of double its capacity, especially on the crane rental side in the next 5 years. And we have entered last year. And the initial idea was to get our MVP right, which is a minimum value proposition by entering and following our key clients and entering with the products which are in demand.
- So I think very early, we have tested a success. And now we remain very bullish on our investments with the very high-quality leadership team we have got. And we are looking at gaining a market share of almost 5% in the next 3 to 5 years, which may ask us to keep very relevant capital investment into the business.
- But yes, we are trying to explore our ways into the more stable market, which is more towards oil and gas. So we are trying to crack that market. As of today, our exposure is mainly towards infrastructure market, which is very easier market to crack. But going forward, we'll be focused on oil and gas also. And just to say that we are eyeing 5% market share in the next 3 to 5 years.
- Aashish:** Okay. Sir, just a small request. Is it possible to share some e-mail ID, contact numbers so that we can get in touch with your Investor Relations team? Because we've not been able to get in touch till now. It's been pretty difficult getting through. So could you share with investors?
- Pradeep Mehta:** Definitely. E&Y is our Investor Relationship, we have engaged them, and we'll ask them to connect you.
- Aashish:** Please, sir, because last quarter also, I tried, but it was difficult to get through. Thank you.
- Pradeep Mehta:** Yes. Even you can write to Company Secretary also, e-mail ID is given and E&Y is also available. So there are two channels available to connect with us.
- Aashish:** Okay. Would like to have maybe a detailed conversation one-on-one that will help us to understand?
- Pradeep Mehta:** Sure. Definitely. Sure. You are welcome.
- Moderator:** Thank you, sir. The next question is from the line of Pranav from Prudent Equity. Please go ahead.



- Pranav:** Yes. So my question was like majority of our revenues come from the wind sector, right? So how do you foresee the demand in this wind and renewable sector?
- Prajwal Kumar:** So see, as of now, we have a strong order book position in terms of the orders also, what Gaurang has already informed, we have INR1,800 crores of order book to be executed, out of which INR700 crores is executed, and we are hoping to reach INR1,000 crores by end of this year, and further, we have remaining already secured for the upcoming year. And we are seeing a lot of momentum in this segment. This year, country has installed record number of turbines and turbines got getting commissioned also.
- Pranav:** When do you expect the Saudi business to breakeven?
- Pradeep Mehta:** So as we have repeatedly told in our last meetings also, we are expecting 12 to 14 months, we are expecting for breakeven time for Saudi.
- Moderator:** Thank you, sir. The next question is from the line of Bhagwat from Prosperity Wealth Management Private Limited. Please go ahead.
- Bhagwat:** My question is regarding the balance revenue to be booked for the year. So that's approximately INR500 crores is what's mentioned in the presentation. So you mentioned that around 15% of the order book may spill over to the next year. Just wanted to know, is this 15% estimated on the total executable order of INR1,200 crores for the year or on the pending revenue execution of INR500 crores?
- Gaurang Desai:** So just to reiterate and thank you for asking. We have a total order book of INR1,860 crores and executable order in this year is around INR1,200 crores. And our revenue guidance always has been that we will touch INR1,000-plus crores. So that leaves almost INR600 crores of order to be spilled to the next year. I hope I've answered your question.
- Bhagwat:** My question was on the remaining INR500 crores that we expect to execute during the year. So 15%, is this calculated on the INR1,200 crores or INR500 crores? Just wanted to understand that point, some clarity on that.
- Pradeep Mehta:** You can consider conservatively on INR1,200 crores.
- Bhagwat:** So my second question with regards to the antidumping duty on import of certain cranes from China. So when do we expect this final notification for implementation? And what would be the impact on Sanghvi's business? If you could comment on this, please?
- Gaurang Desai:** So there was a notification, but after that, I think things have been quiet. And we are also not in a position to gain any inside information on the sale. So it's a status quo as of now.
- Bhagwat:** Okay. Whenever it happens, so what could be the impact on our business?
- Gaurang Desai:** So it's a very good question and also very difficult to comprehend because industry as a whole will get affected below a particular capacities. We hope that this can also lead to margins improving.



