

SANGHVI MOVERS LIMITED

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May 27, 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 Audited Financial Results for the quarter and year ended on March 31, 2026

Dear Sir/Madam,

Further to our letter dated May 14, 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 May 22, 2026 relating to the financial results of the Company for the quarter and year ended on March 31, 2026.

The same is also available on the website of the Company at 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
Q4 & FY26 Earnings Conference Call”

May 22, 2026



**MANAGEMENT: MR. RISHI SANGHVI – MANAGING DIRECTOR
MR. GAURANG DESAI – CHIEF EXECUTIVE OFFICER
MR. PRADEEP MEHTA – CHIEF FINANCIAL OFFICER**



Moderator:

Good afternoon, and a warm welcome, everyone, to Q4 and FY26 Earnings Call of Sanghvi Movers Limited. Please note, the investor presentation and the financial results are available on the company's website and the stock exchanges.

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 receipted in conjunction with the risks that the company faces. The conference call is being recorded, and the transcript along with the 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 or rebroadcasted in the press or media without specific and written consent of the company. From the management, we have with us Mr. Rishi Sanghvi, Managing Director; Mr. Gaurang Desai, Chief Executive Officer; Mr. Pradeep Mehta, Chief Financial Officer.

Now, I request Mr. Pradeep Mehta, Chief Financial Officer of Sanghvi Movers Limited to provide you with the update for the quarter and year ended 31st March 2026. Thank you, and over to you, sir.

Pradeep Mehta:

Thank you, Ms. Iqra, and good afternoon, everyone. We appreciate your participation in this today's call. I will begin with a summary of our financial performance for the quarter and full year ended 31st March '26.

For Q4 FY26, the company reported income from operation of INR 351 crores as compared to INR 236 crores in Q3 FY26 and INR 267 crores in Q4 FY25. This is reflecting a year-on-year growth of 31.4%. For the full year FY26, revenue from operation stood at INR 1,070 crores, representing a growth of 36.9% over INR 782 crores reported in FY25. This performance was supported by an ongoing focus on strengthening our service portfolio in line with evolving global demand.

In terms of segment contribution for FY26, the crane rental business contributed 65% of operating revenue and the renewables segment accounted for 31% and the project EPC contributed remaining 4%. EBITDA for Q4 FY26 stood at INR 143 crores compared to INR 113 crores in Q4 FY25, which is representing a growth of 25.7% on a year-on-year basis with an EBITDA margin of 40.6%. For FY26, EBITDA was INR 429 crores as against INR 371 crores in FY25, is reflecting a growth of 15.6% and a margin of 40.1%.

Profit after tax for Q4 FY26 was INR 69 crores compared with INR 37 crores, which includes Exceptional item Q3 FY26 and INR 54 crores in Q4 FY25. This is indicating year-over-year increase of 27.8%. For the full year FY26, PAT stood at INR 184 crores versus INR 157 crores in FY25, marking a growth of 17.7%.

Primarily driven by 35% growth in credit rental revenue in India and partially offset by higher incurred to our expansion on the KSA and renewable business along with the impact of Labour Code implementations. So, I'm pleased to inform you that KSA business has started generating



positive monthly EBITDA recently, and we are expected to achieve positive ITD, EBITDA by end of this first half current financial year.

On operational front, average capacity utilization during the quarter was 87% and overall 79% for FY26. While average blended yields were at 2.24% per month for the quarter 4 and average for the year is 2.12% for the year. Our balance sheet remains strong. As of 31 March 2026, net debt stood at INR 612 crores with a net debt-to-equity ratio of 0.47x, reflecting a comfortable leverage position. The average cost of borrowing remained stable at 8.12% per annum with net worth stood at INR 1,310 crores.

During FY26, the company incurred total capital expenditure of INR 474 crores. This includes INR 373 crores in India and INR 101 crores in our KSA subsidiary. As previously approved by the Board, the total planned capex for FY26 was INR 639 crores, and the balance capex is being carried forward to spend in the current financial year. Our order book pipeline remains robust with INR 1,053 crores in hand as on 14th May FY27, giving us a greater visibility.

With this, I will now hand over to Mr. Gaurang Desai, our CEO.

Gaurang Desai:

Thank you, Pradeep, and good afternoon, everybody, and a warm welcome to all of you joining us on the call. My name is Gaurang Desai, and I serve as the CEO of your company. Now, it's always a pleasure to connect with our investor community. Pradeep has already given you glimpses of our business. But for the sake of reputation, FY26 has been, by any measure, a strong year for Sanghvi Movers.

