



Date: 28<sup>th</sup> October 2024

To,  
The Listing Compliance Department  
National Stock Exchange of India Limited,  
Exchange Plaza, Plot no. C/I, G Block,  
Bandra-Kurla Complex, Bandra (E) Mumbai - 400051.

Script Code: CROWN

Sub: Submission of transcript of earnings conference call pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir/Madam,

We wish to inform you that the Company had conducted an Analyst Meet with Investors/Analysts on October 25, 2024, with respect to the financial results of the Company for the quarter and half yearly ended September 30, 2024

The transcript of the aforesaid Analyst Meet with Investors/Analysts is available on the Company's website and can be accessed on the following link:

<https://crownlifters.com/investor-center/#earnings-call-transcript>

The Transcript is also attached along with this intimation letter.

Kindly take the above information on record and disseminate.

Thank you.

Yours sincerely,

For Crown Lifters Limited

Karim K Jaria  
Chairman & Managing Director  
DIN: 00200320

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# “Crown Lifters Limited Q2 FY-25 Earnings Conference Call”

**October 25, 2024**



**MANAGEMENT: MR. KARIM JARIA – CHAIRMAN & MANAGING DIRECTOR.**



*Crown Lifters Limited  
October 25, 2024*

**Moderator:** Ladies and gentlemen, good day and welcome to the Crown Lifters Limited Q2 H1 FY25 Earnings Conference Call.

As a reminder, all participants' lines will be in listen-only mode, and there will be an opportunity for you to ask question after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing "\*" then "0" on your touchstone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Karim Jaria, Managing Director from Crown Lifters Limited. Thank you, and over to you, sir.

**Karim Jaria:** Hi people this is Karim Jaria, Chairman and Managing Director of Crown Lifters Limited. I welcome you to our first concall.

We are doing this for the Financial Year 2025 Half Yearly Presentation which we have already given.

We are delighted to announce strong Quarterly and Half Yearly Results. The company has navigated the challenges of the monsoon quarter effectively, even though crane occupancy rates were not at the peak, some of our cranes were under maintenance contributing to increased expenses. Among our fleet two, three older cranes required substantial upkeep, but post maintenance, they expected to have a job worthiness of four, five years ensuring continued operational efficiency.

In the 1st Quarter, we face headwinds from heat waves and slowdown due to elections, yet we successfully managed to overcome these challenges. The extended monsoon led to a delayed start for the new season, resulting in the need to kick off multiple projects simultaneously in the third quarter, especially post Diwali, which is expected. Looking ahead, we are anticipating another favorable season, and are preparing for this by adding new cranes, focusing on long term projects that promise better returns on investment. Additionally, we are working towards strengthening our infrastructure by developing smaller parking loads, expanding our offices and professional network.

For the current financial year, our CAPEX target is around 55, 60 crores, out of which we have already done, 43 crores. Additional new CAPEX will be backed by warrant funds and debt and our in-house cash flow. These efforts aim to enhance our operational capabilities and bolster our professional strength-positioning as well for future growth.

I will give back this to Sejal, and Sejal, kindly open the floor for question-and-answers.

**Moderator:** Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Swapnil Kabra from SK Enterprise. Please go ahead.

**Swapnil Kabra:** Sir, I can see from our presentation that we are now focusing on mid-sized cranes. So, what would be the average cost of these cranes, and how would these cranes change our EBITDA margins and rental leads?

**Karim Jaria:** Okay. So, when we call it mid-size cranes, we call it from the capacity say 100 ton and above cranes, and they would be around 300 ton capacities. So, anything between 100 to 300 ton cranes capacities are called mid-sized cranes, and I will also clarify what is called smaller cranes. So, anything below 100 we classify, there is no government classification, but we classify it below 100 tons. 100 ton and below is smaller cranes, 100 to 300 ton, we classify as mid-size cranes range. And above 300 ton we would consider it as a higher capacity range. Cranes going above 300 have additional accessories, and additional expertise in that crane size, and that is why we call it high-capacity cranes. So, the mid-size cranes which we are targeting is because there are most sectors that are being opened for projects. So, these are the metros, bullet trains, coastal roads, ports, railways, airports. These are the projects which are coming in large, even though there are few refinery, cement, steel and the mid-size cranes are required by almost all projects. So, bigger size cranes are required by few sectors, smaller cranes by few sectors, the mid-size is always running between all the kind of projects. So, they are called the higher capacity cranes in the smaller projects. They are called the mid-size cranes in the mid-size projects, and they are called the smaller size in the higher capacity projects, for example in the wind sector where we have a 800 ton working, the supporting cranes is 110 tons and 160 tons. So, in that project, they are called as small cranes, but individually if you calculate, they are called as a mid-size cranes. So, there are more projects which are coming in, and we anticipate that we will be getting more and more orders. If you have seen we had placed orders for two units of 260 tons, two units of 100 tons. And latest we have placed an order for two units 150 tons. And these were as we placed the orders they were absorbed for long-term projects. All our projects are one year above, so this projects are for two years, three years, what are we focusing right now on longer term projects. And due to that, we are looking at good ROI, because we are getting 12 months of business from these sectors generally it's a 10-month cycle. Every crane between two projects gets transported from one project to the other project, and from there to other projects. So, there's a churn time between, when we are getting two or three years of project. We are looking at a better ROI, because now we are getting a 12 months complete business in that cycle,

