

Date : 13th November,2023

To,
The Secretary,
National Stock Exchange of India Ltd.
Exchange Plaza, 5th Floor Plot No- 'C' Block,
G Block Bandra-Kurla Complex,
Bandra (E), Mumbai-400051

SYMBOL: TARACHAND

Dear Sir/Madam,

Sub: Intimation under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 -Transcript of the Investor Meet held on 07th November,2023, Tuesday at 04:00 PM(IST)

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), we are hereby sharing the transcript to the Stock Exchange of the Investors Meet held on 07th Noivember,2023,Tuesday.

The same shall also be made available on the website of the Company (www.tarachandindia.in) as per the prescribed timelines under the Listing Regulations .

You are requested to take the above information on record.

Thanking you,
Yours faithfully,

**For Tarachand InfraLogistic Solutions Limited
(Formerly Tara Chand Logistic Solutions Limited)**

**Himanshu Aggarwal
Whole Time Director & CFO
DIN No. : 01806026**

Encl: As above



“Tara Chand Infralogistic Solutions Limited
Q2 FY ’24 Earnings Conference Call”

November 07, 2023



MANAGEMENT: MR. HIMANSHU AGGARWAL – CHIEF FINANCIAL OFFICER AND WHOLE-TIME DIRECTOR – TARA CHAND INFRALOGISTIC SOLUTIONS LIMITED

MODERATOR: MS. ASTHA JAIN – HEM SECURITIES

Moderator:

Ladies and gentlemen, good day and welcome to Tarachand Infra Logistics Solutions Limited Q2 and H1 ended FY24 Earnings Conference Call hosted by HEM Securities. 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 the conference call, you may press star then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Ms. Astha Jain, Senior Research Analyst from HEM Securities. Thank you and over to you Ms. Jain.

Astha Jain:

Thank you [inaudible], good afternoon ladies and gentlemen. On behalf of HEM Securities, we welcome you to Q2 and H1 FY24 Earnings Call Tarachand Infra Logistics Solutions Limited. From the management today, we have with us Mr. Himanshu Aggarwal, Chief Financial Officer and Whole-Time Director of Company. Before we go on to the main call, I would like to read the standard disclaimer. There may be forward-looking statement about the company which are based on the beliefs, opinion and expectation of the company's management as on date of this call. The company do not assume any obligation to update their forward-looking statement if those beliefs, opinion, expectations or other circumstances should change.

These statements are not guarantee of future performance and involve risk and uncertainties that are difficult to predict. Consequently, listeners should not place any undue reliance on such forward-looking statement.

With this, I will hand over the call to the management to take it forward. Over to you sir.

Himanshu Aggarwal:

Thank you for the introduction Astha. Good afternoon everyone. I, Himanshu Aggarwal, the Whole-Time Director and CFO of Tarachand Infra Logistics Solutions Limited would like to welcome you and thank you to be a part of this investor and analyst con call for Q2 FY24 and H1 FY24.

To start with, I would like to give you a brief introduction about the company. Our company Tarachand Infra Logistics Solutions Limited is in the business of three different verticals or segments as we call them. One is warehousing and transportation which is the segment B on our financial results.

In this segment, we are working with primarily PSU companies like Steel Authority of India Limited and Rashtriya Ispat Nigam Limited wherein we are handling their stockyards for the steel materials produced by them across the country. They are self-owned stockyards or stockyards owned by us and the material is transported across the country through vehicles which are owned by us or sourced from outside as part of our network. In our second segment which is segment A, that is tangible goods and infraworks, we are primarily into the construction industry with our equipment rental division as well as infra [turnkey] projects that we execute.

In this segment, we have got large machines of about 300 machines which includes heavy machines up to 800 ton capacity. Apart from that, we have got hydraulic piling rigs which are used for earthwork, groundwork to construct pillars or do activities that are required for

infraprojects like highways, bridges, the metro works that we do as well as in buildings or in constructions inside the industrial plants. Our cranes are deployed primarily with large industrial projects which are currently into a lot of capacity expansion in the industries like steel, cement, petrochemicals, power, etc.