Our revenue from operations reached INR 1,070 crores, and there is a growth of 36.9% over last year. While we're equally proud of the top line its also how we got here. Asset utilization improved to 79%, up from 74% in last financial year. That improvement reflects stronger fleet deployment, better planning and our teams executing with greater discipline on the ground. When your assets are working harder and smarter, I mean that is operational health, and that is what creates durable long-term value.

Now, let me turn to what gives us confidence going forward. So as of May, our consolidated order book stands at INR 1,053 crores, giving our teams clarity on deployment and our investor clarity on what to expect. And what is further exciting is our inquiry pipeline, which has expanded to almost INR 4,000 crores. This is a live pipeline reflecting real customer demand, real project activity and real market confidence in what your company brings to the table.

Let me give you a little bit perspective on the industry. So, in terms of sectors, let me start about talking about wind energy. India added a record 6.1 gigawatt of wind capacity in FY26 alone, and that's a massive 46% jump over the previous year. Total capacity stands at 56 gigawatts, and we have the clear trajectory to 100 gigawatts by 2030.

And in fact, the government has already raised the long-term target to 156 gigawatt by 2036. So for your company, wind energy was the most active and growing segment. Every turbine that goes requires heavy lift. Every wind park that get commissioned, we are likely to be part of that story.



Thermal - Thermal is growing, I mean projected to grow from 223 gigawatts to 300 gigawatts by 2030. And critically, the role of thermal is also evolving. The plants are being retrofitted and upgraded to work alongside renewables to flex and flex up and down as grid demands. This segment continues to be a strong contributor for us.

Nuclear power - This is 1 sector where we all should be excited about. The government has launched a full energy mission, INR 20,000 crores, committed to small modular research, and 5 indigenous reactors is targeted by 2033. And we are also seeing movements in terms of private sector participation, where amendments are being discussed, namely like Reliance, Tata and Adani. Vedanta has already expressed interest. So long-term target is 100 gigawatts of nuclear capacity by 2047. And at a CAGR of 26%, it's one of the fastest-growing energy subsector in India today.

Refinery - India is already Asia's largest refiner, and we are expanding it further. The government has confirmed a capacity addition of almost 310 million tons per annum by 2030. A new \$11 billion greenfield refinery underway in Andhra Pradesh, and our Honourable PM's vision goes further, 450 million tons by 2047, making India a top three refining hub.

Cement - Cement is India's infrastructure fuel and the demand is running ahead of expectations. Installed capacity is already a 668 million tons per annum ahead of the original schedule. The 2030 target has been revised upwards to almost 850 million tons per annum. There are top 17 companies alone are committing almost INR 1.2 lakh crores in capital expenditure over the next 3 years.

Steel - India is now the world's second largest steel producer. Capacity today is around 220 million tons per annum, targeting to almost 300 million tons by 2030, backed by a \$100 million investment pipeline. Our new demand streams are opening up nuclear plants, renewable energy, infrastructure, data structures, smart cities all driving appetite for specialty steel and large new facilities.

I would also give you a quick walk-through of long-term strategic growth driven by expansion in KSA. So KSA's infrastructure sector is witnessing a strong momentum with the crane rental market estimated at around INR 1 billion, supported by massive INR 2 trillion investment pipeline.

We have built a strong revenue visibility with a pipeline of around INR 50 million over the next 24 months and around INR 5 million in confirmed orders and additional INR 13 million to INR 18 million in high probability conversions. Our strategy is well aligned with Vision 2030, leveraging our expertise in the wind sector, certified operator robust safety standard.

To bring it all together, your company sits at the intersection of every major infrastructure themes paying out in India today, energy transition, industrial expansion, carbon capex, each of these theme requires heavy lifting. And literally, we are win to deliver this. FY26 was a strong year.

Our order book is healthy. Our pipeline is strong, and our teams are executing with the level of confidence and competence that makes us genuinely proud. We remain deeply committed to



create value for each one of you on this call, and we look forward to updating you on a continuous progress in the quarters ahead. Thank you very much.

Moderator: Thank you very much. The first question is from the line of Krupa Desai from Electrum Capital. Please go ahead.