**Swapnil Kabra:** All right, understood sir. And do we also plan to enter into the oil rig space in future, because there are only a handful of players here in this segment?

**Karim Jaria:** See, oil rig is completely different ball game, it's not crane. So, oil rig platforms are built by, in India, I would say our larger client which is L&T, Larsen & Toubro Limited their modular fabrication yard in Kathputli and Hazira Surat. These are the plants where they are building, ONGC platform, oil rig platforms. They are also doing for Saudi Aramco, Thailand Oil Company, and all these companies they build there. These are floated back into the sea, and then there are cranes placed there for years-and-years, because this is ever going drilling project, so

these cranes are cranes which are not crawlers, but they are cranes which are fixed on the oil rig platform. Only the upper of the crane is fixed on it, like you see the shipping cranes, for example the port cranes which are just fixed there to empty the shipping vessel. Exactly these kind of cranes are based on the oil rig platforms, so when they are based there, these cranes are bought by ONGC themselves. They will not be rented by us, they will not be doing that because they are all 10 years, 15 years, 20 years, long, long time the drills are not coming back for maintenance. So, those cranes, particularly are different kind of cranes which they have the in-house bought cranes, they will not rent it. So, fabrication, we would give cranes for fabricating these oil rig platforms, you see in the presentation there's a picture also of one of the fabrication oil rig platform pictures which I also post on LinkedIn. If you have seen it, you will see those oil rig platform are being made and fabricated. So, we are helping in production of those platforms, but not placing cranes on those platforms.

**Moderator:** Thank you. The next question is from the line of Dolly from Niveshya. Please go ahead.

**Dolly:** I had a few questions. Sir first of all, I wanted to understand our yield structure, according to our deck, it's around 2.5% to 3% monthly. Where it's different for different players in the industry, so I wanted to understand how the formation of cranes, like we have that we mentioned like lattice boom, telescopic boom, aerial work platform. How it determines our yield, like with different cranes have different types of fields. So, I wanted to understand how it works?

**Karim Jaria:** The yield is generally defined not exactly by the crane, but of course, the demand and supply, if there is a demand and supply in a particular kind of equipment, definitely for that shorter period when there is a shorter supply, the yields will be higher, that is one way of looking at it. The other way of looking at it is, you have better margins in a very, very short-term projects say for example, if you are going to rent a crane for me for two years, then definitely there is a yield which is differently quoted, the yield to our earnings will be different because we are getting a 12 months business for two years. But if somebody is asking, hypothetically my crane is in Mumbai, and somebody will say, I want to do a job in Goa for one month. So, in that pricing, if you see the yield is going to be higher because it's a short term job, it will go there, complete the job and then again be vacant. So, in one of the quarter for that particular crane, the yield will be high, but in the second quarter, there is no job maybe in Goa region, so we will have to move back the crane to another region or find another project. So, that will again be a gap in between so the shorter-term projects shows a higher yield, but because of the gaps in between the projects and the time from one project to another project where it is moving at that given time, you lose that rentals, you are not making any rentals that time. So, what we decided over the years and what we have learned over the years that an average yield between 30% to 36% is a good average yield we can get. Sometimes, in a shorter project we make 48%, 60% also but then there is a gap. There is a gap because, now the crane is required in Delhi, the Goa came from Mumbai, they would give us the transportation, or they would make us compete with somebody from Haryana or from Punjab or somewhere. So, now I have to move the crane back from Goa to say

