

1Lattice



Construction equipment rental industry report

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GLOSSARY OF ABBREVIATIONS USED

S.No.	Abbreviation used	Full form
1	AMRUT	Atal Mission for Rejuvenation and Urban Transformation
2	ATMP	Advanced Therapy Medicinal Product
3	Bn	Billion
4	BS	Bharat Stage
5	CAGR	Compound annual growth rate
6	CE	Construction equipment
7	CEA	Central Electricity Authority
8	CEV	Construction equipment vehicle
9	ckm	Circuit kilometre
10	CO	Carbon Monoxide
11	CPI	Consumer Price Index
12	CY	Calendar year
13	E	Expected
14	EU	European Union
15	FDI	Foreign Direct Investment
16	FY	Financial year
17	GBS	Gross Budgetary Support
18	GDP	Gross Domestic Product
19	GFCF	Gross Formation Capital Formation
20	GVA	Gross Value Added
21	GW	Gigawatt
22	GST	Goods and Services Tax
23	HC	Hydrocarbons
24	IIP	Index of Industrial Production
25	INR	Indian rupee
26	IoT	Internet-of-things
27	IT	Information Technology
28	IWAI	Inland Waterways Authority of India
29	K	Thousand
30	km	Kilometre
31	kW	Kilo watt
32	Mn	Million
33	MAHSR	Mumbai-Ahmedabad High-Speed Rail
34	MIV	Maritime India Vision
35	MSME	Micro, Small and Medium Enterprises
36	NIIF	National investment and Infrastructure Fund
37	NIP	National Infrastructure Pipeline
38	NO _x	Nitrogen Oxides
39	NRSC	Non-road Steady-State Cycle
40	NRTC	Non-road Transient Cycle
37	OSAT	Outsourced Semiconductor Assembly and Test
38	PLI	Production Linked Incentive
39	PM	Particulate matter
40	PMGSY	Pradhan Mantri Gram Sadak Yojana
41	PN	Particle number
42	PPPAC	Public Private Partnerships Appraisal Committee
43	PPPs	Public-private partnerships
38	RC	Reinforced Concrete

39	RCS-UDAN	Regional Connectivity Scheme – Ude Desh ka Aam Nagrik
40	RRSK	Rashtriya Rail Sanraksha Kosh
41	SMEs	Small and Medium-sized enterprises
42	SHP	Small Hydropower
43	Tn	Trillion
44	US\$	United States dollar
45	WEF	World Economic Forum

EXCHANGE RATE TABLE

Year (FY)	Rs. Equivalent of one US\$	Euro equivalent of one US\$	Year (CY)	Rs. Equivalent of one US\$	Euro equivalent of one US\$
2015-16	66.33	0.88	2016	67.95	0.95
2016-17	64.84	0.93	2017	63.93	0.83
2017-18	65.04	0.81	2018	68.36	0.88
2018-19	69.17	0.89	2019	69.89	0.89
2019-20	70.49	0.93	2020	74.18	0.83
2020-21	73.20	0.85	2021	74.50	0.83
2021-22	74.50	0.86	2022	76.10	0.91
2022-23	80.32	0.96	2023	82.31	0.93
2023-24	82.59	0.93	2024	83.67	0.92

Source: X-rate Monthly average

1. Macroeconomic overview

1.1 Global macroeconomic overview

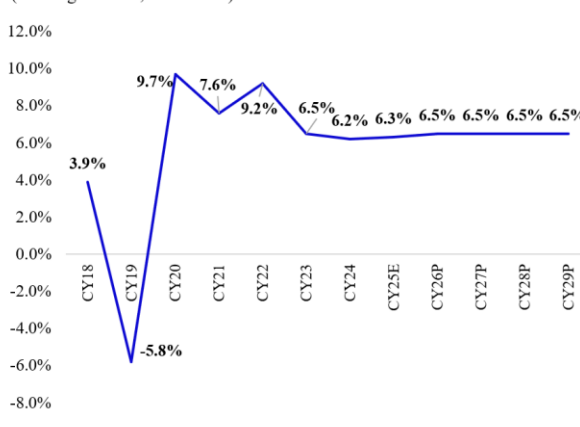
1.1.1 The global real GDP is expected to rise at a CAGR of ~3.1% from CY25-30, while India is expected to grow at ~6.4% from CY25-30

Global real GDP has increased by ~3% in CY24, despite challenges such as higher interest rates, tighter financial conditions, and geopolitical tensions, including Russia's ongoing war in Ukraine, escalating conflict in the Middle East and turbulent US-China relations with a trend of sanctions ranging from solar cells to computer chips. In comparison, India is projected to maintain the highest growth rate, with a year-on-year increase of 6.2% in CY25, expected to average 6.4% annually till CY30.

Real GDP growth – India, China, Germany, USA, UK, World
(Y-o-Y growth %, CY19-30P)

Top economies	India	China	Germany	USA	UK	World
CY19	3.9%	6.1%	1.0%	2.6%	1.6%	2.9%
CY20	-5.8%	2.3%	-4.1%	-2.2%	-10.3%	-2.7%
CY21	9.7%	8.6%	3.7%	6.1%	8.6%	6.6%
CY22	7.6%	3.1%	1.4%	2.5%	4.8%	3.6%
CY23	9.2%	5.4%	-0.3%	2.9%	0.4%	3.5%
CY24	6.5%	5.0%	-0.2%	2.8%	1.1%	3.3%
CY25E	6.2%	4.0%	0.0%	1.8%	1.1%	2.8%
CY26P	6.3%	4.0%	0.9%	1.7%	1.4%	3.0%
CY27P	6.5%	4.2%	1.5%	2.0%	1.5%	3.2%
CY28P	6.5%	4.1%	1.2%	2.1%	1.5%	3.2%
CY29P	6.5%	3.7%	1.0%	2.1%	1.4%	3.2%
CY30P	6.5%	3.4%	0.7%	2.1%	1.4%	3.1%

Real GDP growth – India
(Y-o-Y growth %, CY19-30P)



Source(s): International Monetary Fund, IILattice analysis

- **Population growth & expanding middle class:** India's growing population, especially the expanding middle class, is increasing and boosting consumer-driven growth. India's middle class is expected to reach 715Mn (61%) by CY47, from 432Mn (31%) in CY21.
- **Rising consumer spending:** As per WEF, India's private consumption, which accounts for over 60% of GDP, continues to grow, projected to exceed US\$ 4Tn by CY30, driving broader economic expansion.
- **Infrastructure investments:** Government focus on infrastructure, including roads, railways, and urban development, enhances productivity and supports long-term economic growth. In the FY26 budget, the government has allocated INR 11Tn (US\$ 133Bn) towards capital expenditure.
- **Foreign Direct Investment (FDI) & 'Make in India':** FDI inflows, supported by initiatives like 'Make in India', boost industrial growth, employment, and exports, strengthening the economy. Since the inception of "Make in India", the nominal GDP of India has increased from INR 105Tn (US\$ 1.26Tn) in FY14 to INR 295Tn (US\$ 3.54Tn) in FY24.
- **Technological Advancements & Digital Economy:** Growing internet penetration and adoption of digital technologies are transforming sectors like e-commerce, fintech, and manufacturing, contributing significantly to GDP growth.

1.2 India macroeconomic overview

1.2.1 India's per capita income stood at ~US\$ 2.71K in CY24 and is expected to reach ~US\$ 4.46K by CY30

India's per capita income is expected to rise from US\$ 2.71K in CY24 to ~US\$ 4.46K by CY30 growing at a CAGR of 8.68%. Over CY24-30, India's GDP per capita is projected to lead with an 8.68% growth rate, driven by strong manufacturing, higher agricultural output, and robust government spending, making it the fastest-growing major economy, followed by China (5.75%), the UK (4.60%), the USA (3.48%), and Germany (2.96%).

Global GDP per capita – Top economies
(US\$, CY19-30P)

Top economies		CY19	CY24	CY25E	CY30P	CAGR CY19-24	CAGR CY24-30P
India		2,050	2,711	2,878	4,469	5.75%	8.68%
USA		65,561	85,812	89,105	1,05,371	5.53%	3.48%
Germany		47,629	54,990	55,911	65,525	2.92%	2.96%
UK		42,713	52,648	54,949	68,948	4.27%	4.60%
China		10,334	13,313	13,687	18,617	5.20%	5.75%

Source(s): International Monetary Fund, ILLattice analysis

1.2.2 Inflation of consumer prices in India has slightly dropped from 4.8% in CY18 to 4.7% in CY24, which is less than the global average of 5.7%

Inflation of consumer prices in India has slightly dropped from 4.8% in CY18 to 4.7% in CY24, which is less than as the global average of 5.7%. Among the countries, India has the highest inflation on consumer prices (4.7%) in CY24, followed by USA (3.0%), UK (2.5%), Germany (2.5%) and China (0.2%). The rise in consumer prices inflation in India is majorly caused by an increase in the inflation rate of food and beverages and housing.