- Bhagwat:** We can expect increase in margin whenever it happens, right?
- Gaurang Desai:** Yes.
- Moderator:** Thank you, sir. The next question is from the line of Richa from Equitymaster. Please go ahead.
- Richa:** Sir, while you're not sharing like what order book breakup is like going forward 2 to 3 years from now, do you expect the share of rental itself to come below 60%? If there is any kind of -- because the margin profile is very different in your rental and EPC business. So if you could just give us a broad idea of where do you want this mix to be over 3 to 5 years?
- Gaurang Desai:** So, Richa, thank you for asking. And ideally, we would like to maintain the parity what we have in terms of our crane rental and EPC business. And that's the reason we are looking at international expansions. So we hope to maintain it. And that's why you're seeing a lot of expansions happening. We are going out of India. International clients are requesting us to come with them in their all journey of international projects.
- Richa:** And sir, your revenue from the wind EPC itself, like I think it was very high, INR1,000-plus crores in June in terms of execution. And after that, there was a monsoon period where it got curtailed. But even in the third quarter, I think it's in the same range. So I mean, what kind of traction or what kind of challenges are you seeing there?
- Gaurang Desai:** So ma'am, as I pointed out that wind EPC, in 9 months, we have reached the last year's number. So there's definitely a growth. I mean you appreciate that wind EPC and EPC per se, there are a lot of uncertainties in terms of ROWs, land acquisition. So revenue quarter-to-quarter, it may not be a right perspective to see. But on a yearly basis, I think things should even out.
- Richa:** Okay. And sir, within this pipeline of INR29 billion odd, like can you just share some kind of further details like where is the demand more strong, which segments are showing strong momentum? And given this order book, I mean, is it a fair assumption that your capex will be higher than what it was this year?
- Gaurang Desai:** So ma'am, answering your first question, I think you're kind of referring to the inquiry pipeline of INR2,900 crores, if I understand you correctly.
- Richa:** Yes.
- Gaurang Desai:** And ma'am, you would appreciate that we are a listed company, and this is a sensitive information and also it's a competitive sensitive information. So we would not be in a position to share that. And in terms of capex, I think, again, to reiterate the point that INR629 Cr capex is planned for this financial year. And the benefits of which we will see in next year.
- Richa:** Okay. But I mean, some kind of directional sense whether it can be higher or would you like to maintain it at similar levels?
- Gaurang Desai:** Ma'am, we are in the process of making a business plan. And unless we take it to our Board, we are not allowed to share you, capex. I hope you understand, ma'am.



- Richa:** Yes, yes. Sure.
- Moderator:** The next question is from the line of Rajesh Agarwal from Moneyore Investment Advisors. Please go ahead.
- Rajesh Agarwal:** Sir, I'm new to the company. I have some few questions. What do you mean by yield? So when you tell a 2% yield, 3.5%, what does it mean?
- Pradeep Mehta:** So yield means the revenue, whatever we are getting on the gross value of the assets. So that is the meaning of yield per month. Like if you are investing INR100, then you are getting 2% yield per month. So that is INR2 revenue per month. So that's the yield calculation way.
- Rajesh Agarwal:** Yield is basically a gross profit, no?
- Pradeep Mehta:** No, no, it's a gross revenue we are generating.
- Rajesh Agarwal:** Gross revenue. Okay. Understood. Sir, and is the yield more in Saudi business?
- Pradeep Mehta:** Yes, yes. Definitely, is in the range of 3.5% plus per month.
- Rajesh Agarwal:** Per month. Okay. So then the investment makes sense over there for the capex?
- Pradeep Mehta:** Yes. Yes, yes, you're right.
- Rajesh Agarwal:** Right. And sir, the EBITDA has come down, it is because of the mix or because there are a lot of expenses of Saudi?
- Pradeep Mehta:** Yes. There is a revenue mix, which is deciding about the EBITDA, blended EBITDA. And there are certain -- yes, sorry, please continue.
- Rajesh Agarwal:** So EBITDA in the EPC business are lower than the crane business? That's right?
- Pradeep Mehta:** Yes. Yes. Yes, you're right.
- Rajesh Agarwal:** Okay. So can you give me a separate EBITDA? No, not possible.
- Pradeep Mehta:** So normally, EBITDA for wind EPC business ranging between 10% to 12%, 15%. It depends on the projects, what type of projects we are executing. And crane rental business is normally around 50% plus. It goes plus or minus 5%, depends on the requirement, demand and competition.
- Rajesh Agarwal:** Okay. Sir, now all the demands are coming from which sector? It's coming from wind or which sector?
- Pradeep Mehta:** So demand is very robust, and it's coming from all, infrastructure, renewables, metals, cement, like Mr. Gaurang explained. The recent budget also has improved to INR12.2 lakh crores on infrastructure development, even hydrocarbon. There are multiple industries where the growth is coming.