Delhi. So, in that period that 48% and 60% which we had made, in the second quarter if you see that crane would be making or that equipment be making me say 20%, 24%. The average yield when we write 30%, 36% is a mixed bag. There is no particular machine that will give you say, this is the yield or this is the yield of course we are working on it definitely we are looking at what kind of sectors and what kind of machines will be in shortage, and what kind of projects are coming up, and what kind of demand supply is going to be. This may give us a little advantage that is why we write sometimes 36% to 38%, sometimes we say 20% to 30% depending on the particular equipment that is being asked by the market. So, we are watching it closely, we are analyzing the demand and supply, and we are analyzing what kind of projects that are being offered to us for giving up machines on rent in the next two, three years. We are always watching ahead of time, we are working with our clients, we are watching the projects that are being announced by the government, and we are working in tandem with it, that longer term projects, supposing hypothetically I will give you, detail this more if you buy a crane right now, like we bought this 150-ton crane. So, in our fleet we have 150 tons four cranes only right now, two cranes when we bought it, we gave it to Reliance Solar. And Reliance Solar has taken it for two years, now we have got another two cranes one is going to AMNS, and one has gone that is RCA Mittal, and another one has gone to ultra tech, both of them as a year plus contract. So, now we still don't have 150 ton to offer in the market. So, we can again go back and bring more 150-ton crane. So, the longer-term projects also help us buy more cranes, because now we know that we don't have the size to offer in the market. So, even if the market doesn't have a shortage, it's a shortage in my own fleet. So, I can keep buying those assets again-and-again, I can go back to the market, I can add more machines, more faster. If I am churning the machines too much between the projects, putting too much of efforts, tiring my team and adding a lot of resources to one particular crane, then it is a difficult thing for us to grow faster. So, longer term projects, 30%, 36% of yield is a good place to be in for us.

**Dolly:** It must also lead to high utilization levels for us. So, what would be our current utilization level as of now?

**Karim Jaria:** So, now, around the monsoon we are doing 80%, now this month we already have crossed 85% and by another 10, 15 days, we are looking at 90%, we will cross 90%. So, now the season, as I have written in my presentation, also because of the monsoon it has prolonged now we still see rains, we still see storms. The few projects which were hold, and now the client has already given us order and confirmation, and they have asked us to place it after Diwali. So, mid of November, we should be doing around 95% if I am not wrong, yes around 95%.

**Dolly:** Okay. And regarding my CAPEX guidance, for this year as we have already mentioned that we are adding 55 to 60 crores, so what about next year we are targeting for our growth of gross?

**Karim Jaria:** Basically, we have done around 60 crores to 65 crores, if I am not wrong in Financial Year '24. This year, the target is around similar in those lines of 60 crores hypothetically, the ballpark

figure I am giving you so 60 crores is our target, 55 crores to 60 crores. So, this similar targets we will be maintaining for the next year also.

**Dolly:** Okay. And what is the debt guidance, like our debt has also increased significantly 50% growth has been there in debt. So, how are we planning to fund the CAPEX?

**Karim Jaria:** We have already announced this warrants, so the warrants have been announced. So, we are doing preferential warrants now, and that is the major source of funds that will be there. Plus we have term loans, which have been lined up with banks, and they are happy to support us with the growing numbers. And of course, the margins become better when we are doing it in our own cash flow, the margins on each claim would be 10%, 15% when we are doing it with a preference or warranty our margins could be 30%, 35% and because of that comfort, the bank even for a smaller company, they are very comfortable working with us going forward also.

**Dolly:** Okay. And just the last question sir, I just wanted to understand the industry dynamics a little, just given how unorganized the market is, how much growth potential does industry still has, because many players in the industry are announcing backward integration like specifically renewable sector many companies having backward integration to take their own cranes, seeing the higher ROCE and everything. So, what is the industry scenario as of now?

**Karim Jaria:** So, the industry, last post COVID earlier before COVID, I would give you the industry was growing at a 10%, 15% approximate rate, I would say. And everybody was happy working at that rate of growth earlier, after COVID and after the government which has been elected second time, there has been a robust growth in infrastructure. And every company is looking to minimum growth at around (+30%) right now. And people have achieved those targets and are going forward also for another four, five years with the kind of projects which are being announced and all the companies, larger companies than us, their growth percentage would be different, smaller company like us, our growth percentage would definitely be different. So, we can easily say that another five-year road map if you are asking me without even putting the numbers together, because we put the numbers for two, three years, but you would ask for a five years roadmap, growing at a 25%, 30% is a no big deal for a company size like us. We have huge room, because we have a smaller company, we have enough room to grow from here.