We have also got concrete equipment and road equipment which helps in the supporting activities along with our primary machinery which is cranes and piling rigs. Apart from this, we are into a third segment which is the steel distribution processing. In this, we have got steel processing equipment as well as we have got tie-ups with various associates across the country for processing of steel that is further than delivered to our end-user clients as per their requirement.

For the infrastructure development, the company is working with one of the best projects across the country, be it the metros, we have been working with Mumbai, Bangalore, Surat, Ahmedabad, Indore, Pune, whichever metro is under construction in the country, the endeavor of the company is to be a major participant in the construction of those metros through its construction equipment rental division. Apart from that, we have been playing a very significant role in the construction of the first ever bullet train of the country which is known as the Mumbai-Ahmedabad high-speed rail project.

In our steel processing, as I had mentioned, we have spread across the country as well as we also do activities on-site for our clients according to their requirement. We have got a diverse team of experts which are spread across 21 states in the country. We also have operations with L&T in Mauritius for the rapid rail metro there.

Our team is about 623 as on date. We are working in more than 50 sites across the country. We are working with more than 52 clients. All these clients are either PSUs or large MNC companies, mostly AA, AAA rated companies for whom we are among the first choice of service providers. So that is in a gist about the company as a whole. Moving on to the financial results.

As we have seen in the first quarter, the company has been performing well financially and we delivered our best ever quarter in Q1. Taking that forward, we have in fact done significantly well in the subsequent quarter as well. Especially in our industry, it is better to look on a year-on-year comparison because of the seasonality in the nature of work we do as the construction activity is affected predominantly by monsoons in Q2.

It then subsequently picks up post the Dussehra Diwali festive period. Taking that into consideration, looking at the financials for Q2 FY24, our revenue was INR42.95 crores, which is a 31% y-on-y growth, whereas our EBITDA was at INR13.5 crores, increasing by 48% on a y-on-y basis, while the profit before tax increased 53% to INR3.39 crores. Our PAT subsequently reached INR2.69 crores, which is a 68% y-on-y increase. And the cash PAT and cash EPS, both of them have grown by 62% and 57% respectively, giving a figure of INR10.77 crores and INR7.61 crores respectively.

For the half year ended, 30th September 2023, the figures were equally or rather better in that sense with a comparison on the revenue, giving us 26% increase at INR83.12 crores. The EBITDA rose by 40% year-on-year at INR26.77 crores, while the profit before tax rose by 55% at INR7.85 crores. The profit after tax also witnessed a spectacular growth of 75% and we reached INR6.48 crores in the PAT. Our EPS rose by 68% to INR4.58 crores, while the cash profit after tax, which is the cash PAT, rose by 58% to reach INR21.8 crores. So, we have been progressively working towards giving the best of our entire team, which is leading to these wonderful results.

And we are very glad that going forward, we are strategically poised in the kind of opportunities that are opening up in steel logistics and in our industrial capacity expansion endeavours, as well as the large infra development that is happening in the country. So, we once again thank you, that all of you who have joined us and are part of our journey and who have been trusting us as we go forward in making sure that we keep growing. On the order book front, the company has about INR80 odd crores of order book as on the 1st of November 2023, which is to be executed up to FY '24, which is by 31st of March 2024.

So, that is what we would like to talk about the company and now I would like to hand it back to Ms. Ashta to take it forward to the Q&A. Thank you.

Moderator:

Thank you very much. We will now begin the question and answer session. The first question is from the line of Mr. Rahil Shah. Please go ahead.

Rahil Shah:

So, I was looking at your segment-wise revenue mix and steel logistics has done well, right, year on year, quarter basis and also the H1. So, can you please once again elaborate what led to this? So, why are things working well in steel logistics? Why the other two have kind of remained flattish? And will this kind of revenue mix continue or is it going to get better in the second half? So, that is my first question.