Inflation rate, avg. consumer prices – India, China, Germany, USA, UK, World
(Y-o-Y growth %, CY19-30P)

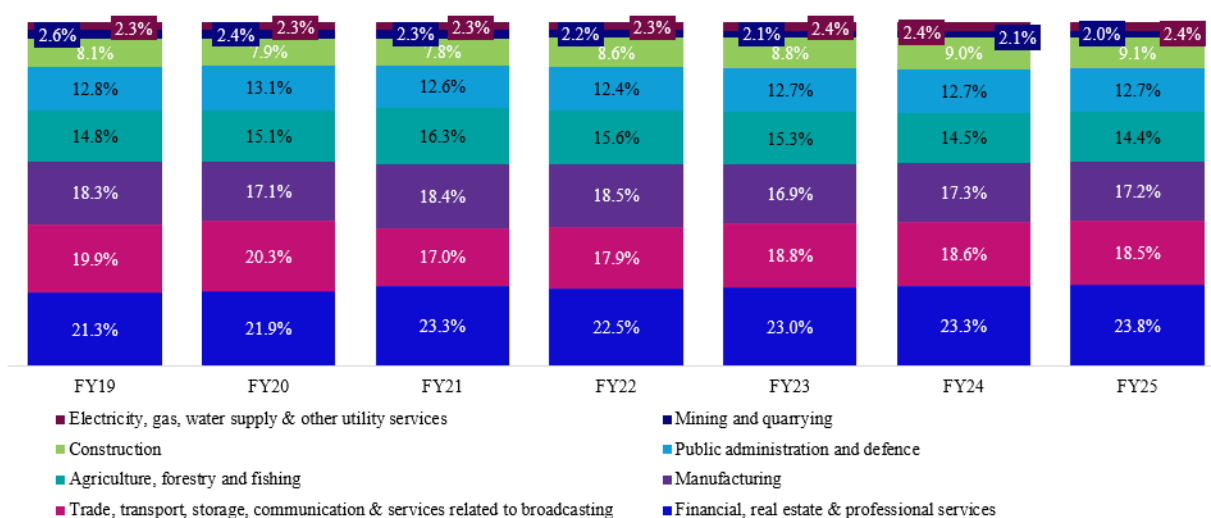
Top economies						
	India	China	Germany	USA	UK	World
CY19	4.8%	2.9%	1.4%	1.8%	1.8%	3.5%
CY20	6.2%	2.5%	0.4%	1.3%	0.9%	3.3%
CY21	5.5%	0.9%	3.2%	4.7%	2.6%	4.7%
CY22	6.7%	2.0%	8.7%	8.0%	9.1%	8.6%
CY23	5.4%	0.2%	6.0%	4.1%	7.3%	6.6%
CY24	4.7%	0.2%	2.5%	3.0%	2.5%	5.7%
CY25E	4.2%	0.0%	2.1%	3.0%	3.1%	4.3%
CY26P	4.1%	0.6%	1.9%	2.5%	2.2%	3.6%
CY27P	4.0%	1.4%	2.1%	2.1%	2.0%	3.3%
CY28P	4.0%	1.8%	2.2%	2.2%	2.0%	3.2%
CY29P	4.0%	1.9%	2.2%	2.2%	2.0%	3.2%
CY30P	4.0%	2.0%	2.2%	2.2%	2.0%	3.2%

Source(s): International Monetary Fund, ILLattice analysis

1.2.3 In FY25, the financial, real estate & professional services segment was the highest contributor to GVA in India with 23.8%, followed by trade, transport and related services (18.5%) and manufacturing (17.2%)

Rapid urbanization, rising incomes, and demand for housing and commercial spaces, supported by government reforms like “Housing for All”, have boosted real estate’s GVA share, alongside growth in office, warehousing, and logistics driven by ‘Back to office’ policy by companies post pandemic, IT and e-commerce expansion. The construction segment has seen an increase in GVA contribution from 8.1% in FY19 to 9.1% in FY25. It has witnessed a y-o-y growth of 9.4% over FY24-25. The outlook for the construction industry in India is positive, with significant expected growth driven by major government infrastructure projects, rising urbanization, and increasing adoption of innovative technologies like modular construction, leading to a projected substantial increase in construction output over the coming years, particularly in areas like housing, transportation, and renewable energy infrastructure.

GVA by economic activity at constant prices
(%, FY19-25)

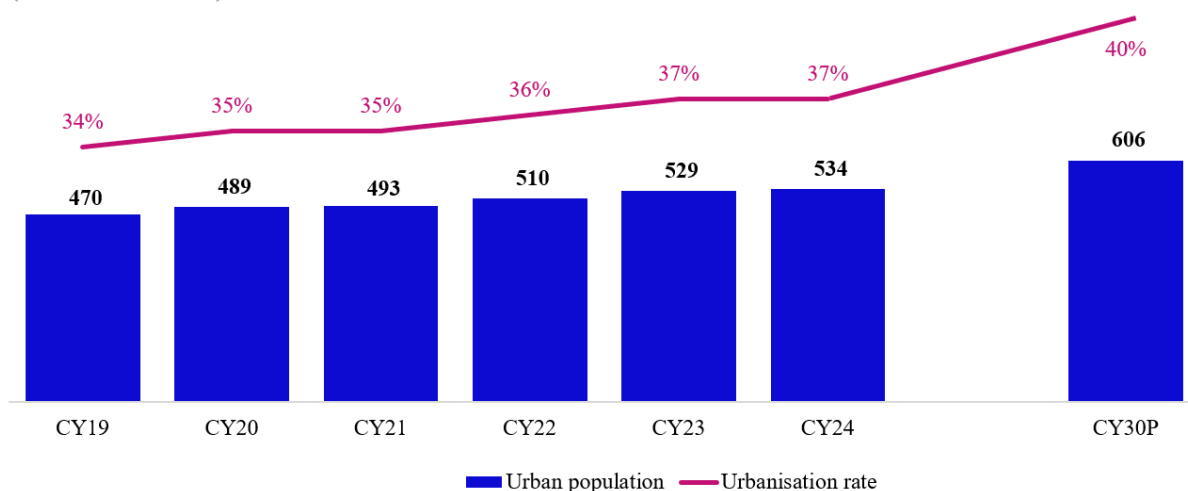


Source(s): MoSPI, ILLattice analysis

1.2.4 Urbanization

The share of the urban population in India as percentage of the overall population is expected to rise from ~37% in CY24 to 40% in CY30, expected to add over 400Mn people to urban areas by CY50. This urban shift is fuelling demand for residential properties, gated communities, and integrated townships, catering to the desire for upgraded lifestyles and modern amenities like IoT etc. The rise of smart cities, coupled with digitalization and changes in real estate preferences, is reshaping the market landscape.