**Dolly:** And just wanted to confirm, all these cranes, high tonnage cranes are majorly imported from China?

**Karim Jaria:** Now, yes. Most of the cranes are now being imported from China. China has done a tremendous job in improving the quality of the cranes. So, the Chinese cranes in India, it was imported earliest by Reliance, if I am not wrong it was 2006-07 and those cranes were not manufactured well, so in between there were gaps. Then Chinese came with different products at different times, and they tried to improvise it better and better. But after 2011 and 12, they have improvised a lot in the last six, seven years they have improvised and they made the quality, I

am still not saying that they are at the peak quality that a German crane or US crane or Japanese crane would be but a shell life of a crane, which I would say again add here is the shell life of a German crane or a Japanese plane would be 25, 30 years. These would give around 20 years, 18 years, 20 years, easily. So, they are doing better, they are improvising every day. They are doing better than what they supplied years back.

**Moderator:** Thank you. The next question is from the line of Prisha Shah, who is an Individual Investor. Please go ahead.

**Prisha Shah:** So, my question is that, since we see we have right now around the 30 cranes with us which we feel is that this is all larger cranes. So, how the dynamics of your business work in terms of the number of cranes, is it more dependent on the cranes you have, or is it more dependent on the kind of projects and the rental yield you have because, as a standalone basis this number looks quite lower that you have 30 cranes. And also, since you are introducing new cranes in your business, which we are seeing in the announcements as well and the presentation as well, you have mentioned mid-sized cranes to cater to the new segments. So, we wanted to understand how, in terms of your business, this particular thing works, whether we should look for the number of cranes you have, or we should look for the kind of projects you are shelling out your cranes into. Thank you.

**Karim Jaria:** So, the last thing which you said, you should be looking at the kind of projects we are getting engaged with, the sectors we are getting engaged with, the kind of clients we are engaging with. So, one thing is our payments are getting secured with the type of clientele we have, longer-term projects and our costings goes below because our cranes are not moving around, getting transported from one location to the other. And regarding your question, how should you see it. Should you see it by the number of cranes, I wouldn't say you should be seeing with number of cranes you should be looking at the CAPEX size and the returns on the investment that we are doing. Because if I say, if a smaller crane hypothetically one crane of 100 metric ton would be costing around two crores approximately ballpark, plus GST. And if you are looking at 800 ton, it would be costing around Rs.20 crore plus GST. So, if I say, I added one crane, and if you see that now Crown has moved from 30 to 31 crane, but if you have to look that the CAPEX has been for 20 crores plus. And wherein, if I say, I have added 10 cranes, and if I am doing a business of say 100-ton cranes, or 50-ton crane, or 150 ton cranes, and I add 10 cranes, or five cranes, then the number of growth you will seek is phenomenal. But in this kind of industry with a CAPEX and the return is counted on CAPEX, and not by the number of cranes. So, that would not be the right way of calculating it or looking at it. Did I answer that, or have I missed some point.

**Prisha Shah:** No, that's really great. It gives very good clarity on how we should look at your business. Second is that we saw that you have mentioned that you also have some third party came outsourcers, where you manage your fleet. So, how does that work, like how do you optimize that particular arrangement?