Krupa Desai: Hi, sir. Congratulation on a good set of numbers. There are 2, 3 questions. My first question was, in the presentation, you have mentioned that we have INR 612 crores of net debt versus if I see the gross debt is INR 673 crores, and we have a treasury of INR 353 crores. So shouldn't the net debt be like around INR 300 crores, INR 320-odd crores? Is that number correct? That's my first question.

Pradeep Mehta: Thank you, Krupa. Thank you very much for asking the questions and clarifications. And -- see, this number is a consolidated number, and we are showing on a gross block basis. And when in the accounting we are presenting, it has been taken care of Ind AS, and that's why the number shows like this, but we cannot net off those liabilities. We are netting off with those FD, which are linked to these liabilities. So that way, we are showing a proper gross liability. It will be giving you a better idea of netting off the entire treasury, releasing from the debt.

Krupa Desai: And sir, where do we see the debt profile going for the next year?

Pradeep Mehta: So you have seen that in last 5 years, we are able to manage below 0.5%. But we are doing more capex in recent years, and we have planned to do it. So definitely, it will go up, but we'll maintain it at certain levels. And this is definitely going to be a little up considering the capex we have done.

Krupa Desai: Okay. And sir, what is your growth guidance for the next year?

Pradeep Mehta: So on guidance side, we would like to maintain the growth we have done in the current year. We'd like to continue the same growth level. We can't quote the exact number, but our target is to achieve the same type of growth in the current year and next year.

Krupa Desai: So do you believe that we will be able to do this 30% crane's rental growth going ahead?

Pradeep Mehta: Yes. yes. That's what we have taken target.

Krupa Desai: Yes. So what's your view on the Middle East situation right now, have any projects stopped there? Or any slowdown we are seeing there?

Rishi Sanghvi: Yes. Hi, Krupa, my name is Rishi Sanghvi.

Krupa Desai: Yes, hi.

Rishi Sanghvi: In the current situation in West Asia, we are still able to derive a utilization in the range of 85% to 90% and a yield which is upwards of 4.5%. We have an enquiry pipeline of nearly \$50 million in the next 24 months. And we are still committed to deploy the spillover capex of INR 120 crores from last year and an incremental capex of almost INR 200 crores for the purchase



of brand new cranes. So this year, we are forecasting to spend approximately INR 320 crores in the Middle East, and specifically for the Saudi Arabia and Qatar.

Now, all the capex that we are bringing online is moving directly from Board to site. So given the current situation in West Asia, we are still doubling down on our initial hypothesis to expand into the Middle East. And notwithstanding what is happening right now, we are able to maintain exceptional numbers in terms of utilization and yield.

Krupa Desai:

Okay. Got it, sir. That is all. Thank you for taking my questions.

Moderator:

Thank you. We will take our next question from the line of Nishant J. Sharma from Nuvama Wealth. Please go ahead.

Nishant J. Sharma:

Thank you for the opportunity and congratulations for a great set of numbers. Sir, my first question related to the previous participants with respect to KSA. What is our moat over there to win the business? I believe there would be other competition, which will be already playing around there, and how we would be able to gain market share from them? So first is around that.

Gaurang Desai:

What's your second question?

Nishant J. Sharma:

My second question is around what is the split for order book for 3 businesses? And what is the revenue contribution from 3 businesses for the full year?

Rishi Sanghvi:

So in terms of India business, currently, we are sitting on an order book of INR 1,053 crores. We don't give you a revenue split by businesses. We are only giving a consolidated revenue order book at the start of the year. Now, with respect to your first question, what is our right to win?

You see Sanghvi Movers Limited is the fifth largest crane rental company in the world. We are the largest crane rental company in India and the largest in Asia. And what we have is 36 years of experience. And what we bring to the table is 3.5 decades of operational, safety and technical know-how. Now, when we entered the Middle East market, our reputation preceded us. We were able to penetrate the market.

And in a very short span, we were able to move into all sectors, such as oil and gas, infrastructure, energy and such. So one is that our history, track record, brand reputation, our operating capabilities on the technical side for owning, operating and maintaining the crane, we have transferred significant amount of capabilities and best practices to the Middle East.

And above it and beyond that, operating in India gives us the advantage of operating on an exceptionally lean cost structure. So these things have enabled us to consistently deliver value to our customers in the Middle East and in the peak of the current situation in West Asia. We have opened up a new market in Qatar, thereby demonstrating the region's demand for cranes and that to from a supplier of Sanghvi Movers Limited.