Urban population & urbanization rate in India
(Mn, %, CY19-30P)

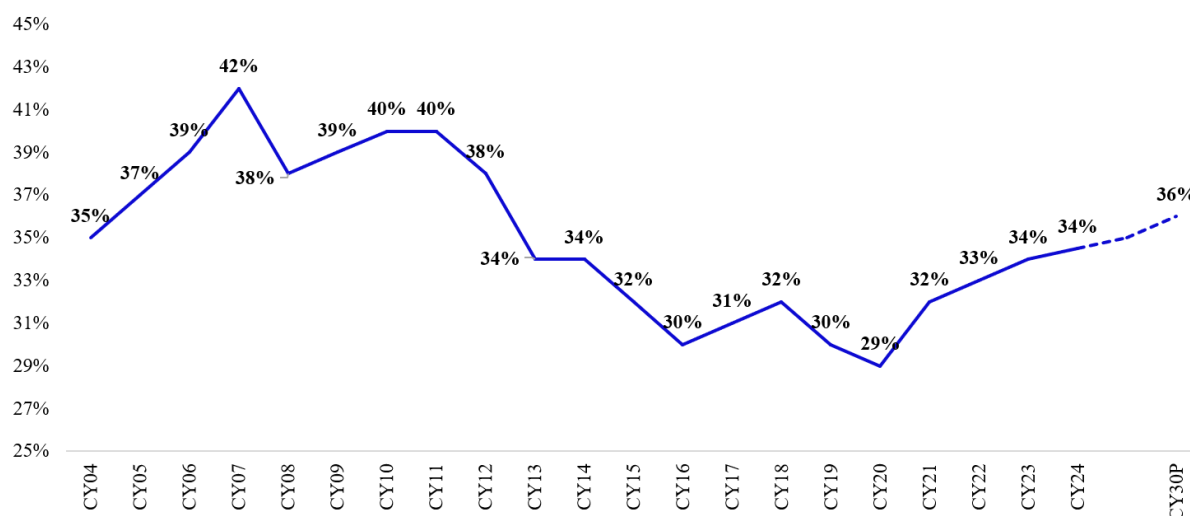


Source(s): World Bank, ILLattice analysis

1.2.5 India's Gross Fixed Capital Formation (GFCF) reached a peak of 42% in CY07, declined consistently to 29% by CY20, and gradually rebounded to 34% by CY24

India's GFCF peaked at 42% in CY07, declined steadily to 29% by CY20, and then gradually recovered to 34% by CY24. This reflects strong investment in the early 2000s, a slowdown in the 2010s, and a recent partial rebound. Further, it is projected to reach 36% by end of CY30, driven by sectors such as residential construction, power, and emerging areas like defense, railways, and data centres.

India's GFCF trend
(% share of GDP, CY04-30P)

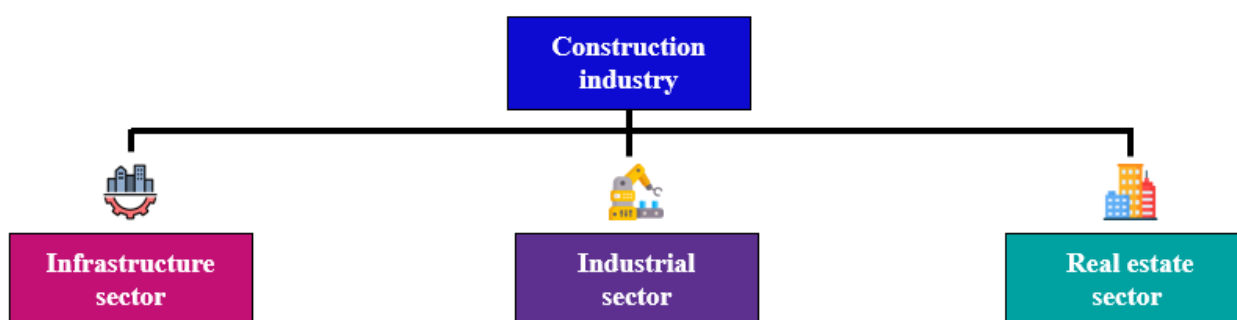


Source(s): World Bank Group, IILattice analysis

2. Construction equipment - Overview and outlook of end-use industries

2.1 Indian construction industry

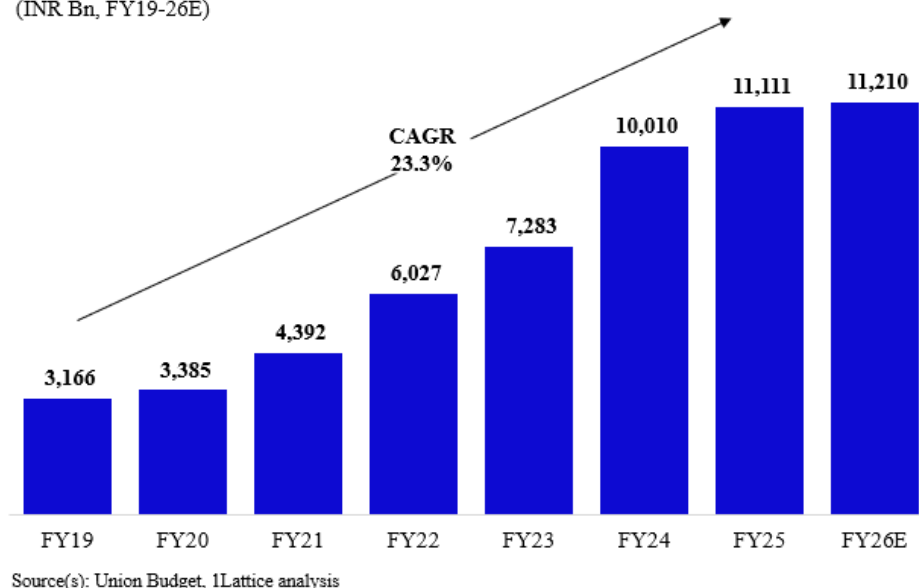
India's construction industry is a crucial component of the nation's economic strategy, driving infrastructure development and industrial growth. The industry is broadly categorized into three sectors: infrastructure, industrial, and real estate. The infrastructure sector focuses on developing essential public assets, including transportation networks, bridges, airports, railways, ports, urban infrastructure, etc. The industrial sector drives the construction of specialized facilities such as manufacturing plants and factories. Meanwhile, the real estate sector addresses residential housing and commercial developments, including office spaces and retail hubs, supporting both living and business demands.



Overview of the Indian infrastructure sector

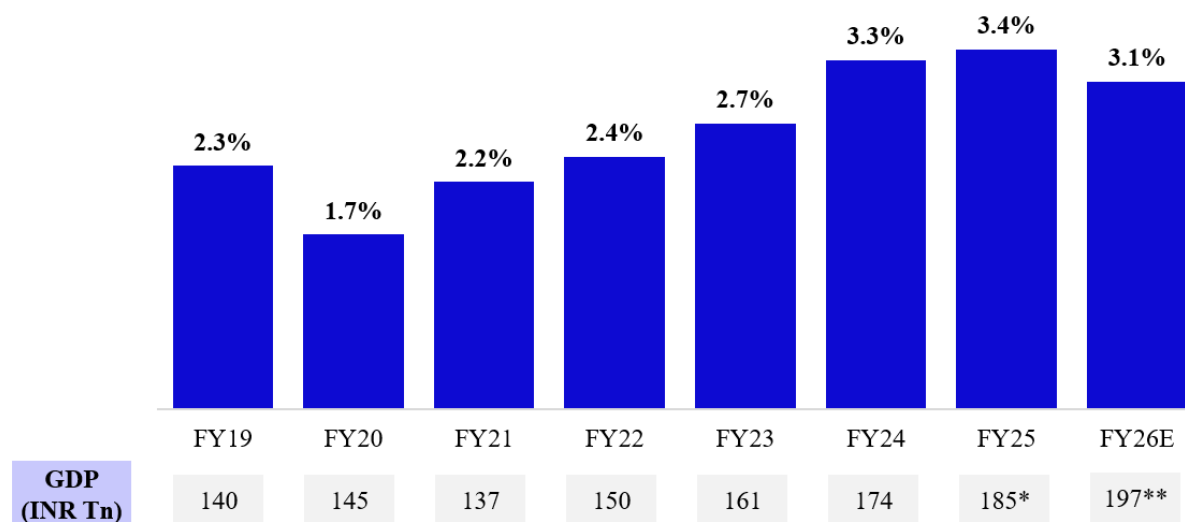
Infrastructure is a crucial driver of economic growth and overall prosperity. In the past decade, India has undertaken an ambitious infrastructure development agenda to boost its economy. In FY19, the government allocated ~INR 3.2T to infrastructure projects, and by FY26, this allocation increased to ~INR 11.2Tn, demonstrating a continued commitment to infrastructure enhancement. FY25 saw significant investments in transport and logistics, focusing on power, roads, highways, and railways. In FY25, the electricity, gas, water supply & other utility services segment saw a y-o-y growth of 7.2% to INR 4.1Tn and the transportation, trade, hotels, services related to broadcasting segment witnessed y-o-y growth of 6.1% to INR 3.2Tn.

India's capital expenditure (INR Bn, FY19-26E)



For FY26, the government has earmarked an estimated budget of ~INR 11Tn (~3.1% of GDP) for capital expenditure, reinforcing its vision for sustained growth and development. Moreover, the capex-to-GDP ratio has increased from 2.3% in FY19 to 3.1% in FY26.