Himanshu Aggarwal:

Okay. So, thank you, Mr. Rahil, for the question. To answer that, we have got new contracts in the last financial year which came into effect primarily towards the end of the last FY. And that is the reason that the revenue for the steel logistics that you see is much greater than what it was in the first half of last financial year. So, that is to answer the cause for the increase in revenue that you asked. And the others, especially in the equipment, hiring and intra-projects, it is flattish as I already mentioned in the monsoon season.

We do tend to have lesser construction activity and lesser of demand in the construction equipment sector. So, that does lead to a little bit of a lean period there. Having said that, the one other big reason that there has been a change, there has not been much of an increase, is in the September 22 half year, we had a lot of subcontracting works that we were doing for the metro as well as high-speed rail projects which we have stopped doing post September 22 because we found them not to be as lucrative and we have moved primarily to better avenues in the construction equipment rental space.

And as you would see in our presentation, we have also given a revenue mix for our equipment rentals division with the sector-wise mix. So, there you would see in the half year, September

22 versus half year, September 23, our revenue has changed substantially from rural and urban infra to metals and minerals and the cement industry. So, that is because our machinery has mobilized towards these industrial capacity expansion plans and that has led to stabilizing our profitability in that region.

Rahil Shah: Okay. Secondly, in your presentation, you also mentioned in your future plans that you remain committed to deliver the same kind of growth you witnessed in H1 of this year. So, if I calculate, I think you have seen roughly 25% or so growth in H1 of this year compared to last year. How confident are you to continue this and what will lead to that in terms of top line and then any outlook you would like to share on margins as well?

Himanshu Aggarwal: So, to answer that, we do see that with the kind of order book that we have in hand and the orders we anticipate to get that we should be able to continue with the 20% to 25% growth that we have witnessed so far. And similarly, you can consider that the similar trend would also continue for the margins as well.

Moderator: Thank you so much. The next question is from the line of Mr. Swapnil Khabra from SK Enterprises. Please go ahead.

Swapnil Khabra: Sir, so my question was with respect to the two segments, the steel handling and the logistics part, I guess we are at approximately 75% capacity utilization and the other equipment rental part, we are almost at our best. So, my question was going forward, how are we going to grow? So, what are the growth triggers going forward?

Himanshu Aggarwal: Okay. So, thank you, Mr. Swapnil, for the question. To answer that, we are at about 80% to 85% on our equipment utilization. And as you said, we are at about 75% on the steel logistics as well. So, we see that usually in the Q3 and Q4, the demand picks up substantially and which leads to better utilization, improvement in the utilization. And secondly, when demand rises, we also see a better pricing model in place for our equipment rentals. So, we have ample opportunity there to grow.

And there are certain equipment that have been purchased in this financial year itself, like we have done a capex of about INR35 crores in this financial year, which will also help in the FY '24 second half to lead to the growth that we are anticipating.

Swapnil Khabra: Okay. Sir, and with respect to the EBITDA margins, so I was witnessing that the EBITDA margins have been rising on year-on-year basis. So, is it because of the better rent realization that we are getting from the equipment rental business?

Himanshu Aggarwal: Yes, that is there. As I just, in the previous question I had answered, that we have moved from subcontracting to better profitable options, which are equipment rentals in a better sector as well, apart from just being concentrated heavily in infrastructure, which we were last year at about 75%. So, that has definitely added to better profitability.

Swapnil Khabra: Okay. So, last question on the EPC business. So, can I get some color on the EPC business and what are our growth plans with respect to that business?

