

May 12, 2026

To  
**The Compliance Manager**  
**BSE Limited**  
Corporate Relationship Dept.,  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai 400001.

To  
**The Manager, Listing Department**  
**National Stock Exchange of India Ltd**  
Exchange Plaza, Plot No. C/1, G Block,  
Bandra-Kurla Complex, Bandra (East),  
Mumbai 400 051.

Scrip Code: 544419

Symbol: ARIS

**Sub: Transcript of the earnings conference call for the quarter and Year ended 31<sup>st</sup> March 2026**

Dear Sir/ Madam,

Pursuant to Regulation 30 read with Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed transcript of Earnings Conference Call of Arisinfra Solutions Limited held on Monday, May 11, 2026, at 12:00 PM where the Company's business and financial performance for Q4 and Year ended 31<sup>st</sup> March 2026 was discussed

The transcript is also available on the Company's website under the Investors section at: <https://aris.in/pages/investor-relations-financial-results>

You are requested to take the above information on record.

Thanking you,

Yours sincerely,

**For Arisinfra Solutions Limited**

**Bhavik Jayesh Khara**  
**Whole Time Director and CFO**  
DIN: 09095925

Place: Mumbai

**ArisInfra Solutions Limited**  
**Q4 and FY'26 Earnings Conference Call**  
**May 11, 2026**

---

**Moderator:** Ladies and gentlemen, good day and welcome to the Q4FY26 Earnings Conference Call of ArisInfra Solutions Limited.

As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing "\*", then "0" on your touch-tone phone.

Please note that this conference is being recorded. At this time, I would like to hand over the conference to Ms. Purvangi Jain from Valorem Advisors. Thank you and over to you, ma'am.

**Purvangi Jain:** Good afternoon, everyone and a very warm welcome to you all. My name is Purvangi Jain from Valorem Advisors. We represent the Investor Relations of ArisInfra Solutions Limited.

On behalf of the Company, I would like to thank you all for participating in the Company's earnings conference call for the 4th Quarter and full year ended of the Financial Year 2026.

Before we begin, let me mention a short cautionary statement:

Some of the statements made in today's Earnings Call may be forward-looking in nature. Such forward-looking statements are subject to risk and uncertainty, which could cause actual results to differ from those anticipated. Such statements are based on Management's belief as well as assumptions made by and information currently available to the Management. Audiences are cautioned not to place undue reliance on these forward-looking statements in making any investment decision. The purpose of today's earnings call is purely to educate and bring awareness about the Company's fundamental business and financial quarter under review.

Let me now introduce you to the Management participating with us in today's Earnings Call and hand it over to them for their opening remarks. We have with us Mr. Ronak Morbia – Chairman and Managing Director, Mr. Bhavik Khara – Whole time Director and Chief Financial Officer, and Mr. Srinivasan Gopalan – Chief Executive Officer.

Without any delay, I request Mr. Ronak Morbia to start with his opening remarks. Thank you

and over to you, sir.

**Ronak Morbia:**

Thank you, Purvangi. Good afternoon, everybody. It is a pleasure to welcome you all to the Earnings Conference Call for the 4th Quarter and Financial Year 2026.

In the interest of some of the people who may be new to the Company, let me first start by giving you a brief overview of the Company, followed by the financial highlight, and operational highlights for the quarter under review.

India's construction ecosystem continues to present a large structural opportunity driven by sustained infrastructure investments, urbanization and increasing formalization of procurement processes. However, the industry still remains highly fragmented with limited technology integration and operational inefficiencies across sourcing, execution and working capital management.

Aris is focused on solving these challenges by building an integrated execution and procurement network powered by technology, data intelligence and disciplined operations. Aris is a tech-enabled construction materials and Services Company focused on simplifying procurement and execution across India's infrastructure and real estate ecosystem. We operate an asset-light network driven model that integrates sourcing, Contract Manufacturing, logistics, technology and project execution into a unified operating platform.

Today we serve over 3,000 customers through a network of 2,000 plus vendors across 23 states and union territories with more than 78% repeat order contribution, reflecting the strength of our execution capabilities and customer relationships. Our business is built across three complementary segments, which together create a scalable and capital efficient ecosystem.

The first segment is our B2B Supply business, which acts as the entry point to the network. Through this business we provide developers and contractors with efficient procurement solutions across different construction materials. This segment is relationship driven and helps us build transaction scale, pricing intelligence and deeper customer engagement across regions. This segment contributed around 44% to our revenues in FY26.

The second segment is Contract Manufacturing, which has now become one of our key growth and profitability drivers. Under this segment we secure production capacity through exclusive long-term partnerships with manufacturing plants without owning the assets ourselves. This allows us to benefit from manufacturing economics while maintaining an asset-light structure. During FY26 this segment contributed nearly 47% of our revenues and continued to scale strongly, supported by improved capacity utilization and strong execution capabilities.

The third segment is our Services business, operated through the developer as a Services, or as

we would like to call it, the DAAS-model. Under this offering we manage the entire project life cycle for developers, including procurement, project execution, funding coordination, sales and collections.

While this segment contributes a relatively smaller share of revenue today, it delivers significantly higher margins and strong capital efficiency. Our DAAS execution pipeline remains strong with currently about 12 plus active projects and about INR 1800 plus crores of GDV under execution, providing strong future revenue visibility.

What is important to understand is that these three segments are deeply integrated. The B2B Supply business helps build customer relationships and network density. Contract Manufacturing improves supply control and profitability, while the Services business drives higher margin and long-term engagements. Together they create a powerful operating network with strong cross-selling opportunities, improving operating leverage and increasing customer stickiness over time.

With this, I now hand it over to Mr. Bhavik Khara, the Whole-time Director and CFO of a Company, for the 'Financial Highlights' for the period under review.

**Bhavik Khara:**

Thank you, Ronak. Good afternoon, everyone who has joined.

**Let me take you all through the financial highlights for the period under review:**

For the quarter under review, the revenue from operations stood at INR 343 crores, registering a strong growth of 55% year-on-year. EBITDA for the quarter grew to 202% year-on-year to about INR 31 crores, with EBITDA margins improving by 431 basis points year-on-year to 8.8%. PAT for the quarter stood at INR 22 crores compared to a loss in the corresponding quarter last year, reflecting a strong operating leverage and an improving business mix.