Capex-to-GDP ratio - India (%, FY19-26E)



Note(s): *First Advanced Estimates, **Estimated value calculated on basis of GDP growth rate
Source(s): Union Budget, ILatitude analysis

In October 2024, the government inaugurated 75 Border Roads Organisation (BRO) infrastructure projects worth ~INR 22Bn, including 22 roads and 51 bridges across 11 states and union territories. This initiative, coupled with the increased allocation of ~INR 65Bn for BRO in the Union Budget FY25, is designed to bolster strategic infrastructure and promote socio-economic development, particularly in border areas like the Northeast region. Additionally, the government approved the ~INR 26Bn Varanasi-Pt. Deen Dayal Upadhyaya multitracking project, which includes a new rail-cum-road bridge over the Ganga to enhance connectivity and reduce logistics costs. Moreover, India's operational natural gas pipeline network has expanded from ~15K km in 2014 to ~25K km as of September 2024, with ~10K km under development. To further improve regional transport efficiency, an 8-lane, 30 km Nashik Phata-Khed elevated corridor

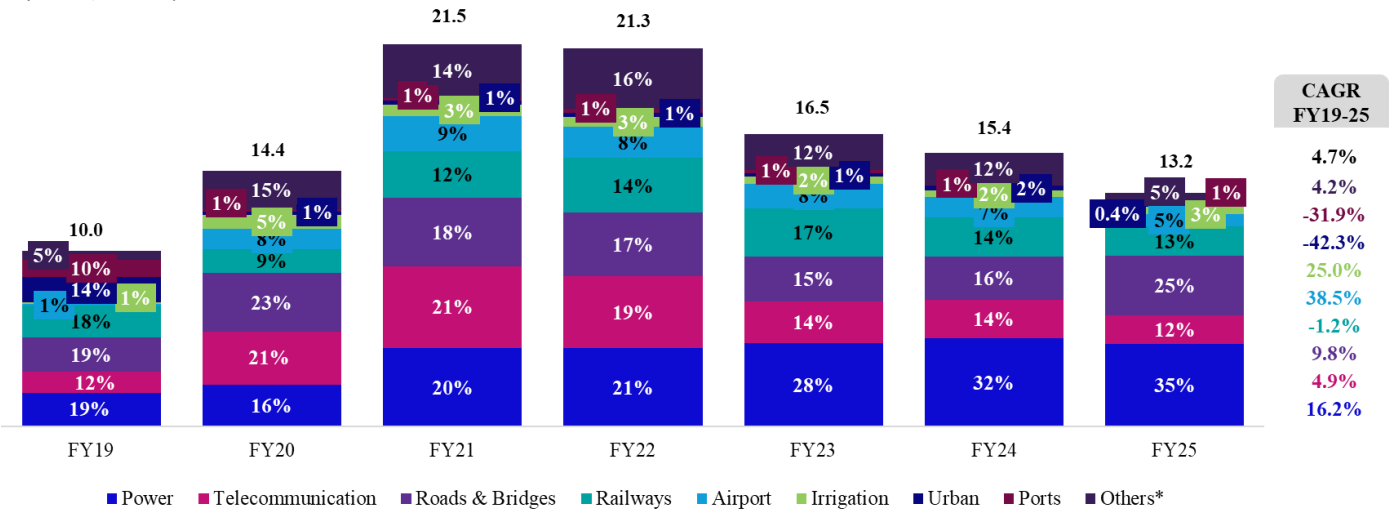
near Pune will be constructed under a Build-Operate-Transfer (BOT) model including the upgradation of the existing road at ~INR 78Bn.

National Infrastructure Pipeline (NIP)

The National Infrastructure Pipeline (NIP) was launched in FY19 for the FY20–25 period. It involves extensive government collaboration to develop better infrastructure, improve citizens' quality of life, and attract investments into the infrastructure sector. In FY19, investments in National Infrastructure Pipeline (NIP) projects reached ~INR 10Tn, with substantial allocations for key sectors such as power, roads and bridges, and railways. The NIP laid out an ambitious investment plan of ~INR 111Tn for FY20-25 to strengthen infrastructure across the nation. A significant portion of this investment was directed towards power, telecommunications, roads and bridges, and railways. A total of ~INR 102Tn was allocated for FY20-25, disbursed in phased instalments, while an additional ~INR 9Tn was designated as non-phased funds. According to India Ratings and Research (Ind-Ra), India’s transmission and distribution (T&D) segment is poised for a significant boost with ~INR 9Tn between FY25-32. As per National electricity Plan (NEP-Volume II), 1,14,687 ckm of transmission lines and 7,76,330 MVA of transmission capacity at 220 kV is to be added during CY22-27.

Government is focusing on upgrading Indian Railways, with an allocation of INR 2.52Tn. It plans to manufacture 100 Amrit Bharat, 50 Namo Bharat and 200 Vande Bharat trains in the next 2-3 years. Indian Railways will achieve 100% electrification by FY26. The government’s focus on safety investment has also been highlighted, with an increased allocation for rail safety from INR 1.08Tn in FY24 to INR 1.14Tn in FY25, and a further increase to INR 1.16Tn in the FY26. The government provided a capex of ~INR 2.64Tn to the ministry of road transport and highways in FY24, which was increased to ~INR 2.72Tn in FY25. The Union Budget for FY26 has allocated INR 312Bn for metro projects across the country, up from INR 213Bn in the FY25. Moreover, the Ministry of Urban Affairs (MoHUA) received an allocation of INR 825Bn.

Infrastructure expenditure on various sectors
(INR Tn, FY19-25)



Note(s): *Include rural infra, agri and food, social infra and industrial infra projects
Source(s): Department of economic affairs, MCRHRDI, 1Lattice analysis

Key growth drivers of the Indian infrastructure sector

Key growth drivers of the Indian infrastructure sector are influenced by strategic government initiatives, emphasis on public-private partnerships (PPPs), and regulatory reforms.

Key growth drivers



Government initiatives

- Initiatives like the National Infrastructure Pipeline (NIP) & PM Gati Shakti aim to streamline & boost projects across sectors such as transportation, energy, water, and urban development



Infrastructure development plans

- Government aims to build a 1,900 km metro network and expand airports to 400, while operationalizing 50 waterways by CY47, up from 157 airports and 24 national waterways, to enhance connectivity



Public-Private Partnerships (PPPs)

- India promotes PPPs to accelerate infrastructure growth by combining public funds with private sector efficiency in areas like airports, ports, and logistics parks
- From FY15-24, the Public Private Partnership Appraisal Committee (PPPAC) has approved 77 projects worth INR 2.4Tn



Regulatory reforms to attract foreign investment

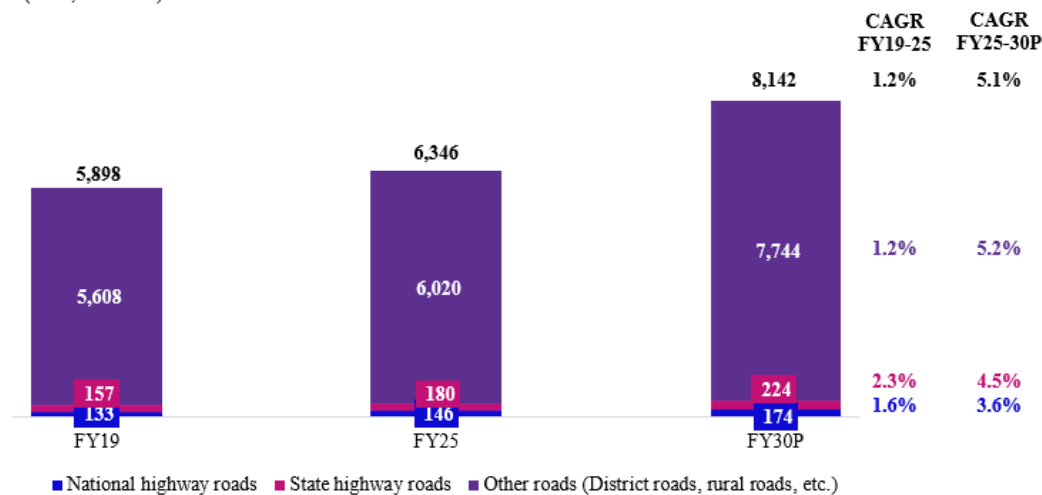
- India is streamlining regulations and introducing innovative financial tools to attract foreign investment, especially in transport infrastructure, aiming to simplify business procedures and boost global investor involvement to support its development agenda

2.2 Indian infrastructure sector outlook

2.2.1 India's road network is the 2nd largest in the world, spanning ~6.3Mn km as of FY25

India has made remarkable progress in road infrastructure over the past decade through strategic initiatives focused on expanding highways, enhancing rural connectivity, and promoting road safety and sustainability. Roads handle over 64% of goods transportation and ~90% of passenger traffic nationwide. India has the world's second-largest road network. India's road network was ~5,898K km in FY19, expanding to ~6,346K km in FY25, reflecting a CAGR of ~1.2%. It is projected to reach ~8,142K km by FY30, growing at a CAGR of ~5.1% during FY25-30. The government provided a capex of ~INR 2.64Tn to the ministry of road transport and highways in FY24, which was increased to ~INR 2.72Tn in FY25.