- Himanshu Aggarwal:** So, we are bidding for a few tenders and because of the business that we are anticipating and our business strategy and it being an internal matter, I am not able to give you more details on that. But once we do have those worked out, we will definitely share details.
- Swapnil Khabra:** So, right now we do not have anything in the top line from the EPC business?
- Himanshu Aggarwal:** Nothing as of now.
- Swapnil Khabra:** Okay. Thank you, sir. I will join in the queue.
- Himanshu Aggarwal:** Thank you.
- Moderator:** Thank you so much. The next question is from the line of Mr. Abhijit Sinha from PI Square Investments. Please go ahead.
- Abhijit Sinha:** Good evening. Congratulations on the results. I wanted to ask you over the last six months, what kind of operational changes have you seen in the betterment for the organization so far?
- Himanshu Aggarwal:** So, thank you, Mr. Abhijit, for the question. From an operational perspective, I just want to get a clarity on the question. You are asking more about, how we have changed any operations that we execute with our clients? Or...
- Abhijit Sinha:** So, in the sense, as you mentioned that, we have stopped doing businesses which were not helping us, were not that profitable, right? You mentioned that earlier on the call. So, things like that. What kind of changes have we made in the last six months which has helped us grow our margins, grow our top business also significantly?
- Himanshu Aggarwal:** Okay. So, to answer that, sir, we have got one change, as I already mentioned, was to move out of subcontracting because that was not working out as per our expectations. The other change that we have made is, we have brought in, in our steel logistics, we have brought in these rubber tyre gantry cranes which are advanced machinery that helps in efficient and cost-effective way of handling steel which is suited to the warehousing that we do.
- And we are the only private service provider in this country, who owns these machines captively. The others which are owned, are owned by the large organizations like Tata or SAIL or RINL. So, looking at their models, we brought in these machines to enhance our own productivity and efficiency which has definitely helped on the cost part.
- And as I was just answering the earlier question, we have also made an operational change where we have distributed our equipments from just being heavily into rural and urban infra to also into metals and minerals which is steel and then we have got aluminum and copper, all these industries and we have got cement, where we have got a revenue mix of about 15% from the cement sector which was only 4% in the last financial year for the first half. So, those changes we have made which has helped with the profitability overall.
- Abhijit Sinha:** Lovely. I think, we have given that break up as well in the presentation....
- Moderator:** Sorry to interrupt. Mr. Sinha, there has been a lot of disturbance and your voice is cracking.

- Abhijit Sinha:** I think this is the second time we expect...
- Moderator:** Sorry to interrupt again, Mr. Sinha, again your voice is not...
- Abhijit Sinha:** I will get back to you.
- Moderator:** Thank you so much. The next question is from the line of Mr. Dhruv Bajaj from SmartSync Investment Advisory Services. Please go ahead.
- Dhruv Bajaj:** Sir, firstly, congratulations on an amazing set of results. My first question was, what is the technological complexity or the high capex requirement that stops other non-government players to buy this rubber gantry machinery? As you have described this as one of your core competitive advantages in steel handling business.
- Himanshu Aggarwal:** So, thank you, Mr. Dhruv, for the questions and the congratulations. For the question, I would add on this is that, it is more an understanding of how steel is handled. We have been in steel industry for 40 years now. We have been doing this work for 40 years and we have had the expert team in place who can handle these machinery because they are all imported machines. They are not the ones that are manufactured in India.
- Dhruv Bajaj:** Got it, sir. That is it, sir. And secondly, I was trying to understand the ROE profile a little better and what will drive its growth going forward? Like it is definite...
- Moderator:** Just a moment. Sorry to interrupt. The line for the chairperson seems to have been disconnected. Please hold the line while I connect the management line. Thank you so much once again. Mr. Bajaj, we have the line for the management connected. You can please proceed with your question.
- Dhruv Bajaj:** Yes, sure. So, I was trying to understand that ROE profile a little better and what will drive its growth going forward. So, it has... Hello, am I audible?
- Himanshu Aggarwal:** Yes, you are. Yes.
- Dhruv Bajaj:** Yes. So, it has definitely improved to 13% on the back of strong growth that we witnessed in FY'23. So, now I want to understand why is it still below our other peers? Like is there some element of equipment aging wherein since your equipment's are quite young, so your ROE seems lower?
- And when some major portion of the equipment will be written off, so ultimately your ROE profile will look better? Or is there some reason that as you have mentioned before as well that your working capital cycle got elongated during COVID period? So, a reduction in the same will lead to higher ROE. So, what will drive its growth going forward? I wanted to understand that?
- Himanshu Aggarwal:** So, to answer that, sir, definitely with the -- our equipment is definitely on the younger side. So, it does impact the ROE on an absolute basis. But if you would look at our cash profits, there you are able to understand it better because there is a heavy depreciation that goes into our books that leads to lower PAT numbers. So, that is one reason which once this equipment

do age out and they are-- because the equipment age is 15 to 20 years, whereas depreciation happens over a shorter period of time in books.