**Karim Jaria:**

No, so what happens is, when we are working with third party contractors, so hypothetically there is a project say bullet train project node, I would say, so we get an order for one node, working in one node. Say now we got an order to work at Virar. So, Virar is one node for the bullet train project. And they wanted say, 100 tons four cranes, we have two cranes in our fleet, but the client wants to deal with one person, they said okay, listen we will going to deal with one person because for four cranes we are not going to go to four agencies so, why don't you get some cranes from outside, we have a limitation of buying cranes, we cannot keep buying cranes because we need to have money also at the same time. We need to have infrastructure also for supporting it. So, we know a few players who would want to give us the cranes and say, listen because we cannot get the order, because there are standard practices that we need to follow. So, this is our brand-new crane, these are our younger cranes why don't you help us get the work order for that. So, based on that, there's a ballpark figure of 10% commission. So, supposing the client is L&T. L&T would say Karim, this one crane is coming for Rs.5 lakh and we will give you four cranes order. Now two cranes will go from our fleet, and two cranes. We will take it from the subcontracted, we will subcontract it from the market third party will be giving us support for that, and when we get it from the third party, we will be making Rs.50,000 monthly on that crane. And what we are doing is, we are just making them go through our processes and our SOPs, that's the only thing so we are adding a professional edge. We are getting a contract for them, and we are making that much of money. So, all the operational side and the expenses of the crane is their cost, it is not our cost. Ours is only networking that we are giving them a reference, we are giving them orders through us and our payments also, which orders we give we always mention it's going to be a back to back payment, so we don't actually also involve our cash flow in that. So, whenever the payment is coming from L&T, within 72 hours we are making them the payment. And there's a minimum basic 10% commission with that we are charging them on these smaller size cranes. If, supposedly there would be 800 ton crane maybe there would be a 5% but on these smaller sizes, and this is the size where now we are trying to increase our share, because we are seeing that we are getting more and more orders, and total in the number if you are looking it's going to be a 10% and 15% subcontracting that we are doing right now. And sometimes what happens, the cranes are not ready, China would say, Karim we would give you crane after two months, because there is a demand, and we don't have a supply. So, what we do is, we would take a subcontract crane, put it on business for say three months by the time we get our cranes, because we know this project is going to last for one years and two years, so we will replace those cranes after three months and put our own cranes there. So, basically, it's like a buffer also sometimes for us, that our crane is in work in progress, it's still coming. Our funds are supposed to become and then we are going to get this crane after two, three months. So, we will say, okay what we will do is, there's a great project coming in, we don't have cranes, we are going to put somebody XYZ crane. We make some money on that, we are not actually looking for making up, but we are making some money on that. And then that crane goes off, and our crane replaces those cranes. And as I said, there are a lot of crane projects that are coming in, the mid-size crane where we are taking the market cranes, the bigger cranes

we don't take generally the smaller cranes we take where we are now looking to add these claims so it helps us, it's like a buffer. So, before our cranes come in, we already have an order secured.

**Moderator:** Thank you. The next question is from the line of Bhavani Somani from Karishma Research. Please go ahead.

**Bhavani Somani:** My question was more with respect to the accounting part. I just wanted to know, you purchase all of the cranes from China and whatever I know that we have to make the payments upfront. So, I just wanted to know what type of expenses are accounted in trade payment account for yourself?

**Karim Jaria:** Yes, okay. So, your question has ended so I can start?

**Bhavani Somani:** Yes, my question has ended.

**Karim Jaria:** Okay. So, what is happening is, China generally, what they are doing is, when we raise, I will give you an example. So, when we raise Rs.10 crore from preference. Now what we have to do in China, they would give us two years of say credit on a particular crane, I am getting a two years credit negotiated with them. So, now I have the cash funds with me and they don't want to discount this, so they will say we are not discounting it, take it as a credit. So, either I will go as a loan from a bank, but the bank says your machine is going to get Karim depreciated in two years, so I need to start an installment for this. So, what does the bank does, the bank will take the funds the 10 crores as a loan, they will book it today itself. They will put it in the FD, they would charge me hypothetically again 9% interest for a new crane loan. So, loan starts on day one, but at the same time I am making interest income on the FDR that they park it because they are not actually paying to the supplier. So, I would make an FDR at say 8% of course, there is a deduction in income taxes when you make the profit of 8%. So, we are getting basically around 6% what you call profit, in the interest earnings, but we are paying 9% for the loan. This is one way of doing it, and the second way, when you raise money from preference, or you raise money from our own cash flow. And I have my own Rs.10 crore, I would have to go to the bank, make an FDR, bank will sanction letter for that and they will give it a DO, what we call delivery order of the LC, if it's under import, it will be letter of credit. If it's under India import already by the Chinese company, because they have the workshops in parking based in India also. If I am buying it from there readymade, then I would not an import, then they will give them a DO that is domestic LC they will give them. So, once the delivery order is given to them, my money is taken by say hypothetically, HDFC Bank. They will keep it in the FD, and they will open a letter of credit for domestic LC to the supplier. So, now you see it as trade payable, but against that you will see an FDR also parked in our name. So, most of the trade payables are covered either by loan, that is the bank that are going to give us loan after two years, start the loan after two years or by FDRs.