In addition to what I have just mentioned, there is a shortage of cranes in the region. If the entire population of cranes in the region was to double overnight, there would still be a shortage of cranes in the market. So we are well positioned both from a demand side as well as from a supply side with respect to our value differentiated offerings.

And therefore, we believe that we have a significant right to win in the market, which is clearly being demonstrated by the fact that we will be both EBITDA and cash flow positive in the coming few on a cumulative base. We are already there on a month-to-month basis. We will be there on a cumulative basis in the coming few months.

Therefore, the business setup in both Saudi and Qatar will have a positive contribution not only to the top line, but the bottom line. Thank you.

Moderator: Next question is from the line of Sunil Jain from Nirmal Bang Securities.

Sunil Jain: Sir, 2 questions. One is the diesel prices are increasing. So are you able to pass it on or are you have to absorb it that in your how much is that cost relevant? I mean, how much percentage of revenue it is there?

Gaurang Desai: What's the next question?

Sunil Jain: Yes. Next question is this wind EPC growth, which you are getting in the next year, will it be in line with the company growth or it can be higher than the company growth?

Gaurang Desai: So yes, there is a big fluctuation in the diesel price, and we are already in discussion with our clients for a price increase.

Rishi Sanghvi: The 50% of our contracts have been supplying our customers.

Sunil Jain: Okay. So you can pass it -- I mean, it's a variable cost, which has been passed it on to the customer for at least 50% of the contract?

Gaurang Desai: No. So 50% of our clients give us free supply of fuel. And for the balance 50%, we are already in advanced stage of discussions with the client for a price increase.

Sunil Jain: Okay. And second question, sir. This was related to wind?

Rishi Sanghvi: Yes. So we have taken a revenue from wind from Sangreen, which is it's not EPC engineering and construction to be very clear. We don't do any procurer industry supply of turbine from the client. Our revenue for FY '24-'25 to '25-'26 has almost doubled. We believe that in the coming years, there is a sizable opportunity in this segment. And we will take in through those orders that we believe will help us maintain a minimum threshold in terms of profitability as well as coupled with our ability to execute and deliver.

So the opportunities to be frank with you is far ahead of our current scale of organization to deliver. And therefore, we are becoming extremely sticky and choosy in terms of which contracts we will take on in order to maintain a healthy margin profile on the business.



Sunil Jain: Great. But the growth will be similar to last year or better than the company growth, you expect that?

Rishi Sanghvi: I think overall, the company at a consolidated basis on the top line will grow in the range of what we did last year. This is what we are targeting. Only the coming quarters can show whether we are successful or not.

Moderator: Next question is from the line of Ishan from JM Financial.

Ishan: Sir, I just want to ask about the margins. So as the margins have fallen continuously, so what is the margin guidance for the next year?

Rishi Sanghvi: So I thought your question has a premise that the margin is falling consistently. While you may be right that the blended EBITDA margin is falling, you have to understand that the revenue profile of the company is shifting from our core trade rental business. We are building a second engine of growth in the renewables for engineering and construction. There are 2 things that we had to understand.

The core business has still grown at 30% and has contributed significantly to both the EBITDA and the PAT and all the other financial ratios. The incremental growth beyond 30% in terms of the top line, which has allowed the company cross and historical revenue of INR 1,100 crores is coming from the new business engine, which was carved out in 2024 as a wholly owned subsidiary Sangreen Future Renewables Private Limited.

And this company has doubled in revenue and has zero, is not a capex heavy business. It is an asset-light business. So while our core remains in every business, the engineering and construction business under Sanghvi is asset-light. And therefore, the margin profile is inherently different. It is a high ROCE, lower EBITDA business. The ROCE on this business is -- today, we have closed the ROCE about 70%.

So in the core business, we have invested in FY '25-'26, approved capex of INR 630 crores. This year, we are doing INR 390 crores on a total of almost INR 1,030 crores. The entirety of this capex is going towards our crane rental business, which is our core business, which continue to sustain a positive growth of 30% year-on-year. And we are positive that going forward, we will see another 30% growth in our crane rental business.

I think the absolute EBITDA that the company is able to deliver and not at the margin profile because the second engine that we have created within the group, which is the engineering and construction business is a low EBITDA, high ROCE growth. So this is what should remain.

Moderator: Next question is from the line of Jay Bharat Trivedi from InCred AMC.