For the Financial Year 2026, revenue from the operations stood at INR 1,068 crores, reflecting a growth of 39% year-on-year. EBITDA doubled year-on-year to INR 101 crores, with EBITDA margins improving to 9.43%, an expansion of 290 basis points. PAT for the period stood at INR 60 crores compared to INR 6 crores a year ago. Importantly, this growth was accompanied by a continued improvement in the balance sheet strength and capital efficiency.

The net working capital days further reduced to 66 days in FY26 from 110 days a year ago, while the net debt-to-equity improved significantly to (-0.09x). Operating cash flow also turned strongly positive during the year, reaching INR 142 crores, reflecting disciplined working capital management, stronger cash generation and a structurally improved business model. Thank you.

With this, I hand it over to Mr. Srinivasan Gopalan – our CEO of the Company, to give you

operational highlights for the quarter.

**Srinivasan Gopalan:**

Thank you, Bhavik and Ronak. Good afternoon, everyone.

**Coming to the operational highlights for the quarter under review:**

Our Contract Manufacturing business scaled strongly during the quarter, with revenues growing 169% year-on-year. Volumes delivered increased 91% year-on-year to 11.29 lakh metric tons in Q4 Financial Year 2026. We also saw capacity utilization improvement to 50% from 39% in the corresponding quarter last year, reflecting better throughput and improving operational efficiencies across manufacturing operations.

Another important highlight during the quarter was the strong traction in asphalt, which is our newly launched product category. Revenues from asphalt increased to INR 30 crores in Q4 2026, growing 88% sequentially.

More importantly, active customers in this category nearly doubled during the quarter to 28 customers, reflecting strong customer acceptance and rapid market penetration. Our DAAS, Developer-as-a Service, business also continued to scale well during the quarter. DAAS revenues stood at INR 36 crores in the quarter, registering a growth of 264% year-on-year and 61% sequentially, driving by strong project execution and increasing adoption of our service offering.

Overall, we believe Aris is steadily evolving beyond a traditional construction materials business into a scalable network-led platform where technology, execution capability and ecosystem relationships together create long-term value and sustainable growth. Thank you.

**Moderator:**

Sir, shall we open the floor for Q&A?

**Ronak Morbia:**

Please.

**Moderator:**

Thank you very much. We will now begin the question-and-answer session. Ladies and gentlemen, we will wait for a moment while the question queue assembles. The first question is from the line of Disha from Sapphire Capital. Please go ahead.

**Disha:**

Thank you so much for this opportunity. A couple of questions from my side. Firstly, sir, we have seen the Contract Manufacturing segment has seen huge growth. How do you see the overall mix evolving in FY27? What sort of percentage share are we targeting for Contract Manufacturing and the Services segment?

**Ronak Morbia:**

Yes. If you see historically from FY25 to the last year that we closed, we have grown almost 2x in both the segments. And now the Contract Manufacturing segment contributes to almost 47% of our annual revenues and Services about 9%. We have repeatedly mentioned that going forward,

for the next maybe three to five years, the focus is always going to be on Contract Manufacturing and Services. And we believe that the numbers that we have delivered today will be sustained and we are confident that we will be able to improve the utilization even further, thereby improving the contribution from Contract Manufacturing as well. Services, on the other hand, is lower revenue, but we are very confident with the kind of projects that we have under execution that we will be able to add meaningfully and improve that contribution in the next 12 months as well.

**Disha:** So, can we expect around 55% to 60% sort of revenue share from Contract Manufacturing in this 9% that we have reached for Services, can this inch up to 10% to 11%? Will that be a fair assumption?

**Ronak Morbia:** I think it would be a fair assumption. We will be looking to target about 55% to 60% contribution from Contract Manufacturing and Services I think somewhere around 9% to 10% that we have really maintained historically as well.

**Disha:** Okay, okay. That's very good to know, sir. So, suppose if we were to take that mix and assuming it's a 40% sort of growth, can we target INR 100 CR PAT for FY27?

**Ronak Morbia:** Well, it will be hard to actually put down a number to it, but historically in the last year itself, we have grown 10x in terms of PAT. It's important to understand how we will achieve and what are the reasons that we will achieve. There are three key reasons for it. One is the model that we operate on we keep our costs significantly under control because the entire business is managed to the tech platform that we have developed, and that keeps the dependency on human workforce to a minimum, and that is why you have seen a significant amount of growth in PAT in the last year. The improving contribution from Contract Manufacturing and Services definitely plays a part, and more importantly, working capital, which is a significant area that we continuously focus on, and with a reduced number of days in terms of 44 days this year itself, that definitely helps us improve our profitability as well because we are able to churn the cash more. So, hard to put a number on it, but yes, we will be looking to compound the PAT in terms of revenue as well.

**Disha:** Okay. Fair enough, sir. And sir we have seen a sharp increase in other expenses in the 4th Quarter, and gross margin I think also were affected a bit. Could you please elaborate a bit more on why do we see this sharp increase in other expenses?

**Ronak Morbia:** Yes. So, that is mainly due to the expected credit loss that we have taken. Usually, we like to do that at the end of the year. We have taken an additional expected credit loss of about INR 5 crores. This is in line with taking a more conservative approach in terms of the receivable risk that we generally take in our balance sheet, and that's something that we did not take for the first three quarters, and we have taken a more conservative approach, and that is why you see a

spike in other expenses.

**Disha:** And also, in terms of interest costs, we have seen the debt reducing significantly, but our interest cost has increased. So, what will be the reason for that?

**Ronak Morbia:** The interest cost has reduced, but as a strategic move, we have started now getting access to working capital limits. We got a INR 30 crores sanction from one of the banks, and this is what we have mentioned before also that we will be going for about INR 100 crores to INR 150 crores of working capital facilities. The interest cost is not more of a concern for us because it is more of a strategic move. We are in the business of funding the bridge between payables and receivables. This is not long-term structured debt. We don't need capital to grow, but we need this working capital facility to actually bridge the gap between payables and receivables. So, this year, FY26, we had quarter one of interest cost, which was before the listing period, and that is why it was high. So, when you see the annual interest cost, it is on the higher side because of the higher debt that we had before the listing.