- Bhavani Somani:** Okay. So, what I understood is like, we don't have to pay upfront to supplier, you have to pay to the bank first?
- Karim Jaria:** There are two ways, I said. So, there are few company now in China say hypothetically I will give you a name also of the company, the Saini brand, there is XCMG brand. So, Saini has started discounting it now. So, they generally offer 6.5%, 7% discounted on day one and start the loan, or pay us the amount rather than keeping in FD 8% and then paying income tax of 25% to 26% when we are making 6%. So, this is now that they are introducing it, until now if they were not introducing but I have a credit. I don't have to pay them, so I will make the amount as FDR, and again that bank will give them a letter, so that goes in trade payable.
- Moderator:** Thank you. The next question is from the line of Harsh from Kris PMS. Please go ahead.
- Harsh:** I just wanted to understand one number is out of the total fleet right now, what percentage is for the longer-term projects. That is my first question.
- Karim Jaria:** Okay. So, let me open my sheet. I will give you an approximately ballpark number on that. So, around 60%, 65% of our fleet is on the longer-term projects. Say one year plus.
- Harsh:** Okay, perfect. And as utilization will increase in H2 we can see operating margin also play in for us, right?
- Karim Jaria:** Yes.
- Moderator:** Thank you. The next question is from the line of Nikhil Choudhari who is an Individual Investor. Please go ahead.
- Nikhil Choudhari:** Wanted to understand how sticky our clients are like, have we lost any client till date, and what sort of repeat rate do we enjoy with our current clientele and what is usually the criteria that will probably separate basically what one deciding factor usually a client takes while choosing you versus another peer or vice versa?
- Karim Jaria:** Okay, Nikhil. So, whatever the clients which we are having since the 40 years of inception, the top #A clients which are with us, we have not lost any clients until now. Yes, few of the projects where we had lesser cranes, we have not able to participate completely with them. For example, if some JSW Steel Bellary was doing, and they wanted 20 cranes, and we could only give two cranes. So, we would have a loss of business opportunity at that time. But we have not particularly lost any clientele as such. Yes, in the older days when we were a very, very smaller company, 7, 8, 10 years back, and we had private limited companies engaged with us, because that time we were still improvising our systems and processes, and we had to work with some smaller private limited companies. We didn't want to work with them, so they have not lost us, we have also because their payments were delayed, their projects and their working style were

not right. The crane would be engaged very roughly, and the sites were not durable for our cranes. So, those kind of clients we have lost over the years. We don't want, I would say it's not the right word to say that we don't want to work with them. But now, over the years, we have very good clientele their ballpark number of 20-25 clients in which at this time we are not being still able to supply cranes enough to seven, eight of those clients. So, even with this kind of fleet and numbers which have come, we are not being able to cater completely to 30%, 40% of our client. That's the maximum that we are being able to engage with. So, that is why we are looking at a high demand already there from these 20, 25 good #A group clientele, which I call, and you see it on the list also. And if you want to cater to all this, we will have to step up faster, and we will have to move faster because the marketers will be taking the shares from us. So, that's part of your question and can you repeat the second part of the question, which exactly you were asking, how do we differentiate you said?

**Nikhil Choudhari:**

So, probably, if client wants to choose between you and the other, what is one differentiating factor probably that one usually prefers other than, maybe price is there or service what is it that differentiates you, enables you to get the contract, enables you the repeat rate is high for you?

**Karim Jaria:**

So, if you see the page of our strengths, where we have mentioned four things, so what differentiates our strength again, I would say. So, there's a strong I will read those roles in the presentation. I will read and I will brief you on that also. So, the first thing is, strong in-house maintenance support. So, we have our team, and we have our staff working with us over the years. So, every time when there is troubleshooting, there is a lot of help goes from our senior staff, our engineering team, our in-house crane team, that they talk over the phone, and they will try to maintain the crane on spot, rather than having an SOP where, those people have to be sent, the company engineer, our engineer, will fly or drive to that site check the problem, so one is the knowledge, so knowledge we possess in-house maintain support we call it. The knowledge we possess in maintaining our crane. Like you go to a doctor, online consultation is becoming easier, because nowadays online help on the phone, we can have a video call, and we can maintain our cranes faster that everybody could do it. But we have people who understand the problem from a distance. That's one thing, the second thing is the quick turnaround time that comes from this. So, for clientele, these cranes when they are booking from us, what happens is, what they see, why we say we want to become the preferred and why are we working on it, because for the client turnaround time is very, very important. When there is a crane breakdown, there's a lot of manpower that is idle, there's a lot of production loss that goes to the client, and that could be in lakhs of rupees, crores of rupees. Over the few days that the crane would be in breakdown, like when Reliance Jamnagar refinery shut down project, when they are actually changing the filters inside their chimneys, or they actually cleaning something, or they are changing part of the pipelines. So, that shutdown is generally for 15 days, one month. Imagine the one-day production loss of Reliance industry of one section. I am not saying the whole factory shut, but one sector and one section of it. Now, if the crane grows break down from one day to say three days or four days or five days, they lose in lakhs and crores of rupees. So, our