Jay Bharat Trivedi: Congratulations on good set of numbers. My 2 questions are -- both of them are relating to the capex, which we have had First is that our last year gross block was INR 2,680 crores, on which we have done a capex of around INR 407 crores. So INR 407 crores I'm taking from the cash flow, the amount, so which gives me a total gross block of INR 3,100-odd crores.



If I put the 79% capacity utilization and 2.12 yield, my revenue is coming at INR 620 crores, whereas we have reported a revenue of INR 693 crores in the crane business. Can you help me understand the rates?

Pradeep Mehta: So if I understand what you're saying that if you total up the total capex, it comes to INR 3,100 crores. And if you take the average capacity utilization and yield, you are reaching a particular number. Can you just repeat that, please?

Jay Bharat Trivedi: INR 620 crores. So INR 3,100 crores, I'm putting a 79% utilization, which is being then multiplied by 2.12%, which is the yield multiplied by 12. Is my calculation, right?

Rishi Sanghvi: I don't know, it's your calculation.

Jay Bharat Trivedi: No, but that is how the revenue is calculated. That is what I want to...?

Gaurang Desai: What is your question? Can you rephrase it because you're not audible?

Jay Bharat Trivedi: So I'm just asking the capacity utilization number, 79% and the yield of 2.12% per month, which is given in the presentation. If I apply those two metrics to the revenue number of INR 693 crores, which is the crane rental revenue, my gross block is not coming as per the cash flow capex and the last year gross block which you have given? If you want, we can take this off-line. I don't mind?

Pradeep Mehta: Yes. You can send your query on e-mail and then we will respond.

Jay Bharat Trivedi: No worries. Sure. So I will take my questions offline. Thank you so much. Those are my questions. All the best.

Moderator: Thank you. Next question is from the line of Hemant Shah from Seven Island PMS. Please go ahead.

Hemant Shah: Hi, thank you for the opportunity and congratulations for the great set of numbers. I have two questions. One is with respect to the deferred capex of around INR 165 crores, which was deferred from FY26 to '27. If you can just say till May, have we deployed anything and what is the time line of the INR 391 crores of the capex, which is going to be spent in the current FY'27, the execution time line, if you can say?

And secondly, second question would be was there any execution delay, Rishi, for Q4? Why I'm asking you this is because Q3 unexecuted order book was around INR 525 crores and I think we did INR 350 crores of sales in Q4. I think we could have done even more if there is any delay. If there is no delay, then it's also final. If you can just clarify?

Pradeep Mehta: Yes. So to your first question, on the capex side, your calculation is all right. So those crane for India two cranes were remaining in the last March ending and which we supplied to us in the first fortnight of April. So we already completed our India capex. In KSA, there were certain cranes due to certain delivery delay from the OEM side, those cranes are now are done in this financial year.



And those capex of INR 123 crores with 57 cranes, we are going to do it in this financial year. Adding on to this, we have announced -- our board has approved another capex of INR 190 crores in India and around INR 200 crores in KSA. So total almost 61 cranes we are going to buy as per the business requirement and the supplies to we have arranged depending on the business requirement, we have staggered throughout the year. So we will -- during -- you understand monsoon periods, some supplies, we are deferring as per aligning with the order. So it will be across the year on the capex side.

Hemant Shah: Okay. And with respect to the -- any execution delay in Q4?

Rishi Sanghvi: I think the Q4 revenue year-on-year has improved on quarter-on-quarter. So I don't understand where the question on execution delay is coming now.

Hemant Shah: Okay. No. My bad. I mean, there won't be, I'm sure. There is a great execution, no doubt about it. But I was expecting we could have executed over INR 400 crores of order book. I mean, is that understanding correct?

Rishi Sanghvi: I'm not sure. Thank you for your question.

Moderator: Thank you. Next question is from the line of Ashish Soni, an Individual Investor. Please go ahead.

Ashish Soni: Sir in your initial remarks, you spoke about INR 4,000 crores pipeline. So how much do you think it can get converted for you into order in the next 3 to 6 months?

Gaurang Desai: So it will be difficult to answer -- difficult question because there's a lot of amount of predictability. What we are saying that we are starting the year is a strong order book of almost INR 1,050 crores. And we hope to aim towards good conversion. But again, a lot of things depends on external environment.

Ashish Soni: Okay. And second question is regarding the EBITDA margin. So I think Rishi sir said in one of the interviews that by Q1 or Q2 FY27 you will breakeven in Saudi. And is there an internal blended EBITDA margins you guys target on an annual basis. These are the EBITDA margin question?