Growth in national highway, state highway, and other roads by kilometres
(K km, FY19-30P)

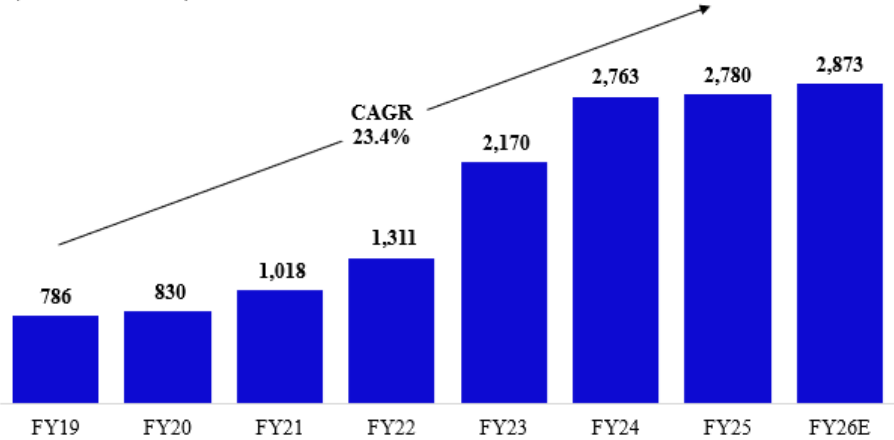


Source(s): MoRHT, NHAI, ILLattice analysis

National highways were ~146K km in FY25 and are expected to reach ~174K km by FY30, growing at a CAGR of ~3.6%. State highways were ~180K km in FY25 and are anticipated to reach ~224K km by FY30, growing at a CAGR of ~4.5%. Other roads, including district roads, rural roads, etc. measured ~6,020K km in FY25 and are expected to reach ~7,744K km by FY30, growing at a CAGR of ~4.5%. The moderate growth in road length is primarily due to ongoing upgrades and modernization efforts, with a focus on widening, strengthening, and enhancing road quality to improve capacity and connectivity.

In FY19, the Ministry of Road Transport & Highways had a total budget allocation of ~INR 786Bn, which witnessed a significant increase of ~INR 2,780Bn in FY25. The estimated budget for FY26 stands at ~INR 2,873Bn.

Budget allocation for the Ministry of Road Transport and Highways
(INR Bn, FY19-26E)



Source(s): Ministry of Road Transport and Highways, ILLattice analysis

Key government initiatives driving the growth of the Indian road sector

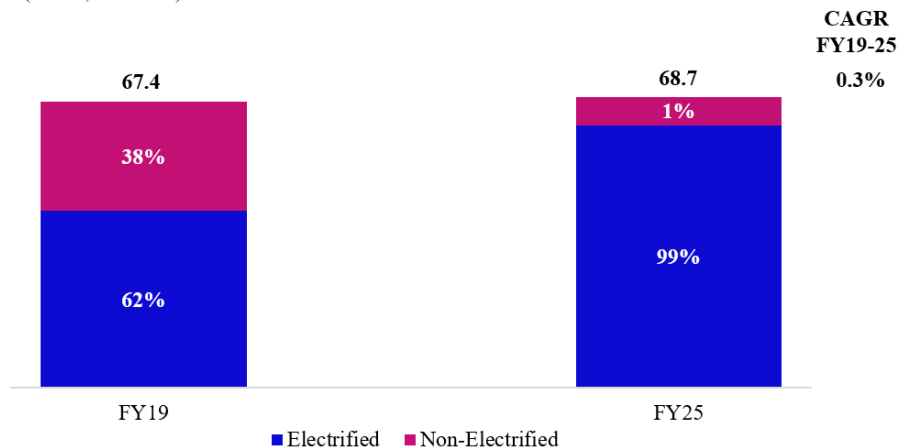
Key government initiatives driving the growth of the Indian road sector include the Bharatmala Pariyojana, which aims to enhance national and economic corridors, and the Pradhan Mantri Gram Sadak Yojana (PMGSY), which focuses on improving rural road connectivity. Additionally, the development of national highways in the North-East is advancing regional accessibility. These efforts collectively promote economic growth and strengthen the nation’s transportation network.

Government policies/initiatives	
 Bharatmala Pariyojana	- Encompasses projects across various categories, including economic corridors development, inter-corridor and feeder routes development, national corridors efficiency improvement, etc. - As of Nov’24, the program has awarded ~26K km of road projects, constructed ~19K km, and incurred an expenditure of ~INR 4.6Tn
 Pradhan Mantri Gram Sadak Yojana (PMGSY)	- Boosting rural road connectivity with ~810K km of road length sanctioned, of which ~772K km (94%) has been constructed, and ~INR 3Tn spent as of Nov’24. - Union Budget FY25 launched Phase IV of PMGSY to provide all-weather connectivity to 25K rural habitations, further advancing rural infrastructure and fostering economic growth
 National highway development in North-Eastern region	- Over the past decade, ~9K km of national highways have been constructed in the North-Eastern Region (NER), while ~265 national highway projects spanning ~5K km are under implementation - The government prioritizes NER development by earmarking 10% of the total budget for the region and enhancing connectivity through initiatives like the East-West Corridor program

2.2.2 Indian railways achieved ~99% electrification of broad gauge route in FY25

Indian Railways is the world's fourth-largest network, operating ~13.5K passenger trains and ~9.1K freight trains daily. Railway broad gauge route electrification is key to an eco-friendly, faster, and more energy-efficient transport system. In FY19, the broad gauge route electrification stood at ~62% of the total broad gauge route length and grew to ~99% in FY25. With continued government efforts, ~100% electrification of the broad gauge route can be achieved before FY30.

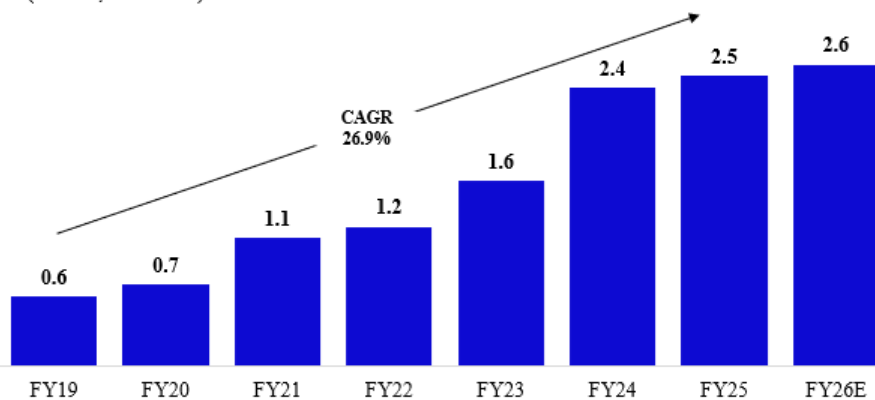
Indian Railways: Route length (K Km, FY19-25)



Source(s): Indian Railways, ILLattice analysis

In FY19, the Ministry of Railways had a total budget allocation of ~INR 0.6Tn, which grew significantly to ~INR 2.5Tn in FY25. The estimated budget for FY26 is ~INR 2.6Tn.

Budget allocation for the Ministry of Railways (INR Tn, FY19-26E)



Source(s): Ministry of Railways, ILLattice analysis

Moreover, 8 projects cover 14 districts across seven states- Odisha, Maharashtra, Andhra Pradesh, Jharkhand, Bihar, Telangana, and West Bengal- and will extend the Indian Railways network by 900 kilometers. In addition, 64 new stations will be constructed as part of the projects, improving connectivity to six Aspirational Districts (East Singhbhum, Bhadradi Kothagudem, Malkangiri, Kalahandi, Nabarangpur, and Rayagada), ~510 villages with an estimated total cost of ~ INR 246Bn, these projects are expected to be completed by the FY31.