- Rajesh Agarwal:** So then the growth and the order momentum will be maintained. Because last quarter, if you see the only balance order will be INR600 crores. So again, what is the gap for getting the orders? Another 6 months, how can we build the order book again?
- Pradeep Mehta:** So see, if you see our investor presentation, we already booked the order till date is around INR1,860 crores as on 31st December. And out of that, only INR1,000-plus crores revenue will come, but rest of the things will come going to next year. And before the financial year start, we already have order book in our hand between 30% to 40% order book in our hand, which gives a complete confidence of booking the entire year revenue mid of the year, third quarter of the year, we'll be having revenue certainty.
- Rajesh Agarwal:** Okay. And sir, does solar power require cranes? For solar power, do we require cranes for installation?
- Prajwal Kumar:** The very small capacity cranes are required.
- Rajesh Agarwal:** Okay. Small capacity. So solar power won't be a big business too for us? Will it be a big business for us?
- Prajwal Kumar:** No, for the crane rental, no.
- Rajesh Agarwal:** No, no. Okay, sir. And what will be the capex for next year, '26 and '27, capex and maintenance capex?
- Gaurang Desai:** I think we already explained, the last 2, 3 candidates also asked the same thing, but we are running our annual operating plan process, and we are putting up it for the Board approval. Once it is approved by the Board for the next year capex, we'll announce it. Yes.
- Moderator:** Thank you, sir. The next question is from the line of Mohammed Farooq from Pearl Capital. Please go ahead.
- Mohammed Farooq:** The company has indicated a Q4 revenue target approximately INR500 crores, which would be a meaningful step-up from historical quarterly performance. Given that around 38 days of the quarter has already elapsed, could you help us understand the current revenue visibility for Q4 in terms of order already executed, invoicing progress and scheduled billing? And how confident is the management at this stage of achieving this INR500 crores target?
- Gaurang Desai:** So sir, just to reiterate, in Q3, our total revenue is around INR720 crores, INR719 crores to be exact. And we have been always maintaining a guidance of INR1,000-plus crores. So that gives a gap of INR300 crores. We still would like to maintain that. There may be a variation of plus/minus 5%.
- Mohammed Farooq:** Your presentation says INR1,227 crores. There is a big gap in what you're saying now, INR1,000-plus crores and your presentation is saying INR1,227 crores. Even if there's a slippage out of 5% -- 10% from INR500 crores, it should still achieve between INR425 crores to INR450 crores?