**Disha:** That's very clear. Thank you so much, and I wish you all the best for the future.

**Ronak Morbia:** Thank you so much.

**Moderator:** Thank you. Next question is from the line of Darshil Jhaveri from Crown Capital. Please go ahead.

**Darshil Jhaveri:** Good morning, sir. Thank you so much for taking my question. Firstly, congratulations on a great Q4, sir. I just wanted to understand, in terms of seasonality, is H1 and H2 similar for us, or because of monsoons, how does that impact our seasonality?

**Ronak Morbia:** How we look at our business is slightly different. It's more of a strategic move than seasonality. H1 usually is a little slower. H2 is higher, but that is more of a strategic move. That is how we would like to operate as well. We like to push during the second half where the construction activity is at its peak and when the cash flows are stronger than the H1 period. So, the monsoons don't really affect in terms of the demand or supply because the construction activity is on, and compared to that, our scale is relatively small. It's almost negligible as compared to what kind of construction activity happens around, but you could say it is more of a strategic move.

**Darshil Jhaveri:** Okay, fair enough, sir. I just wanted to understand in terms of our FY27 target in terms of revenue and EBITDA, do we have any guidance for that, sir?

**Ronak Morbia:** We grew about 40% last year in terms of revenue, and we have historically mentioned that we will be looking for 40% growth for the next two years. So, yes, the projected revenue growth is

about 35% to 40%. EBITDA will grow significantly mainly because of the costs that I mentioned will be in control with respect to the revenue growth that we will see, mainly because of the direct cost or the biggest cost component that will be in control.

**Darshil Jhaveri:** Okay, EBITDA will also improve. Fair enough. I just wanted to know, last year Q1 we had around 8% to 8.5% margin. So, right now, we will see improvement quarter-on-quarter, right? I just wanted to know because in Q3 we did around 11%, and now if I exclude the INR 5 CR provisioning, we would be nearly at that same level in Q4 also. So, I just wanted to understand, Q1 also margins will be steady state, right? Like our 11% margin is something that we can normally expect from you all around the year, right? Or will there be some chunkiness towards H2 more?

**Bhavik Khara:** No, so we would maintain an EBITDA of around 10% to 10.5%. That is our sweet spot, and we will keep our consistent growth and numbers in the area.

**Darshil Jhaveri:** Okay, fair enough.

**Bhavik Khara:** Also, like you said, that INR 5 CR that you removed, right? That is a fair assumption, that is counting factor. After removing that, we are at 10% to 10.2%, and we will maintain that.

**Darshil Jhaveri:** Okay. fair enough. So, I just wanted to understand, like in terms of this war and power crisis, are we seeing some kind of maybe slowdown in construction? Or do we have the pricing power in terms of raw materials, how does that work? Is it impacting our business, when we deal with the Contract Manufacturing, do we have the ability to pass on the extra cost if everything is increasing? How are we secured on that front?

**Ronak Morbia:** To be honest, not much of a material impact. The model itself is designed in a way that the larger it becomes, the more the transactions, the more the cost benefit, and the more the profitability. And that is actually what differentiates us from a traditional trading model as well. So, economies of scale is something that we have started to extract. And as we go further with our costs being under control, we will see a good amount of improvement in profitability. And also, yes, a good amount of volume discounts in terms of raw material pricing as well.

**Darshil Jhaveri:** Okay, fair enough. That's it from my side. So, thank you so much, sir. All the best. Thank you.

**Moderator:** Thank you. Next question is from the lineup. Nirav Shah from GeeCee Holdings. Please go ahead.

**Nirav Shah:** Yes, good afternoon, sir. And congrats on a decent set of numbers. What was heartening was the balance sheet that we reported in March. So, congrats on that, sir. Sir, two questions. Firstly, it's on the trade vendor receivables. We have seen a large increase in FY26, maybe

because we are tying up more capacities for our Contract Manufacturing growth. Just in terms of some guidance, how much can this current vendor base, can achieve the revenues? Because Contract Manufacturing, that particular portion, how much can it grow on this current asset base? And second question on this is, what are the plans for this particular year, FY27? So, the new vendor base will be for newer geographies only, or we are looking for expanding the existing geographies also?

**Ronak Morbia:**

Yes. So, currently the trade deposits that are deployed for securing the capacity and also a newer model that we entered into, which is securing demand for the next five years, and we started with a multi-year long-term contract with a Company like Capacite Infraprojects. So, these deposits are actually deployed for that. It gives us predictable revenue, not just for this year, but for the next five years. With respect to the numbers with the current asset base, we have about 9 million metric tons of offtake annually. That's about INR 900 crores to INR 1,000 crores of material capacity on an annual basis, which itself is about INR 4,000 crores to INR 5,000 crores for the next five years. And add to that the INR 800 crore of contract that we recently signed with Capacite that gives us that predictable revenue as well. And we are in the process of exploring more contracts, and we will be announcing them soon. So, the current asset base actually gives us a revenue predictability of more than INR 6,000 crores for the next five years. And secondly, in terms of geographies, with the current vendor base that we have, the current manufacturing partners, it is always going to be a much more stronger strategy to expand our reach and to improve more and more in the regions that we are present, and to actually enter into more and more projects and increase our wallet share with the customers present in those regions.

**Nirav Shah:**

With the INR 500 crores of Contract Manufacturing revenue that we did in FY26, on a 9 million ton of Capacity contracted, it can go to what, on just this current tie-ups? You give a five-year, six-year cumulative number, but I just want an annual number that can be maxed out on this. How much can you expect from this?

**Ronak Morbia:**

So, the annual number that I mentioned, we will be looking to reach a peak utilization of more than 75% to 80% in this financial year itself.

**Nirav Shah:**

And on a revenue basis, because it's a mix of all commodities and pricing is different.

**Ronak Morbia:**

Yes.