Rishi Sanghvi: Again, EBITDA margin for which business vertical?

Ashish Soni: Overall blended. Blended, I'm asking. And EBITDA margin for Saudi business, it was supposed to breakeven by Q1 or Q2 in FY27. So is it on track or is there any impact due to the war?

Rishi Sanghvi: As far as the business in the Middle East is concerned, in Sanghvi Movers Middle East Limited. We are extremely proud to that on a month-to-month basis, we are both EBITDA and cash flow positive. Our cumulative EBITDA and cumulative cash flow positivity will be achieved in the coming few months and we are on track to achieve it.

Regarding the EBITDA profile, we run through significantly two to three significantly diverse business units by end. One is a capital-intensive, asset-heavy, high EBITDA margin business,



which is our core crane rental business. And the second is an asset-light working capital heavy, high ROCE business.

And so therefore, to target a blended EBITDA margin is a wrong business strategy. Each of these business units has its own P&L in-house each of the businesses in different entities in order to drive fundamental differences in how these businesses operate and maximize profitability, revenue and return to shareholders. And therefore, we do not target a blended EBITDA margin. We drive BU level P&L.

Ashish Soni:

Okay, sir. Thanks and all the best.

Moderator:

Thank you. Next question is from the line of Raj Vyas from Bonanza Portfolio.

Raj Vyas:

Thanks for the opportunity. And so my question is with respect to you said that the utilization in the Middle East is around 87% to 90%. So we are not facing any kind of issue with respect to the demand or what is the difference scenario? I wanted to understand this?

Rishi Sanghvi:

So notwithstanding the situation in West Asia, we are -- in the month of March 2026 we had reported almost a utilization of 90% for that particular month and we are still generating a yield upwards of 4.5%. Looking forward, we have an inquiry pipeline for the next 24 months to the tune of \$50 million.

And the company is still committed to deploy the spillover capex of INR 120 crores, along with INR 201 crores, which has been approved by the Board of Directors and is meeting on 20th May 2026. So for the entire financial year, your company will deploy somewhere around INR 201 crores and INR 120 crores of capex in brand new cranes.

And based on our inquiry pipeline these ongoing projects, we believe that we will continue to maintain this level of utilization and yield. So now one of the challenges that we have is in the supply chain disruption, which is bringing the cranes from the country of origin to both Saudi Arabia and Qatar.

If the shipping lines to the region continue to be, then there may be a postponement of capex. Notwithstanding a postponement of capex, we are still on track to hit our EBITDA -- cumulative EBITDA and cumulative cash flow positivity in the coming few months. So given this entire backdrop, your company still believes in its initial hypothesis of international expansion to this region and sees a long-term player for the next few decades.

Raj Vyas:

Okay. Understood. My next question is with respect to the order of the current order book, as you have mentioned. So it is around roughly INR 1,060 crores on a consolidated basis. So how much of this will be executable in FY27 itself and how much will be passed on to FY28 and if you can also provide the inquire order pipeline as well?

Gaurang Desai:

Sure. So, Raj, the order book, which you mentioned is completely executable in the current financial year. And what was the next question?

Raj Vyas:

Inquiry order pipeline?



- Gaurang Desai:** Correct. So it's around INR 4,000 crores.
- Raj Vyas:** Okay. Understood. Thank you.
- Moderator:** Thank you. Next question is from the line of Prashant from Star Capital. Please go ahead.
- Prashant:** Thank for the opportunity, sir. My question is regarding this INR 123 crores of cranes, which we have ordered. What is the status of those cranes? Are they in transit? Or are they rerouted to Jeddah port? And when will be they delivered to KSA?
- Rishi Sanghvi:** So, the deferred capex of INR 120 crores, some of it is already available in the country and some of it is pending for shipment. The balance capex has already been ordered to the OEMs, are in various stages of production and nothing is on route. There is some plus inventory of the OEMs in the country, which we are looking to take in case -- in the event that we are not able to get fresh inventory from the country of origin to both Saudi Arabia and Qatar.
- So really, why we are committed to deploying the capital, and we have taken approval from the Board of Directors, and this decision has been supported by our inquiry pipeline and our demand from our customers and our visibility on the market, until the clarity in the disruption in the supply chain as far as shipping lines and shipping congestion and shipping challenges are resolved, if the situation will remain fluid. This is on the supply.
- However, on the demand side, as we have repeatedly updated on this call, we see a clear line of visibility to \$50 million of inquiry pipeline, which is attributable in the next 24 months.
- Prashant:** Okay. Sir, but isn't it possible to reroute the cranes to Jeddah port for delivery?
- Rishi Sanghvi:** Jeddah is also facing severe congestion. And also, there is a figure hike in shipping cost due to congestion.
- Prashant:** okay. thank sir, thank you very much.
- Rishi Sanghvi:** It is possible, but it is costly and uncertain.
- Prashant:** That's it. Thank you, sir.
- Moderator:** Thank you. Next question is from the line of Abhinav from Equitas. Please go ahead.
- Abhinav:** My first question is regarding the order book. It will be let us know how much is short term and how much is long term, first question? And second question was regarding employee costs. So, I can see employ cost has risen around 103% year-on-year in FY '26. Any specific reason for the same?
- Gaurang Desai:** Thanks for the question. So, the order book of INR 1,053 crores is fully executable this year. Regarding your second question on the increase in the fixed cost, yes, I mean our E&C business has grown almost twice to what year ago. So, there is addition of fixed cost, and that's the reason why you're seeing the increase.