- Pradeep Mehta:** Yes, you are correct, Mr. Farooq. And if you read that presentation, there is a note given below that slide that approximately 15% of the order book may get spillover in the next financial year because there are a lot of challenges, complexity in the market.
- Mohammed Farooq:** Correct. I agree with you. I agree with you. This INR500 crores, even if you take 15% out, it should be still above INR400 crores for the Q4, yes?
- Pradeep Mehta:** 15% of annual order book.
- Mohammed Farooq:** Annual order?
- Pradeep Mehta:** Total order book. Correct. Annual order, correct.
- Mohammed Farooq:** Okay. Okay. So second question is, as the company expands into new markets such as Saudi Arabia, Qatar, Botswana and along with higher capital expenditure, there will naturally be a preopening and initial operating cost?
- From the perspective of near-term earnings stability, how does the management plan to manage these costs to avoid sharp quarter-to-quarter fluctuation in profitability? Additionally, are any of these preopening costs eligible for amortization to help smooth reported earnings over the next few quarters?
- Gaurang Desai:** So your question is very valid. And let me give a perspective. So for example, if you take the example of Botswana, there is no incremental cost for me. So we have done the contract in a way which is cost neutral to us. Saudi, we mentioned that we are looking at a breakeven of around 10 to 14 months. And Qatar is just a start.
- Akshay Pore:** Yes. So honestly, if you look at Saudi's performance, which is given in the presentation, in the Q3, the performance is much better compared to the way it is progressing, we are already taking care of the fixed cost of investment we had done initially when we were activating this company.
- And very early or very soon, we are looking at the commercial breakeven. After that, as I mentioned earlier, we are looking at GCC as an entire region and some of the fixed costs, which we have currently committed or invested in Saudi will work towards building the business in Qatar. So we are not doing a fresh fixed cost investment into the country. There will be some incremental costs, but majority of fixed costs will be supported by KSA.
- Mohammed Farooq:** The company has demonstrated a strong long-term growth potential, improving scale of operation and capable management team. However, the domestic institutional participation remained relatively limited, around 1%. From the management perspective, what initiatives are being taken to enhance the engagement of and communication with domestic institutional investors and strengthen the confidence in the company's long-term strategy and execution?
- Additionally, how does the management think about internal ownership, including promoters or senior employees increasing their stake as a signal of long-term commitment and investor confidence in the business?



- Pradeep Mehta:** So I'll reply your first question. And then on the second question, I'll request my colleague, Gaurang. So on account of stakeholder engagement with the financial institution, mutual funds and all those, so you actually noticed that we have engaged E&Y. We have given a mandate to E&Y, and they are supporting us in the process. We will continue quarterly basis, connecting with the big investors, and that's the way we are planning with the support of E&Y. That's the first thing.
- Gaurang Desai:** Could you repeat the question, second question?
- Mohammed Farooq:** Second is how does the management think about internal ownership, including promoters and senior employees increasing the stakes as a signal of long-term commitment and investor confidence?
- Gaurang Desai:** So sir, as we said that we have defined Vision Elevate 2030, where we talk about the people-centric culture first. And in the process of going into more details of the vision, I'm sure all this things will be discussed with the management.
- Mohammed Farooq:** No, no, no. See, my question is different.
- Pradeep Mehta:** Yes. Can I reply? Mr. Farooq, can I add on something?
- Mohammed Farooq:** Please, please.
- Pradeep Mehta:** There are two things. One is you are asking about the engagement of Chairman or promoter. So it is completely there, which Gaurang was trying to explain about Elevate 2030. So this is completely in place. About the stake enhancing, reducing, we can't comment on that because it's the UPSI. Right now, we can't give any guidance on that.
- Moderator:** Thank you, sir. Ladies and gentlemen, in the interest of time, that was the last question for today. However, if you have any further questions, please feel free to connect with E&Y. I now hand the conference over to management for closing comments.
- Pradeep Mehta:** So thank you very much for the exciting Q&A session. We really appreciate your participation. And we remain focused on utilization stability and the disciplined capital deployment and long-term value creation rather than short-term volatility. So thank you very much. See you again in the next quarter.
- Moderator:** Thank you, sir. On behalf of Sanghvi Movers Limited, that concludes this conference call. Thank you for joining us, and you may now disconnect your lines.

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(This document was edited for readability purpose.)