turnaround time is one of the shortest turnaround time based again on our knowledge and the expertise and plus the strength of being worked all over India. So, we worked in pan India. So, now supposing we are getting a site in even Orissa or Bangalore, we already have tie up with local engineers, the engine companies that come in as an example, so we know an engineer there sitting there already, which we have a tie up, and we are maintaining our base relation with them. The parts availability in and around the project. So, you need to know and have support from outside agencies also wherein your projects are working. You don't have to fly and try everything from Mumbai based, because our base is in Mumbai. Even if it is the stock is in our inventory and if the client is facing a loss, we would still buy it from Delhi also, because there is a supply already having that part, and we will have an arrangement either to replace that part with them. So, that is one of the way that the shortest turnaround time is the key word here. The shortest turnaround time, and now the cranes are younger, and we have modernized our fleet, so the breakdown anyways is going lower. So, that is another way why you are preferring, like if you are booking a cab. So, in that case even if you see a newer cab, newer features at the same price being offered by a driver who would be a less experienced person, or the car is not clean or is not well maintained, you will still want to go to the newer one. So, we have more experience, younger staff, a modern fleet, experienced people sitting in the back office, training those young staff to go and keep this keyword every time in the client, Karim's crane or Crown Lifters crane has a turnaround time. And that is why we want, which is our mission vision statement, that we would be given the most preferred name. We don't want to be the largest, largest here. Of course, we want to grow at a good speed, but at the same time, you want to be the preferred crane supplier. So, whenever you know if this airline is flying, this airline is not delayed, is mostly on time. You still want to book that airline every time. So, every time you do that, it is that most preferred word and the turnaround time, these are the two keywords we are working on every time.

**Nikhil Choudhari:**

Okay. Very well explained and also my last question is, you have always grown probably more than 25%, 30% just trying to understand, are we being a bit conservative, like probably in telling that 25%, 30% because we have historically demonstrated higher growth even when you compare yourself with a mid-sized player also. So, just trying to understand the growth rate of 25% to 30% is it probably not lower that you are estimating?

**Karim Jaria:**

So, when we are giving a guideline we want to keep it low and we like to surprise the market every time with the numbers we do and the way we are working, and the announcement which we are making, the projects we are getting engaged with, definitely there could be a surprise every time element, every time where the numbers could be much, much better. But when we are saying, I don't want to put guidance where I am saying that we would be able to grow at 50% or a 40% over 10 years. So, because all these projects are backed by the governments. There are state elections that come in between, there are the government elections that come in between. These are the big infrastructure companies. It plays a lot of important role how they perform. There are the sectors, steel, cement, refinery, all these sectors are also influenced by international

policies. So, there's a lot of things that go in this. So, a smooth ride is always to say a number which is very safe, where people expected that this is a set of numbers we are happy to be with. They want to grow with us at this number and of course, there should be a surprise element sometimes, like it's a bonus number that comes up, and we would like to surprise, and we Inshallah, would try to surprise as much as possible.

**Moderator:** Thank you. The next question is from the line of Barshil Bandya from Finterst Capital. Please go ahead.

**Barshil Bandya:** Sir just wanted to understand what is the kind of lead time that we order cranes and how many days do we get that?

**Karim Jaria:** Okay. So, actually there are two type of cranes. Now, as I said the China company have registered as India, they opened the company say hypnotically Zoom India Private Limited. So, they have a company base here. They have bases in Chennai, and they have bases in Mumbai. And now they are trying in Kolkata also. So, wherein they know the mid-size is smaller cranes ordered in bulk every time. And there are continuous requirements of those kind of sizes. So, below two, three-ton cranes, I would say you still are able to get it in a quick turnaround time of 30 days. So, every month, there is a vessel that is arriving from China. And every vessel, there are a particular inventory that they have been importing based on their calculations, on the project they also have their numbers right the calculation plus, based on the experiences, how many cranes they will be able to sell. So, the smaller cranes they have been able to order accordingly, and few cranes which are above 250 ton on that, in that you have to order at least 60 days before the project kickoff, because that shipping time is around three to four weeks from China. One week is the clearance time, plus their domestic transportation time from their project to their port of Shanghai, or wherever they are shipping it from. So, minimum 60 days, and when it is a 600- or 800-ton crane, 90 days is a safer side to have, because sometimes, if one of the accessories also missing in the crane, which has not come in time, then you probably to have to fly that. Or if you are lucky from your own fleet or from their store, if there is some parts, parts you may get, but not accessories. So, it's always safer to have it 90 days before your order place. So, when you get a delivery in 60 days, you still have that room of 30 days.