**Nirav Shah:**

So, if I just add all the top line, it can be INR 700 crores, INR 800 crores on the current asset base of how much?

**Ronak Morbia:**

Absolutely correct.

**Nirav Shah:** Okay, fair point. And how much vendor deposits are we targeting to make in FY27? So, Last number was around INR 160 crores.

**Ronak Morbia:** Correct. No, that's absolutely correct. And we will look to increase more capacity every quarter. And we will look to maybe invest another INR 25 crores to 50 crores this year also. What we believe is that it is imperative to depend less and less on spot transactions and improve our capacity so as to secure the supply capacity because we are in that journey of getting higher demand from very large contractors and developers. We believe that we have achieved something with far less capital, which other companies have been doing by investing a heavy sum in manufacturing facilities. So, this is the real advantage and differentiator of our model. And these are all refundable, recyclable within a specified period. So, we will look to invest more in this financial year, maybe about INR 25 crores to 50 crores, depending on the opportunities that we get.

**Nirav Shah:** Got it. And just a second question is on our chunky receivables. We are doing a good job collecting those overdue receivables. So, what is the outstanding balance? And will we see complete recovery in FY27? That's the second and last question. Thanks.

**Ronak Morbia:** Yes. I would like to answer that with respect to the total receivables as well. If you look at our revenue, we have grown by about 40%, but our receivables has grown only by about 25% to 27% overall. So, we have outpaced the collections in terms of revenues. The 180-plus number, the stuck receivables, now are in the range of about INR 40 crores, INR 42 crores, and we expect a significant amount of recovery in this financial year. So, yes, we have been doing fairly well in terms of recovering the stock receivables and significantly well in terms of the active receivables, that is the active business under review.

**Nirav Shah:** Got it. Great. So, congrats to the team and all the best. Thank you so much.

**Moderator:** Thank you. The next question is from the line of Love Gupta from Counter Cyclical Investments. Please go ahead.

**Love Gupta:** So, I am actually new to the Company, so I was just seeking a couple of clarifications. So, our Services order book, is that the GDV or is it the material supply plus our fee revenue?

**Srinivasan Gopalan:** It's the material supply plus the fee revenue. So, what is the top line for us? So, it's not the GDV of the client.

**Love Gupta:** All right. And second, on Slide #29 of the Investor Presentation, you say that you have infused some working capital investments in these projects. So, can you throw some light on that and what sort of investments are we looking to make on the Services side?

- Srinivasan Gopalan:** So, basically, sir, these are some small working capitals that are required from time to time. So, nothing significant on that portion. So, going forward, we have tied up for our GDV order book. The GDV is around INR 2,000 crores. So, every quarter, we will be looking at investing, I mean, small amounts in order to secure projects. So, we will be at around 10% of the total turnover is what Ronak and Bhavik have also given the guidance. So, we will be on track with that.
- Love Gupta:** All right. And so lastly, as we increase our Contract Manufacturing and Services business, can we expect margin improvement over the next two, three years or are the current numbers sustainable long-term margin trajectory? So, sir, I mean, yes.
- Srinivasan Gopalan:** Yes, Ronak, you take it.
- Ronak Morbia:** Yes, I think the current numbers, they are sustainable and that is going to be the focus area going forward. However, we will definitely look to increase our focus on the two very important segments that we have and try to improve profitability. But just to reiterate, we will be looking to sustain the numbers that we are already clocking.
- Love Gupta:** All right. Thank you so much.
- Moderator:** Thank you. Next question is from the line of Urmish Shah from Moneywisers. Please go ahead.
- Urmish Shah:** Yes. So, my first question is on the net working capital days. We have seen a very good improvement in that. So, could you just highlight the reasons and is this number sustainable going forward?
- Ronak Morbia:** So, if you look at our networking capital days, we started with about 120 days, at the time of filing our DRHP. We are sitting at about 66 days today. So, this has not happened overnight or it is not a function of getting lucky for one quarter. This model was always designed in such a way that at a particular scale, at an inflection point, the model becomes more and more capital efficient. If you look at the last three quarters, we have been significantly improving in terms of the working capital efficiency, and the number of days has come down to about 66 currently. So, yes, we believe that while growing, improving your net working capital days is a definite improvement or maybe a validation of the model that we have. And we believe that while we grow forward in the next few quarters, we will be able to, at minimum, sustain this number and definitely look to improve as well.
- Urmish Shah:** Okay. Got it. So, on Asphalt, could you just explain the thought process of entering a new category and the pricing structure and how much margins are we able to clock on that? Obviously, I know it's very new, but if you could just give a color on that.
- Ronak Morbia:** Sure. Since the beginning when we started this Company, the focus was always on this segment,

which is very, very complex, but really the backbone of India's growth story, construction materials. And we were always looking for complex categories where there was a certain value-add, not just in terms of adding value to customers, but also to the suppliers as well. And Asphalt falls in line perfectly with this kind of thesis. If you look at this product, it is not just about delivering the material. It is actually about the entire execution and laying of the Asphalt. If you look at any road activity today, most of these have multiple layers of aggregates, which is actually our core product. And then there is this final layer of Asphalt, which adds to the portfolio that we already had. So, we are present across the value chain of constructing any road project today in India, and it is a very skilled, execution-heavy segment, and it is a very niche segment where there are not many players who are doing this on a very large scale. So, it was a perfect fit to the strategy that we have as a platform, and that is the reason why we decided to enter this segment. On the margins, we have seen historically with the partner that clocking about 18% to 20% net profit is very much possible, and the working capital is also significantly under control. And the primary target market is all the big infra companies. So, these were the reasons why we were very excited to actually partner with the manufacturer and get this on board.

**Urmish Shah:** Okay. So, then how are the contracts aligned? It's almost similar as aggregates, because road projects may get hampered for some reason or the other. So, how are the contracts and how are we safeguarded if there is a delay?

**Ronak Morbia:** Yes. So, it works very similarly to how aggregates work, but the only difference being that in terms of stone aggregates, when we supply, it is just a delivery model where you just deliver the materials and the work is completed. With respect to asphalt, it is not just about delivering, but it is also about execution, which is basic layering of the material. That is the only difference. Apart from that, not much liability as a platform or as a partner who is into the supply and execution of materials. So, it doesn't work as a typical EPC contract. It is still a supply contract.