Key government initiatives driving the growth of the Indian railway sector

The Indian railway sector is evolving through initiatives like the Amrit Bharat Station Scheme for station modernization and the PM Gati Shakti Mission for efficient freight corridors. Modern locomotives and Vande Bharat trains enhance safety and amenities, while the Rashtriya Rail Sanraksha Kosh focuses on safety upgrades, driving the transformation into a modern, efficient transport system. Government is focusing on upgrading Indian Railways, with an allocation of INR 2.52Tn. It plans to manufacture 100 Amrit Bharat, 50 Namo Bharat and 200 Vande Bharat trains in the next 2-3 years. Indian Railways will achieve 100% electrification by FY26. The government's focus on safety investment has also been highlighted, with an increased allocation for rail safety from INR 1.08Tn in FY24 to INR 1.14Tn in FY25, and a further increase to INR 1.16Tn in the FY26.

Government policies/initiatives



Amrit Bharat Station Scheme

- Aims to upgrade and modernize railway stations across the Indian Railways network, with plans to enhance ~1,275 stations



PM Gati Shakti Mission

- Under this Indian Railways is developing three key Economic Corridors—Energy, Mineral & Cement (192 projects), Port Connectivity (42 projects), and High Traffic Density (200 projects)



Modernization of locomotives and coaching stock

- Acquiring new technology, including 12,000 HP and 9,000 HP electric locomotives for freight operations, while modernizing coaching stock with Vande Bharat Chair Car trains, offering enhanced safety and improved amenities



Rashtriya Rail Sanraksha Kosh (RRSK)

- Focuses on replacing, renewing, and upgrading critical safety assets, In FY23, the government extended the RRSK for five more years, allocating ~INR 450Bn through Gross Budgetary Support (GBS)

India's first bullet train project: Mumbai-Ahmedabad High-Speed Rail (MAHSR)

India's first bullet train project, the Mumbai-Ahmedabad High-Speed Rail (MAHSR), spans ~508 km through the scenic landscapes of Maharashtra and Gujarat, with 12 stations along the route. The bullet train is expected to start operations by the end of CY27 and will eventually extend to Maharashtra. As of FY24, the project has made significant achievements, completing ~42% in physical development and ~49% in financial progress.

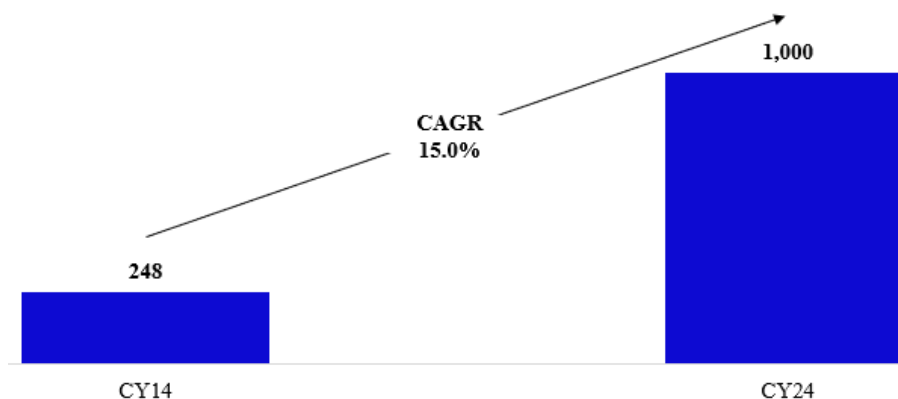
Key accomplishments:

- Full land acquisition for the project
- More than 243 km of viaducts have been built, while pier work spans 352 km and pier foundation work has reached 362 km
- A total of 13 rivers have been bridged, while 5 steel bridges and 2 PSC bridges have been used to cross multiple railway lines and highways
- In Gujarat, 71 track km of RC (Reinforced Concrete) track bed has been constructed
- In Maharashtra, a 394 m intermediate tunnel was completed to aid the main tunnel's construction

Delhi-Varanasi High Speed Rail (DVHSR) Corridor: It is India's second bullet train project after the Mumbai-Ahmedabad High-Speed Rail Corridor. This high-speed rail line will connect Delhi and Uttar Pradesh (Varanasi). The 865-km HSR corridor will incorporate 12 stations. The proposed Delhi-Varanasi high-speed rail corridor via Ayodhya, to be built in FY26-30, will cost INR 1,710Bn.

2.2.3 Indian metro rail length reached ~1,000 km in CY24, reflecting a CAGR of ~15% during CY14-24

Indian metro rail cumulative kilometres
(km, CY14-24)



Source(s): Ministry of Housing & Urban Affairs, ILattice analysis

India currently ranks third globally in operational metro network length and is on track to become the second-largest metro network in the world. In 2022, it surpassed Japan in the length of metro rail projects. The average daily ridership exceeds 100Mn. Indian metro rail connectivity, which was present in 5 cities in CY14, has expanded to 23 cities in CY24, reflecting a CAGR of ~16.5%. In CY14, the cumulative length of the Indian metro rail network was ~248 km, which grew to ~1,000 km in CY24, covering 11 states, reflecting a CAGR of ~15%.

Key metro rail projects

India is witnessing significant expansion in its metro rail network, with key projects underway in major cities. Phase-3 of the Bangalore metro rail project will add 2 elevated corridors, spanning ~44.6 km. In Thane, the metro project is developing a 29 km corridor with 22 stations, expected to be completed by CY29. Pune’s phase-1 metro project will be extended by ~5.4 km in the south, featuring a fully underground section with 3 stations. Meanwhile, Delhi’s phase-4 includes the Rithala-Narela-Nathupur corridor, spanning ~26.4 km, set to be completed within four years from sanction. These projects are vital for enhancing urban mobility. The Union Budget for FY26 has allocated INR 312Bn for metro projects across the country, up from INR 213Bn in the FY25.

Bangalore metro rail project phase-3

- Phase-3 of the Bangalore metro rail project will add 2 elevated corridors spanning ~44.6 km with 31 stations, extending the city's metro network to ~220 km at an estimated cost of ~INR 156Bn

Thane metro project

- Thane metro rail project is a 29 km corridor with 22 stations along the western periphery of Thane city. The estimated cost of the project is ~INR 122Bn and is expected to be completed by CY29

Extension of Pune metro phase-1

- Pune metro rail project phase-1, costing around ~INR 18Bn, will be extended by ~5.4 km in the south with a fully underground section featuring 3 stations, at an estimated cost of ~INR 29Bn

Delhi metro phase-4

- Rithala-Narela-Nathupur corridor of Delhi metro phase-4 spans ~26.4 km, with a completion cost of ~INR 62Bn and is scheduled for completion within 4 years from its sanction

Top 10 metro projects based on total project cost are given below:

Top 10 metro project					
Project (State)	Network (km)	Operational (km)	Under construction (km)	Future proposal (km)	Total project cost (INR Bn)
Mumbai Metro, Maharashtra	337.1	59.2	154.3	123.6	1,402
Delhi Metro, NCR-Delhi	530.2	353.2	83.2	93.8	1,173
Hyderabad Metro, Telangana	581.4	69.2	0	512.2	871
Chennai Metro, Tamil Nadu	188.8	54.7	118.9	15.2	856
Bangalore Metro, Karnataka	254.9	76.9	10.7	167.3	582
Kolkata Metro, West Bengal	149.3	58.7	51.2	39.4	500
Pune Metro, Maharashtra	87.4	32.9	33.3	21.2	248
Varanasi Metro, Uttar Pradesh	29.2	-	-	29.2	172
Ahmedabad Metro, Gujarat	68.3	58.7	9.6	-	162
Vizag Metro, Andhra Pradesh	140.2	-	-	140.2	159