**Barshil Bandya:** Got it perfect, that helps sir. And sir just to confirm how many cranes have we ordered for this financial year, I guess 30 cranes is what we have as on date with us. And I heard you saying around six more cranes that we have ordered?

**Karim Jaria:** No, so we have already for this quarter, October, December quarter, we have already ordered two cranes that is 150-ton cranes and we are waiting for this NSE permission, it should be coming today. That's what stores because on their website when we checked probably we should be getting it today, or maybe Monday max. So, once that permission comes in, then we have already placed in line the term loans from the banks also, because these are warrants. So, we will be getting 25% from the market and the rest would be coming in from the term loan and plus

our cash flow. So, based on that, there could be at least another four cranes that could be ordered for the next two quarters, I would say at least.

**Barshil Bandy:**

And sir you also said that, 55 crores to 60 crores is also what we looking to put up next year as well. So, I just wanted to have an understanding, next two years how many cranes Crown Lifters might have in total that can be?

**Karim Jaria:**

I have answered this in before in a different question, wherein they asked that, how should we look at cranes, either by numbers or by CAPEX, so I would always still want you to look at CAPEX, because which sector is going to play at what time is very, very important for us. So one, when are we placed, so it is about the placement timing. So, it's all about the placement and timing. If we have the funds ready, if we have the infrastructure developed at that time, it is one project like we are expecting, a Reliance Dahej refinery project to it's coming up, which is expected post Diwali to be announced. If that project comes in, it's a two and half, three years project. So, at that very time I have my financials ready, I have my expert team ready, we have built enough infrastructure around that project so what are we doing is, we are tracing projects and we have already started working on building our infrastructure and our team, because it's skilled work. It is not unskilled work that we are doing, it could be an unorganized sector, but it's a skill set of job that we are doing. So, if we are placed well, it is not a big deal to even have that 50, 60, crores being done in the first six months of the financial year 26. Everything doesn't have to be done in parts and parcels of every quarter, so it depends on the project kick and it depends on the warrant money which we are going to get in time and loans of course will be backed when there's margins by our side. So, as I said again in that first question that our margins if it is 10%, 15% which comes from our cash flow, then the bankers will be giving us limits accordingly, when it is backed by warrants money also, we will be getting more limits, definitely because our margin will improve, because we will say to the bank, it's not 15% we will give you 30% margin. So, of course, the number that the bank becomes comfortable with, and they will be giving us more leverage. So, don't look at the number of cranes that are being engaged. Look at the capacity that is being engaged and the timing of announcement, and the projects that we announce alongside, now because somebody said in the AGM, kindly tell us what kind of projects these cranes are going, so we added in the statement that these projects are going for AMNS, RCA Mittal, it's going for UTCL, Ultra Tech. So, see the kind of engagement that we are getting, see the kind of clientele these cranes are going for a longer-term project. See the kind of CAPEX we are getting, see the kind of balance sheet change happening with this kind of 27, 26.8 to be specific about the warrant money that is going to come in the company. See that the growth that can happen with that kind of money that's coming as a margin, because it's not the CAPEX that we are going to 100% utilize it as just CAPEX, we are going to make it as a margin. We could make 30% or 25% that is with the banks that we still are working with. So, you can align with that.



*Crown Lifters Limited  
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**Moderator:** Thank you. As there are no further questions, I would now like to hand the conference over to Mr. Karim Jaria for closing comments.

**Karim Jaria:** Thank you very much for attending this first concall. And we are very happy to have you with us. And we would try to do more conferences whenever our results are there. And this would give more confidence and more information to the market and more clarity to the market, and we hope that we all grow together. Thank you, god bless.

**Moderator:** Thank you. On behalf of Crown Lifters Limited, that concludes this conference. Thank you for joining us and you may now disconnect your lines.