**Urmish Shah:** Okay. So, on Contract Manufacturing, we have improved our utilization to 50. What is the optimum number that you cater to and you see for targeted revenues going forward?

**Ronak Morbia:** So, if you look at our utilization and that to just the 4th Quarter, at an annualized rate, we are well above 65% to 70%. In terms of the annual number, the contribution is about 47%, because it has been growing steadily over the quarters. As mentioned earlier, this year we will look to hit a peak utilization of over 75% to 80% or even more. We have the supply, we have the demand, and we are just now looking to add more customers and increasing our wallet share with existing customers as well.

**Urmish Shah:** What is the current wallet share, if you could just--

**Ronak Morbia:** It is a mixed bag, right from the top most customers where we actually contribute to maybe

somewhere around 25% to 50% of their demand to then going to maybe about just 5% to 10% in terms of companies which are very, very big. So, it is a mixed bag, hard to put a number, but wherever we are, we are looking to kind of increase our wallet share with all of these customers.

**Urmish Shah:** Sure. So, that helps. I will join back. Thank you.

**Ronak Morbia:** Thank you.

**Moderator:** Thank you. The next question is from the line of Giriraj Daga from Visaria Family Trust. Please go ahead.

**Giriraj Daga:** Yes. Hello team. One clarification, did you mention that INR 5 CR Contract Manufacturing asset base can give INR 6,500 crore revenue over the cumulative five years?

**Ronak Morbia:** No, sir. The total deposits that are deployed, which is in the range of let's say about INR 200 crores to INR 250 crores, is the asset base which will give us about INR 4,000 crores to INR 4,500 crores and the contracted revenue model, example, is the Capacite contract that we signed, which is about INR 800 crores for the next five years. And that is also added as a separate revenue predictability on top of that. So, that actually gives us, and then you add the Services segment as well, the fee income plus the cross-selling of materials, all put together, gives us a revenue predictability of around INR 6,000 plus crores in the next five years.

**Giriraj Daga:** Okay. Second, you made about INR 450 crore of deposit in the customer as well as vendor cumulatively. First of all, is this interest-bearing?

**Ronak Morbia:** No, these are not interest-bearing. These are actually long-term refundable deposits linked to multi-year Capacity contracts. Accounting standards require us to discount them upfront and then recognize the impact over the life of the contracts. These are basically recognized as financial instruments. And accordingly, based on this, there was about a INR 5 crore of non-cash unwinding income recognized during the period, which has resulted in higher other income, and you will see that in the Quarter 4, and a corresponding impact on EBITDA. And that is why you will see that the reported EBITDA is down by about INR 5 crores because of this, because they were recognized as financial instruments. The related cash flows continue to be reflected under investing activities given the long-term nature of these arrangements.

**Giriraj Daga:** Okay. So, just a thought process, like, it's not part of other income or other operating income, because that's the business nature of the income, right?

**Ronak Morbia:** Yes, so it is basically based on the accounting standards. And because these are recognized as financial instruments, non-interest-bearing, they are discounted at current value, and then

there is operating income at play, and then there is a present value discount, which is taken as expense. So, the net effect is minimal at PAT level. But these are all non-cash.

**Giriraj Daga:** Last thing. You mentioned INR 25 crores to INR 30 crore investment in Contract Manufacturing when there are deposits. Are you including customers also? Because I saw the number of INR 162 crores and INR 88 crore this year. So, INR 250 crores will grow by how much, let's say, each year, next two, three years?

**Ronak Morbia:** So, the INR 250 crore is a combination of all these Capacity deposits and the contracted revenue model that we entered into. And this itself, in the next five years, is going to be about INR 5,000 plus crores. This year itself, it should be about INR 1,000 crores.

**Giriraj Daga:** How much will you invest more? It's like a car cash outflow will be what?

**Ronak Morbia:** So, as I mentioned earlier, we will be looking to invest about INR 25 crores to INR 50 crores, but it all depends on the kind of opportunities that we get. The recent being the Asphalt opportunity, which was very exciting. So, we are continuously in the lookout for more and more opportunities.

**Bhavik Khara:** So, sir, to your question, combination of both customer and vendor, the INR 25 crores to INR 50 crores, customer and vendor, not just one side.

**Giriraj Daga:** Okay. Sure, thank you.

**Moderator:** Thank you. Next question is from the line of Ankur from Gen Capital. Please go ahead. Ankur, your line is unmuted.

**Ankur:** Yes, just to confirm, just to confirm, there is no commodity price risk on you guys, right? Whether it's asphalt or normal real estate?

**Srinivasan Gopalan:** Yes, absolutely not. Nothing at all.

**Ankur:** And second, just to understand, let's say Capacite gives you an order. Compared to Capacite, how much do you guys are able to save given your scale on procurement in percentage terms?

**Ronak Morbia:** That would actually be getting all the trade secrets, but what we have realized is when we started our journey with not just Capacite, but other companies as well, we were making fairly less gross margins. And in about five years, because of the volume purchases that we have been doing, the growth that we have seen, we have enabled us to get higher volume discounts, the prices that I would believe that nobody else would get in the market.

**Ankur:** And do you see yourself offering this service to more infrastructure contractors, someone making the metro stations and all that?

**Ronak Morbia:** Absolutely, yes. It is a model that is designed not just for real estate developers or contractors, but for infra contractors as well. In fact, we definitely did receive a few inquiries from more bigger contractors after we announced Capacite. So, yes, we have enough visibility in the market. The model definitely adds a lot of value to these customers because they get predictability not just for one order or a month, but they actually get predictability for the next three to five years. So, that's a real value add for them. And this is what this industry is now slowly understanding and getting used to as against depending on spot transactions.

**Ankur:** Then strategically, does it make sense to get into other adjacencies like construction chemicals or something like paints? Does that make sense for you guys?