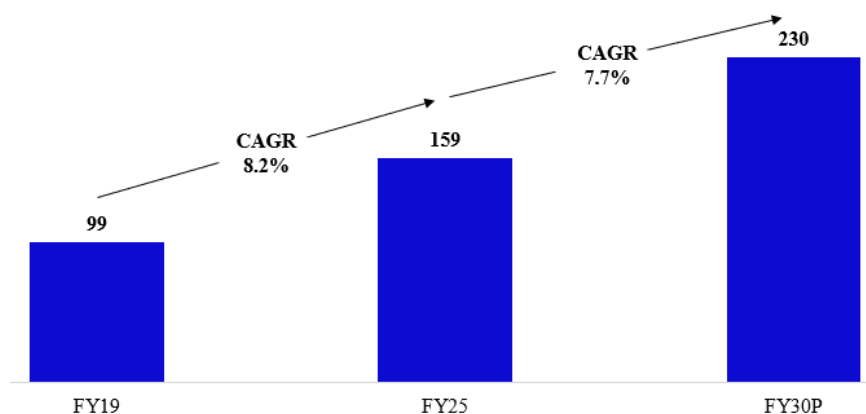
Vizag Metro is currently in the process of land acquisition for their first phase, while the proposed Varanasi Metro project is still on hold. India is redefining urban mobility with groundbreaking advancements in metro systems. In 2024, the country inaugurated its first underwater metro tunnel in Kolkata, where the Esplanade-Howrah Maidan section runs beneath the Hooghly River, showcasing India's engineering excellence. Additionally, Kochi became the

first Indian city to launch a Water Metro Project, connecting 10 islands with electric hybrid boats to ensure seamless connectivity. The project's first boat was launched in December 2021.

2.2.4 Number of operational airports in India was 159 in FY25 and are expected to reach 230 by FY30, reflecting a CAGR of ~7.7% during FY25-30

India's aviation industry has witnessed significant growth over the years. The number of operational airports increased from 99 in FY19 to 159 in FY25, reflecting a CAGR of ~8.2%. It is projected to reach 230 by FY30, growing at a CAGR of ~7.7% during FY25-30. This growth can be attributed to the government's policies and initiatives, such as the Regional Connectivity Scheme – Ude Desh ka Aam Nagrik (RCS-UDAN), launched in 2016. The scheme aims to enhance connectivity to unserved and underserved airports by reviving existing airstrips and airports across the country.

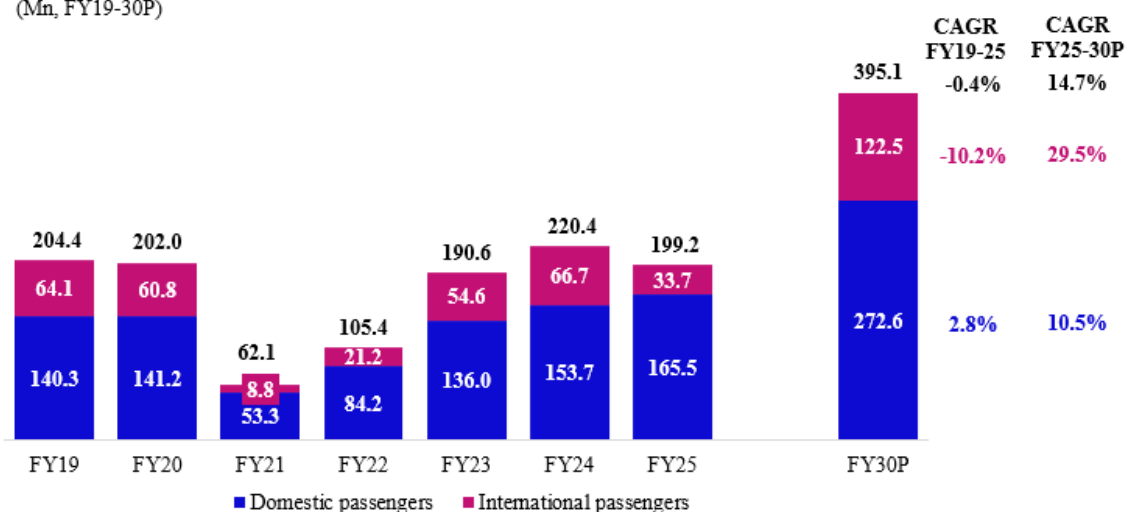
Number of operational airports in India
(FY19-30P)



Source(s): Ministry Of Civil Aviation, 1Lattice analysis

Air passenger traffic in India decreased from ~204.4Mn in FY19 to ~199.2Mn in FY25, reflecting a CAGR of ~-0.4%. It is expected to reach ~395.1Mn by FY30, growing at a CAGR of ~14.7% during FY25-30. Domestic passenger traffic grew from ~140.3Mn in FY19 to ~165.5Mn in FY25, reflecting a CAGR of ~2.8%. It is expected to reach ~272.6Mn by FY30, growing at a CAGR of ~10.5% during FY25-30. International passenger traffic rose from ~64.1Mn in FY19 to ~33.7Mn in FY25, reflecting a CAGR of ~-10.2%. It is expected to reach ~122.5Mn by FY30, growing at a CAGR of ~29.5% during FY25-30.

Air passenger traffic in India
(Mn, FY19-30P)



Source(s): Directorate General of Civil Aviation, 1Lattice analysis

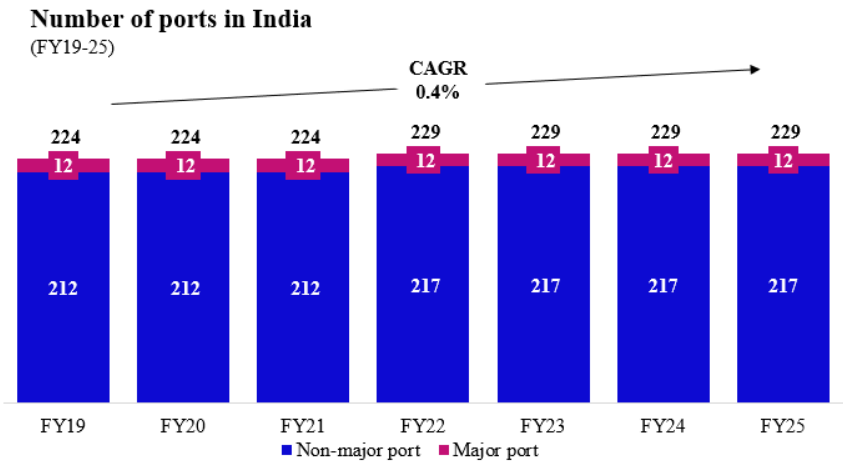
Key growth drivers for the Indian airport sector

The Indian airport sector is set for significant growth, driven by rising incomes and increased demand for air travel. The government is investing in airport infrastructure and aviation services to support this expansion. The Regional Connectivity Scheme (RCS) - UDAN (Ude Desh ka Aam Nagrik) scheme has improved regional connectivity, while the Greenfield Airports Policy has facilitated the construction and operation of new airports across the country, with upcoming international airports further fuelling this expansion and driving broader infrastructure development.

Key growth drivers		
	Rising domestic air passenger traffic	India's domestic air passenger traffic is expected to surpass 300Mn by CY30, driven by increasing disposable incomes and growing demand for air travel
	Enhancing infrastructure	Indian Government is planning to invest ~INR 150Bn to enhance airport infrastructure and aviation navigation services by CY26
	Regional Connectivity Scheme (RCS) - UDAN	Since the launch of the scheme, 619 routes, and 88 airports have been operationalized, with 102 new RCS routes commenced in CY24
	Greenfield Airports Policy	Government granted 'In-Principle' approval for 21 Greenfield Airports across the country, with 12 already constructed and operational as of CY24
	Upcoming international airports	Upcoming international airports like Jewar Airport (Noida) and Purandar Airport (Pune) will fuel the expansion of the Indian airport sector while also driving broader infrastructure development

2.2.5 Cargo handled at Indian ports was ~1,508Mn tonnes in FY24 and is expected to reach ~2,019Mn tonnes by FY30, growing at a CAGR of ~5.0% during FY24-30

India is the sixteenth-largest maritime country in the world, with a coastline of ~7,500 km. The number of ports in India grew from 224 in FY19 to 229 in FY25, reflecting a CAGR of ~0.4%. The number of non-major ports increased from 212 in FY19 to 217 in FY25.