Rishi Sanghvi:

So we have also been aggressively valuing leadership talent, both in India and in Saudi Arabia because we have a stated vision ELEVATE 2030, which is our 5-year strategic model plan, which talks about building up the capabilities of the organization, so while the employee costs have come up and some of it is attributable to the E&C business under Sangreen Future Renewables, which was manpower and employee cost heavy.

There is also a significant investment in the team, and I'm very proud to have Gaurang Desai, CEO; and Mr. Pradeep Mehta as our CFO, along with the entirety of the financial team. If you look at our investor presentation, you can see the entirety of our team presented in that presentation. That in itself along with the fact that we want to play an employer of choice, we want to reward our employees, reflect in the nature of expense in employee cost.

Abhinav:

Okay. My other question was regarding the diesel costs which you mentioned. You were mentioning that you were able to -- you were in discussion with the clients, so 50% passed on. So how is the nature of contract? And how is the fuel cost passed on? Is it passed along with the crane?

Gaurang Desai:

So again, to reiterate, 50% of our clients are HSS issue. And other 50%, we are in advanced discussion with the client for a price increase.

Moderator

Thank you. Next question is from the line of Mohit from Subh Labh Research. Please go ahead.

Mohit:

My question pertains to, particularly wind EPC. If I look at the quarterly run rate in this segment of the business, it seems that the execution is not picking up despite having talks of incremental wind energy installation in the country. So, I just wanted to get your opinion on what is causing this slumber in this segment? What's the idea we are getting from our wind clients as far as the turbine installation is concerned?

Rishi Sanghvi:

So, can you repeat your question because it's not clear?

Mohit:

I'm sorry, sir. Sir, is it clear now?

Rishi Sanghvi:

You are audible, but your question is not clear. Can you please clarify the question?

Mohit:

Yes. I am just trying to understand the slower pickup in wind EPC segment revenue. We are seeing that on a year-on-year basis, wind installation -- wind turbine installation in India is picking up, but our revenue from the segment probably is flattish, INR 106 crores last quarter last year, and this quarter, INR 116 crores. So, this growth quantum seems a little low to me. So, I'm just trying to understand what's the reason behind it? Why is it that wind turbines are not getting installed from us?

Rishi Sanghvi:

So first of all, the country erected 6 gigawatts last year. Of those 6 gigawatts, your company has directly delivered 2 gigawatts, okay? So, we have a historical track record of 17-plus gigawatts of WTG installation.

And in the last year itself we have delivered 2 gigawatts. Just because the country's capacity addition is increasing. It doesn't mean there is a direct correlation to our E&C business in Sangreen Future Renewables because, one, the demand size that we are seeing is far better than our ability to scale the business and deliver projects at an acceptable EBITDA margin.

The second is there is a timing delay of revenue recognition in EPC projects because you -- a lot of the revenue is linked to POCM methodology of accounting which is percentage of completion methodology of accounting. And therefore, it's not a linear correlation between the country's capacity addition and the Sangreen Future Renewables ability to recognize them.

So, one, we have delivered 2,000 megawatts as a company for the country. The second is we are choosing which contracts to execute. We don't want to go another additional route of EPC or E&C company and struggle with execution. And most of the large and well-established players in the past have faced these challenges. And the third is that there is a timing mismatch of revenue on BOC.