**Ronak Morbia:** We are already present in construction chemicals. However, it contributes just to about 2% to 3% of the revenue. We are not big believers as a Management in diversifying a lot in terms of product categories. We believe that the top 5 to 6 raw materials in India today, the demand for themselves is thousands and thousands of crores. And relative to that our scale is negligible. So, we believe that complex materials, materials that are harder to source, materials that are harder to get on time, materials that are very, very non-transparent in terms of pricing actually give us a much better margin profile and a much better dependency on the customers and vendors on us. So, that is what we will look to.

**Ankur:** Yes, see, the point I am trying to understand is, if I look at tiles, given the gas shortage, a lot of Morbi guys struggled. But now, given your scale, can you go ahead and do that same stuff in, for example, tiles?

**Ronak Morbia:** Yes, as a model, we definitely can. But as a strategy, we haven't tried that. We would like to concentrate on the key raw materials. There are multiple reasons to it, more business than actually financial. And that's something that we plan very well as Management, where we want to enter, which geographies, which products, and how fast we can grow and what is the working capital cycle looking like in that particular region. So, that's going to be more important than just kind of getting into any product category.

**Ankur:** Fair enough. Again, let's work with 40% growth. I guess similar margins will give you INR 100 crore PAT this year, let's say another INR 140 crores next year. So, what kind of operating cash flows will, let's say, INR 100 crore PAT this year or INR 140 crore PAT next year give for FY'27 and FY'28?

**Ronak Morbia:** Yes, we would not like to give hardcore numbers, but yes, the numbers can be derived based on the revenue growth that we are going to project. Important to note, we have turned the cash

flow from operating activity positive this year, and it's about INR 140 crores, which actually is validated by the business model that we have. We genuinely are at an inflection point where whatever we did for the last three to five years, the foundation that we built, the diversification we did in terms of customer profiles, in terms of product mix, in terms of getting the technology to give us all of the data that is available real time and to make much more informed decisions and to actually improve our credit structure, credit management, and credit exposure, which is a big part of what we do. That has significantly contributed to the PAT, and we believe that if these underlying factors remain fundamentally stronger, we will be reaching those numbers that you have mentioned, and we will be staying cash flow from operations positive.

**Ankur:** Just let me rephrase. Can you give us some color on your OCF-to-PAT ratio that you guys think you can achieve in this financial year and next financial year? I am not asking for the number.

**Ronak Morbia:** Ratio. I mean, currently we are at about 1:2, somewhere around that, and I think the next year we will be looking to be somewhere around 1:1.5 maybe, but that's something that we will look to sustain this kind of a ratio as well going into the future.

**Ankur:** And do you think, let's say, sometime end of H1, you will have some color, or how do you want to use that surplus cash generated?

**Ronak Morbia:** We are at a growing stage. The model, we haven't really pivoted from the core model that we have in the last three to five years. We would like to stick to that, so the excess cash generation will go into investing in capacities, and there are a lot of opportunities in terms of increasing the capacity also in the Services segment where we can actually secure our business for the near term. So, that's something that we will look to do when it comes, but yes, the primary focus right now is to actually improve our capacity, increase our capacity as we move forward because we like to have predictability for the business for the next three to five years.

**Ankur:** Okay. All the best. Thank you.

**Moderator:** Thank you. Next question is from the line of Udit Sehgal from PinPoint X Capital. Please go ahead.

**Udit Sehgal:** Yes. So, congratulations on a good set of numbers. We are talking about a 40% kind of growth, say, for FY27 and '28. So, being a platform business, do you see any operating leverage coming in? You have been talking about the fixed costs going down and managing the costs. So, do we see the EBITDA growth will be higher than the revenue growth in percentage terms?

**Ronak Morbia:** Yes. If you look at FY26 as well we have grown in terms of EBITDA margin in terms of percent mainly because our costs have been in control, and we have been mentioning this in our previous earnings calls as well, that being a platform, having technology at its core to run the

operations, our dependency on the biggest cost center is relatively less, and while we grew 40% in terms of revenue, our actually biggest cost center didn't grow linearly, and that is what we expect going forward as well. So, yes, to answer your question, more of the gross margin will flow into EBITDA and eventually into PAT as well. Okay.

**Udit Sehgal:** So, we can expect a higher percentage growth in terms of EBITDA and PAT?

**Ronak Morbia:** We will look to first sustain a (+10%) EBITDA margin, and we will look to improve that even further because we expect contribution improvement from Contract Manufacturing and Services as well.

**Udit Sehgal:** Okay. And in our last interview on television, we had mentioned that we have a visibility of a lot of orders in pipeline in the 1st Quarter, and we would be able to do the whole year's booking and that. So, I mean, could you give some color on that? Like what's the near-term pipeline is looking like?

**Srinivasan Gopalan:** Yes. So, sir, that was me in the interview. Q1 is very, very crucial for us. In Q1, we will tie up most of our business for the entire year, and in the last few days, you must have seen some of the announcements like the Wadhwa deal, Capacite deal, and very soon you will hear a few more. So, our aim is in Q1, we should be able to predict around 85% to 90% of our top line and similarly of the bottom line as well. So, that is where we try to be different. We want to secure the entire year in Q1 itself. That's our first five overs of the IPL match.

**Udit Sehgal:** Great, sir. And looking at the orders, like a typical order execution timeline is what, like two, three years?

**Srinivasan Gopalan:** So, sir, typically, if it's a DAAS project, we generally do projects which get executed between 12 to 24 months. And now, with the model that we have chosen, like the Capacite deal that we have done, we like to secure our procurements orders for close to four to five years. So, that's how typically the procurement side and the DAAS model works.

**Udit Sehgal:** So, as you are procuring, you are getting the new orders, it's giving you visibility not just for this year, but for the next maybe two or three years as well?

**Srinivasan Gopalan:** Absolutely. As far as DAAS projects are concerned, we know very clearly which material is required when, what are the BOQs, and so on and so forth. As far as these revenue projects are concerned, like Capacite, we have secured our revenues for the next five years. We are actually a part of their annual operating plan. We are one of the largest partner vendors for them. And we know which projects the materials are going, so that gives us complete visibility on the backward integration for us to plan where to secure from, how to secure from, and what price to secure from. And there is complete predictability in the business.