So, that definitely creates that challenge that the ROE numbers are reflected in such a manner. And with the kind of increase in profitability, the working capital cycle is improving, and also our receivable days are going down. We were at about 139 odd days as of 31st March, 2023. And now we are at about 110 days as of 30th September, 2023. So, all those factors will definitely lead to a better ROE going forward.

Dhruv Bajaj:

Sure, sir. That helps. And if I can squeeze in another question, then can you please guide about the probable working capital cycle of the EPC business? Since you are focusing so much on reducing the working capital cycle. So, will it be in line with our future projections or will that have a little higher cycle?

Himanshu Aggarwal:

Sir, as I had mentioned earlier, although I cannot give details on the kind of EPC projects. We are working on, because till the time we do not get them, we do not want to be talking about them from a business strategy perspective. But our endeavour is definitely going to be that we try to remain in the projected working capital cycles. Although to start with, when we do start a new activity, there might be a certain stress on the receivable cycle or the working capital cycle to begin with, but it should even out with due course. But it will all depend on which contract we eventually get and what we are able to do with it later.

Dhruv Bajaj:

Got it, sir. That helps. Thank you so much, sir.

Himanshu Aggarwal:

Thank you.

Moderator:

Thank you so much. The next question is from the line of Mr. Ronil Dalal from FICOM Family Office. Please go ahead.

Ronil Dalal:

Hi. Good evening and congratulations on a good set of numbers. So, my first question is that how is it that the competitive intensity has changed over the last three to six months?

Himanshu Aggarwal:

Thank you, Mr. Romil, for the question. If I got that name correct, I did not understand the question correctly. Could you please repeat your question, Mr. Dalal?

Ronil Dalal:

Yes. My question is that how has the competitive intensity changed over the last three to six months? So, basically, like a question on the competition or the competitive intensity.

Himanshu Aggarwal:

Right. So, to answer that, sir, the competitive intensity, it is similar to what it has been before in the segments that we are operating in because we are into larger size of equipment where the players, which are usually already there, have been there and with the kind of opportunities that have opened up, demand being so high.

Even if there have been additions of machinery, if I talk about equipment rental business from other competitors, they are also being able to – the competition is not such that we are going for each other's throat with regards to pricing. So, there is no undercutting happening there, at least as of now.

In our steel logistics business, because it is a tender-based system where we get a contract for five to seven years. What we have seen is for contracts that we have already won in the past, there is no change on the competitive side. But on the new tendering that we are participating in. There is definitely a similar line of competition that we have seen before and we are well placed in managing that as well.

Ronil Dalal: Sure. And the next question is that, what is the kind of percentage of revenue which is geared towards wind power projects?

Himanshu Aggarwal: As of now, sir, we have nil revenue from the wind sector because that is not the sector we have explored. We have shifted primarily from urban infra to – not properly shifted, but we have distributed it more towards metals and minerals, cement and petrochemicals. In the near future, we do not have the intent to enter the wind sector.

Towards a few years down the line, or maybe whenever that does look lucrative enough, we will see. But we are very sceptical on the financial stability of the clients stress, so we are not keen on entering that sector anytime soon.

Ronil Dalal: Sure. And you had mentioned earlier that the machine is used – the equipment is used for 15 years, 10 years. On average, over how many years do you depreciate it?

Himanshu Aggarwal: So the depreciation happens over about seven to eight years.

Ronil Dalal: Okay, seven to eight years. Next is that employee strength and mix. So mix – when I say mix, I mean like between like say full-time, specialized, contract, engineers. If you could get some sense on that?