Gaurang Desai: And having said that, for it, we as a company has demonstrated substantial growth as compared to last year.

Pradeep Mehta: So, double our revenue in the segment.

Mohit: Yes, certainly, sir. So, I'm just looking at on a quarterly basis, year-on-year comparison. But I get your point, probably this PCOM, etcetera, is causing some revenue sitting idle in the probably balance sheet.

Sir, my second question is, we have been -- simultaneously, we have been hearing about some delays in wind installation because of right of way issues and connectivity issues, etcetera, etcetera. So, for FY '27, what is your opinion on our performance? Should we see material growth here, 30%, 40%? I'm just asking, sir?

Rishi Sanghvi: So, as we already indicated, the group will deliver or expect to deliver and is internally targeting a 30% growth on its overall consolidated revenue.

Mohit: So we should take the same number for wind segment also, sir?

Rishi Sanghvi: Consolidated revenue at 30%.

Mohit: Okay. I get that. Those are my two questions. Thank you and good luck.

Gaurang Desai: Thank you.

Moderator: Next question is from the line of Ajayrajsinh Jhala from Mihir A. Schein Company.

Ajayrajsinh Jhala: So, if I heard you right, you mentioned a yield of 4.5%. I'm assuming this is for KSA and Middle East. India is currently at 2.24% for the quarter. So, if you could help me understand what the cost structure difference is as compared to India and the Middle East? Yes, that will be question one.



- Rishi Sanghvi:** So, the operating costs in Saudi Arabia and Qatar are, of course, significantly higher in terms of manpower costs, logistics costs, etcetera, repairs and maintenance and things like that. So, the EBITDA profile of that business when we benchmarked it is around 40% to 45%.
- But we believe because of our 3.5 years -- of decades, our technical operating and efficiency factors that we can deliver in the country and our capability to operate as a leaner cost structure, we can push that EBITDA profile to 45% to 48%.
- Ajayrajsinh Jhala:** Right. And my second question is, if I look at over the years, if I look at the yield that Sanghvi Movers has had in India, so right now -- so what is your view on the yields? Like what do you think really affects it? Is it construction?
- Is it a supply of cranes? Is it like cranes getting older and Sanghvi Movers having some kind of more test, like what really drives that yield over the years, if you could give us a broad view?
- Gaurang Desai:** So, our yield in the last financial year has been around 2.1%. And we foresee maintaining the same with a plus/minus 5% deviation.
- Moderator:** Next question is from the line of Nishant J. Sharma from Nuvama Wealth PCG Research.
- Nishant J. Sharma:** Sorry to stretch a bit on KSA. How are the yield comparison with the competitors at KSA? And who are our customer over there? Is it the Indian contractors over there or those are mainly local customers from that side? And second question would be on working capital requirement and return ratios in the engineering & construction business?
- Rishi Sanghvi:** So, I'll answer the question on KSA. We believe that we are at the upper pricing spectrum as far as yield is concerned, and largely, we are able to derive this pricing because of our track record, brand recognition and the fact that we are supplying brand-new equipment's in the country. So that is on the yield profile in comparison to competitors.
- As far as the customers are concerned, we do not, as of today, have a single Indian client who is working in Saudi. We have multiple customers who are regional or country-specific contractors, shutdown, EPC contractors, so on and so forth. So that is the question on KSA. What was your question on the E&C business? Can you please repeat yourself.
- Nishant J. Sharma:** What is the working capital requirement? And what are the return ratios that you target in the engineering and construction business?
- Pradeep Mehta:** So, working capital days is around ranging 50 to 60 days in this business for Engineering & Construction. And what about...
- Pradeep Mehta:** Ratios.
- Pradeep Mehta:** Ratios, on ROCE, is improving like we again earlier call -- in the call already that these are very high ratio on ROCE side as compared to other business because this is a less capital-intensive business. It's more on asset light model. So, ratio on ROCE is very, very high.
- Nishant J. Sharma:** All the very best.



Gaurang Desai:

Thank you.

Moderator:

Thank you. Ladies and gentlemen, we will take that as a last question for today. I would now like to hand the conference back to the management for closing comments.

Gaurang Desai:

So, thank you for joining this call. It has been a wonderful discussion with all of you. And we hope to remain transparent as we go along and get engage into much more meaningful conversations. So, thank you, everybody.

Moderator:

Thank you very much. On behalf of Sanghvi Movers Limited, that concludes responses. Thank you all for joining us today, and you may now disconnect your lines.