**Udit Sehgal:** Sir, on the raw material front, like whatever the raw material cost would be inflated, I would assume there are pass-throughs on the manufacturing side?

**Srinivasan Gopalan:** Sorry, I didn't get your question.

**Udit Sehgal:** I am sure there must have been raw material inflation, sir, because of the Iran war. So, are these costs like a pass-through on our sales?

**Srinivasan Gopalan:** For us, it is a clear pass-through. Our business model is such, if steel is sold at 90,000 and if the market is at 95,000, so for us, it is a complete pass-through. We have seen steel at 40, 60, 90, but that does not really impact our profitability.

**Udit Sehgal:** Great, sir. Thank you, investor. Thank you so much.

**Moderator:** Thank you. We will take our next question from the line of Sumit Singh, an individual investor. Please go ahead.

**Sumit Singh:** Congratulations for a great set of numbers. Pardon me for my simple question, but I wanted to understand, what's the vision for the Management for the next three years, four years? We are a product of DAAS. We have now ventured into Asphalt. Are we actively looking for new categories or thinking of doubling down on the segments we are already in? That would be my first question. Second one I will ask afterwards.

**Ronak Morbia:** Yes. So, thank you for the question. With respect to the vision, if you look at the Indian construction industry today, it is a humongous industry, lakhs and lakhs of crores of projects, and the biggest component being materials. So, we set out to build an operating layer for this construction industry, which no one has ever built. This operating layer, which actually keeps the entire supply chain together, that was the vision, and that is still the vision. In terms of how we will achieve this and what would be the strategy? Yes, we will look to double down on the categories that we are already doing, because we haven't scratched the surface till now, even with this scale. And with newer product materials like asphalt, or maybe the more exciting DAAS vertical that we have, which has grown more than, I would say, about 10x, 15x in the last three years, is something that is gaining a lot of traction, and we have identified a new category in itself, which has real demand in the Indian market. So, the vision being simple, to create that operating layer for the Indian construction industry.

**Sumit Singh:** My second question is I think this applies to large EPC companies. I wondered, why can't they backward integrate? Is it due to economics of scale, or we as a Company have advantages or some modes that not easily, even if large EPC companies can't integrate? And secondly, what is the competitive landscape?

**Ronak Morbia:** Sorry, your voice is pretty low. I can't hear you clearly.

**Sumit Singh:** Can you hear me now?

**Ronak Morbia:** Yes, I can, yes.

**Sumit Singh:** Okay. Secondly, I wanted to understand, I see we supply to large EPC companies, why can't they backward integrate and get into contract supplies as we are with small manufacturers? Is it because of economics of scale that we have achieved or some other reasons? Secondly, sir what's the competitive landscape? Are there any other companies which are operating in a similar model as we are? Thank you.

**Ronak Morbia:** Yes. So, on the question of integrating the supply chain themselves, in fact, it's an interesting question. This is what was happening before companies like Aris existed. It was happening directly. There were a lot, maybe hundreds of bilateral relationships existing between the vendors and the customers. The real challenge or the challenge that has existed for many, many years now is the working capital issue. Suppliers want money early. Customers pay late. There is money stuck in the middle. But more importantly, there is no predictability of cash flows. And when there is no predictability, the materials don't arrive on time. And because all of these projects are limited duration, their demand is fluctuating, suppliers cannot actually adjust or tune to this kind of fluctuating demand, that is where platforms like Aris actually come into existence and add a lot of value not just on the demand side but on the supply side as well. So, in very simple terms, what we do is we create that single relationship between all of these vendors on the one side and all of these customers on the other side, and we bring predictability to cash flows, to material planning, to production planning. And that is why we are able to kind of generate higher returns as you see in our performance as well.

**Sumit Singh:** And, sir, any light on competitive landscape? Like, are we the only Company who is thinking the way we are operating?

**Ronak Morbia:** So, if you look at our business model, it is unique in terms of the different segments that we have combined. We are into supply, we are into Services, and we operate through technology. That is a very unique combination that is present in India today, and that is why you would see that it's just not supply of materials, but it is about the execution or the operating layer that we are building that is solving most of the problems, and we are present across the value chain. In terms of competitive landscape would not like to comment more on the competitors, but the business model today, the moat really is the relationships, trusting the customer, trusting the vendor, and the trust is on both sides, and this does not happen overnight. It takes years to build, and once you are able to do this on a very large scale, as you see with us, 3,000-plus customers to date, 2,000-plus vendors, the business compounds itself. So, this is where we are, and we believe that we are in the right direction, and we will be looking to grow this network in

the coming few years as well.

**Sumit Singh:**

All right, sir. Thank you so much, and all the best for the coming years.

**Ronak Morbia:**

Thank you.

**Moderator:**

Thank you. Next question is from the line of Darshil Jhaveri from Crown Capital. Please go ahead.

**Darshil Jhaveri:**

Thank you so much for letting me ask a question again, sir. So, just, like, a harping from our last participant's question in terms of competition, just wanted to know there are there's some, like, Shankara is there, right? So, is that, for them, is it easy to come into this place there will be more kind of like a mart type, what we can offer? So, what is the difficulty if a big group comes in, then they want to start doing this? How difficult would it be to replicate us, sir?

**Ronak Morbia:**

That's what I want to understand, sir. I think it's more important to understand what we have built with respect to the business models specifically focusing on the large infra contractors and developers across the country. These are not hardware tools that we sell, or it's not a supermart, or anything of that sort. The moat here is execution. It's not the product portfolio. When we get into execution, we take bulk orders. Sometimes the purchase orders can be in excess of INR 50 crores to INR 60 crores as well, which is continuous supply for the next maybe six months. So, we are into a different segment. It is the more serious segment. If you look at the technology that we have built, we have been mentioning about it we have been building this in the last five years. If you look at this business, demand generation is fairly easy, but managing the operations and actually execution of, let's say, the thousand crores of revenue that we did is fairly tough, and the dependency on human workforce increases as you scale. This is what we wanted to solve for, and that is exactly what the infrastructure that we have built solved for us. Today, we are handling about 800 deliveries per day. We are handling thousands of documents. Last year itself, we digitized about 6.5 lakh documents, and we have reached a point where we are creating automated entries using AI just by clicking a picture of a delivery chalan, and that is something that is unheard of in this industry, and this is the kind of change that we are bringing to a traditional model where it was dependent on a large workforce, a lot of phone calls, a lot of different mediums of communication to execute the business, and third and the most important segment is services. So we are ahead, we believe, in terms of what we have built because it will take this kind of investment, this many years of investment, and this kind of experience and the legacy behind the management to build what we have built in about five, ten years.