Himanshu Aggarwal: So in my opening remark, I had mentioned the 623 employees, which is all permanent, all on a roll. That is the number on a roll, which is there. And contractual, we have about 300-odd contractual labour that works for our – specifically for our warehousing and logistics business. On the mix of how many engineers and the details on who, what were you – you are trying to ask for the engineers and other experts, right?

Ronil Dalal: Yes. Any estimation?

Himanshu Aggarwal: So primarily out of the 623, sir, there is a lot of operating team, which is the expert operators, which work on the machines. I do not have the exact numbers with me right now, but I can definitely have those. I'll get back to you on that.

Ronil Dalal: Sure, sure. Thanks a lot. Thanks for answering my question and all the best.

Himanshu Aggarwal: Thank you, sir.

Moderator: Thank you so much. The next question is from the line of Mr. Abhijeet Sinha from PI Square Investments. Please go ahead, sir.

Abhijeet Sinha: Hi. Is the voice better now? Yes, sir. Perfect. So I was just asking that in the second half, we generally expect a better business because post-Diwali, info projects will begin again. So Q3

and Q4 is generally strong for us. So in these next six months, what kind of major projects are we involved in with the major of the revenues coming in from those kind of projects?

Himanshu Aggarwal:

Okay. So to answer that, sir, we are already actively working with, as I had said, with the high-speed rail project, which is the bullet train project. We also are with all the large metro rail networks that are going on, we are working there.

And with the industrial capacity, we are working with capacity expansions in the cement industry with ACC, Ultratech and other such large clients who have projects that are lined up to take up speed right after this festive season.

Abhijeet Sinha:

And they're all on simultaneously, right?

Himanshu Aggarwal:

Yes, it's all these because these are in different sectors. The infrastructure is on at its own pace and the industrial capacity expansion is going on at its own pace. So they're both simultaneously getting up for top speed.

Abhijeet Sinha:

And the yield for our equipment, is there any scope that we can improve on them or is it something which is an industry standard thing so then we stick to that certain rate?

Himanshu Aggarwal:

It is an industry standard benchmark that is there, but there are opportunities at times for specific contracts where the yield tends to be higher, but those are worked out based on the demand. But on a general basis, I would say it's a more of an industry benchmark that we operate.

Abhijeet Sinha:

And it's more on our relationship with the client?

Himanshu Aggarwal:

The preference to give the order to us is dependent on the rapport we have with the client, the association we have with that client. Like we've got clients like Afcon, L&T, Ultratech, as I mentioned, Steel Authority of India Limited, Rashtriya Ispat Nigam Limited. So these are all long-term clients. Like with SAIL, we've been working since almost 35 years now. With L&T, it's been more than 20 years. So there is a large network of this client base that we have established, which helps us to become their first choice.

Abhijeet Sinha:

So the cement space is expecting a massive demand, I think in the next two, three years. So do we just like our portion of cement, as you said, has increased this quarter. Is that something at this current level, this is something going to be in the same range? Or are we trying to increase that space?

Himanshu Aggarwal:

We are looking at increasing that space further.

Abhijeet Sinha:

As a proportion to the revenues, right?

Himanshu Aggarwal:

About 15%, which definitely we see going upward, like we've got 35% at metals and minerals. So that is the range we would want the cement sector to be as well, because of the rising demand in that sector.

Abhijeet Sinha:

Lovely. Perfect. Thank you so much, Himanshu.