**Darshil Jhaveri:**

Okay, fair, fair enough. And just last question, like when I was going through a presentation in terms of tech culture, you developed something very exciting stuff. So, is that just used in-house, or are we ever looking offering this also as a solution because a document the

digitization process can be used by a lot of other players in just our industry. So, are we ever looking at that, or is it just mostly for internal use, sir?

**Ronak Morbia:**

Absolutely. We are as much excited as you thought we would be about developing this platform because it's really not just about punching in orders. It is really about running the business, operating the business through technology. As of now, our entire business now is running through that piece of technology. There will be an option to kind of open it up to customers and vendors, but we don't look at this as a pure SaaS model where we will be selling the program that we have built. But more importantly, it is going to be a hook for the customers and vendors to start transacting with us because the kind of efficiency that it actually gives to on both the sides is very, very significant when you are actually factoring the large number of SKUs, the product complexity, the non-transparent pricing, and the credit exposure that we take. So, yes, it's more of an internal use as of now, but we will open it up for the customers and vendors in the near future, not to sell the platform, but to maybe get into a subscription model or a transaction fee that we will look to do in the future. But this is just a part of the strategy as of now.

**Darshil Jhaveri:**

Okay. Well, that's it from us. Thank you so much, sir. All the best. Thank you.

**Moderator:**

Thank you. Next question is from the line of Kushal Kasliwal from InVed Research. Please go ahead.

**Kushal Kasliwal:**

Yes, hi. Thanks for taking my question. Sir, in your press release, I have seen on Page #3, we have mentioned that we plan to target new categories including tiles, plumbing, electrical, and sanitary ware. So, who will be the typical customers here, real estate guys, and how large can this portion or this part of business can become in the next two to three years?

**Ronak Morbia:**

Right now, all of these materials are actually factored in in other materials which contribute to about 15% to 20% of the overall revenue. The real target market for this is real estate developers and contractors, as you mentioned, and these can be of different sizes as well. We believe this category takes a little while to build. A lot of manufacturing partnerships need to be done. The products are differently handled when compared to the key raw materials, but some of these segments can be very exciting in terms of operating as a platform with all of these construction materials under one roof. So, yes, right now, the other material segment is about 15% to 20%, and we will look to sustain this number at a 40% growth, and from there on, we will see which of the verticals are very exciting, and we will look to kind of go in deeper with those materials.

**Kushal Kasliwal:**

Is there a private label opportunity here because most of the materials which you sell otherwise is more, what should I say, B2B in nature, but these materials are B2C, sometimes are also sold on the basis of brand. So, is there also some private label opportunity here versus some of the

other materials?

**Ronak Morbia:**

Yes. I mean, the opportunity is always there, was always there, with respect to the key raw materials as well. It is going from our own manufacturing plants, our partners, so technically these are private labels. It's just that you cannot package stones or concrete. The point with other materials where there is a private label opportunity, as the Management, we don't really focus on private labels, but actually the benefits that can be derived by having a private label brand, and as long as we are able to achieve that we don't really focus too much on establishing a category. We have realized that there are different contractors and developers in India they are actually brand agnostic. They are not actually particular about getting a particular brand. So, there are different kinds of customers available in India. It's not necessary to have a brand. In fact, our platform actually has all the brands that are available in the market. So, we will be brand agnostic with respect to that, and if there is an opportunity in the future, we will kind of look to enter as well.

**Kushal Kasliwal:**

Understood, sir. Thank you. Just my last question on the tech part, I think you were also alluding to how we are using technology in this sector. Can you give a broad picture of this is basically similar to a trading business where you have infused a lot of tech and kind of driving value. So, I mean, tech today has become in some ways commodity with AI and all that. People can build their own tech. So, I just wanted to understand, is this really a defensible kind of moat when we say that we are using tech in our operations and billing systems have become automated and there can be various layers to it. But just wanted to understand this in more detail.

**Ronak Morbia:**

Yes, I think, to be honest, technology is something that is experienced much better than explained, but I will try to explain it with an example. If you look at our business or any B2B business in India with respect to construction materials, and when there are 800, 900 deliveries happening on a daily basis from hundreds of manufacturing facilities to hundreds of customers, and that in different regions with different prices for each delivery, cost price, sales price, commercial terms, dynamic terms, and when you have to close deals with vendors on a daily basis, dynamic terms, manage the credit of customers, 700 actively that we are managing on a quarterly basis today, all of this becomes more of an operational issue, a scalable issue, if you are running operations manually. With technology at play, all of this becomes available at your fingertips real time, and when you have more data available, when you are able to manage such a complex business operation through technology, scalability is much more faster and much more efficient. So, it's not really in terms of technology when you compare us to any other Company in terms of demand generation, but it is really from operations perspective, and if you look at our scale, and if you look at our costs the operating leverage is already visible, and we expect this to improve even further when we go in the next two to three years.

**Kushal Kasliwal:**

Got it, sir. Got it. Thank you so much for your time. Thanks. Thank you.

**Moderator:** Thank you. Ladies and gentlemen, we will take that as our last question for today. I would now like to hand the conference over to the Management for closing comments.

**Ronak Morbia:** Thank you, guys, so much for joining the call, and I hope we have answered all your questions well and really looking forward to you guys becoming a part of the journey. Thank you so much, and thank you, everyone.

**Moderator:** Thank you very much. On behalf of Aris Infra Solutions Limited, that concludes this conference. Thank you all for joining us today, and you may now disconnect your lines.