- Himanshu Aggarwal:** Thank you.
- Moderator:** Thank you. The next question is from the line of Mr. Swapnil Kabra from SK Enterprises. Please go ahead.
- Swapnil Kabra:** Yes. So is it that we are depreciating our machines more aggressively than what is required as per the law?
- Himanshu Aggarwal:** Not really, sir. The depreciation in books is as per the company's act, what is provided in it as per the WDV norms, the written down value norms.
- Swapnil Kabra:** Okay, sir. That's it. Thank you.
- Himanshu Aggarwal:** Thank you.
- Moderator:** Thank you. The next question is from the line of Mr. Ronil Dalal from FICOM Family Office. Please go ahead, sir.
- Ronil Dalal:** Yes. Hi. Just I had another follow-up. So in terms of the capex, I think I missed the number for FY24. Okay.
- Himanshu Aggarwal:** So, Mr. Dalal, we have so far done a capex of 36 crores. In Q1, we had done INR25.4 crores. And in Q2, we've done INR10.6 crores.
- Ronil Dalal:** So I meant for the full year, is there any kind of number which you would be giving or no?
- Himanshu Aggarwal:** We do not have any specific number in mind for the year, but usually we do go by capex is into going by any new projects that we get. Like we've received a new contract just earlier this week from Steel Authority of India Limited for managing their Bangalore warehouse. It's a four and a half year contract, but it requires smaller machinery and we've already got the rubber tie gantries that we wanted to be in place.
- So we do not see much new capex for that project initially. Apart from that, on the equipment rental front, as I was answering the earlier question regarding our intent to increase our share in the cement industry. So there we would want to add more equipment and that might lead to some more capex in this financial year, depending on what kind of orders we pick up from the client. But it's hard to put a number specific to it.
- Ronil Dalal:** Sure, sure. The other thing I wanted to just double check on is that I think that in the presentation in the evolution slide, I think it says FY'22 capex is INR100 crores. And later on, I think it's mentioned that there's a lower number, I think -- let me just see. Yes, so in the evolution side, it shows INR100 crores for FY'22. And then in the later capex chart, it shows FY'22 INR16 and FY'23 INR49 crores. So I just wanted to just check what was the number for FY'22 and FY'23. Is it INR16 and INR49?
- Himanshu Aggarwal:** So the INR16 and INR49 are correct, sir. Which slide are you talking about INR100 crores?

- Ronil Dalal:** It's in the evolution slide, like you mentioned your history and evolution. I'm not sure the slide number, but in that I think it's FY'22 INR100. Maybe that's a combined INR100.
- Himanshu Aggarwal:** Yes, I think it is a combined growth over a certain number of years rather than a certain year. Yes, so post COVID, we have done INR100 crores plus investment in our capex as you were talking about.
- Ronil Dalal:** Sure, sure. So FY'22, the revenue was 130 and FY'23 is 145. But we have done some good capex over 22 and 23. So is it likely that usually I think that as you get the equipment and do the capex, it's not like it'll take, I mean, most likely it's like in the six months, one year, you will see that effect on the revenue, right?
- Himanshu Aggarwal:** Right, sir. Yes.
- Ronil Dalal:** No, no. So I guess my question is that since we have done some capex most recently, 22, 23, does that mean that translate into like a larger jump in FY'24? Is my understanding correct or is there some gap?
- Himanshu Aggarwal:** I know that is correct, sir. As the equipment addition, the capex that has been done has happened primarily in the second half of last financial year, a chunk of that. So that impact we are seeing is coming into the results for this financial year. And it will add to the results for the second half of the financial year as well.
- Ronil Dalal:** And usually, the industry standard that the second half is much better than the first half. Is that also correct?
- Himanshu Aggarwal:** That is correct, sir.
- Ronil Dalal:** So I guess that 20%, 25% is a conservative guidance based on whatever answers I received?
- Himanshu Aggarwal:** As I had answered the earlier question, we do intend to grow at a similar pace. We've been growing at about 20% to 25%. And that is the target that we see should be the case for the second half as well.
- Ronil Dalal:** Perfect. Thank you so much for answering all my questions.
- Himanshu Aggarwal:** Thank you, sir.
- Moderator:** Thank you. As there are no further questions, I would now like to hand the conference over to Ms. Astha Jain for closing comments.
- Astha Jain:** Thank you. On behalf of HEM Securities Limited, I thank Tarachand Infra Logistics Solution Limited Management for giving the time we spent on this call and responding all the queries in a detailed way. I would also like to thank all the participants for joining this call. Now I would like to hand it over to moderator for the closing remarks.
- Moderator:** Thank you so much, ma'am. Ladies and gentlemen, on behalf of HEM Securities, that concludes this conference. Thank you for joining us. You may now disconnect your lines.