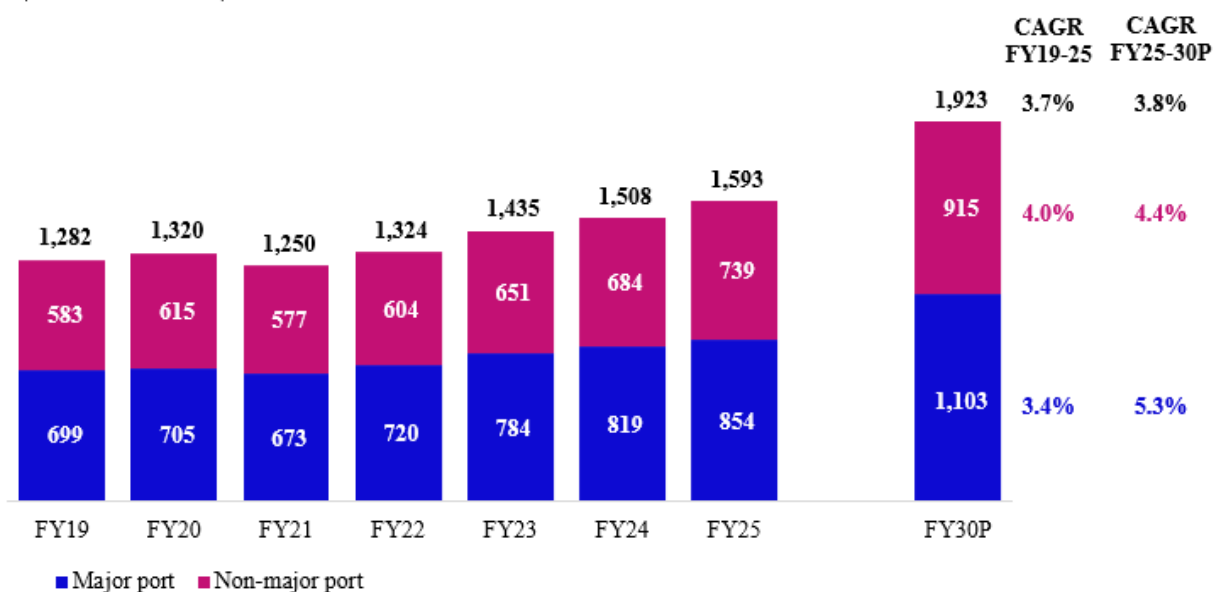


Source(s): Ministry Of Ports, Shipping And Waterways, ILattice analysis

India's maritime transport handles ~70% of the country's exports and imports by value and ~95% by volume. The total cargo handled at Indian ports increased from ~1,282Mn tonnes in FY19 to ~1,593Mn tonnes in FY25, reflecting a CAGR of ~3.7%. It is projected to reach ~1,923Mn tonnes by FY30, growing at a CAGR of ~3.8% during FY25-30. Cargo handled at major ports grew from ~699Mn tonnes in FY19 to ~855Mn tonnes in FY25, reflecting a CAGR of ~3.4%, and is expected to reach ~1,103Mn tonnes by FY30, growing at a CAGR of ~5.2% during FY25-30. At non-major ports, cargo handled increased from ~583Mn tonnes in FY19 to ~739Mn tonnes in FY25, reflecting a CAGR of ~4.4%, with expectations to reach ~915Mn tonnes by FY30, growing at a CAGR of ~3.8% during FY25-30.

Cargo handled at Indian ports

(Mn tonnes, FY19-30P)



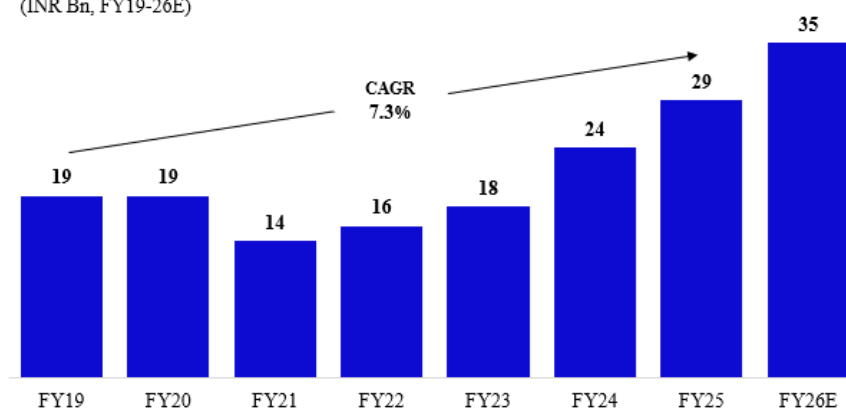
Source(s): Ministry Of Ports, Shipping And Waterways, ILLattice analysis

The Indian government has launched the 'Cruise Bharat Mission' from Mumbai Port to boost India's cruise tourism, aiming to double passenger traffic by CY29. Mumbai International Cruise Terminal is among the key hubs, handling ~200 cruise ships annually and accommodating vessels with ~500 passengers across a ~170K sq. ft operational area.

In FY19, the Ministry of Ports, Shipping, and Waterways had a total budget allocation of ~INR 19Bn, which increased to ~INR 29Bn in FY25, reflecting a CAGR of ~7.3%. The estimated budget for FY26 is ~INR 35Bn.

Budget allocation for the Ministry of Ports, Shipping and Waterways

(INR Bn, FY19-26E)



Source(s): Ministry of Ports, Shipping and Waterways, ILLattice analysis

Key growth drivers for the Indian port sector

The Indian port sector is set for growth through initiatives like the Sagarmala Programme, which focuses on enhancing port infrastructure and connectivity. The Maritime India Vision (MIV) 2030 aims to establish India as a global maritime leader. The Inland Waterways Authority of India is also developing new national waterways. Additionally, the government is supporting MSME exporters with clear export targets, export credit insurance, and affordable credit to drive market expansion.

Key growth drivers



Sagarmala Programme

- Aims to promote port-led development across India, supporting various port infrastructure, coastal development, and connectivity projects, with ~130 projects sanctioned and a total funding allocation of ~INR 37Bn as of July 2024



Maritime India Vision (MIV) 2030

- Aims to establish India as a global maritime leader, it includes 150+ initiatives across 10 key themes, covering all aspects of the maritime sector, from ports and shipyards to inland waterways and trade organizations



Inland waterways development

- Inland Waterways Authority of India (IWAI) has identified 26 new national waterways, providing an alternative transport mode to ease congestion and promote sustainable, cost-effective solutions



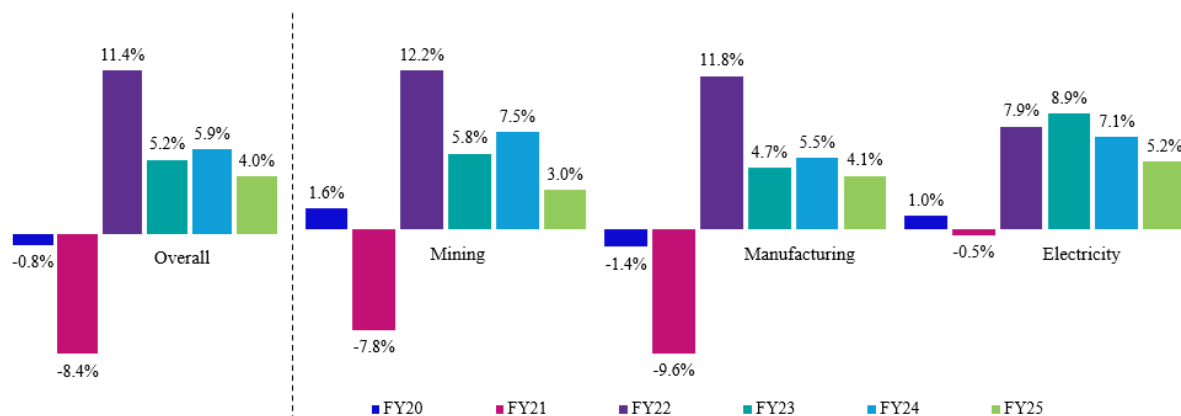
MSME export promotion

- Government is supporting MSME exporters by setting clear export targets, offering export credit insurance, and providing affordable credit to facilitate market expansion

2.2.6 India's Index of Industrial Production (IIP) grew by 4.0% in FY25, up from -0.8% in FY20

The Index of Industrial Production (IIP) is an index that indicates the performance of various industrial sectors of the Indian economy. The industrial production index tracks how well industries are performing. India's Industrial Production (IIP) growth rate had a strong growth driven by rising domestic demand, import substitution, China + 1 strategy adoption by MNCs and growth in capital goods and infrastructure/construction sectors.

India's IIP growth – Sector-wise
(Y-o-Y growth %, FY20-25)

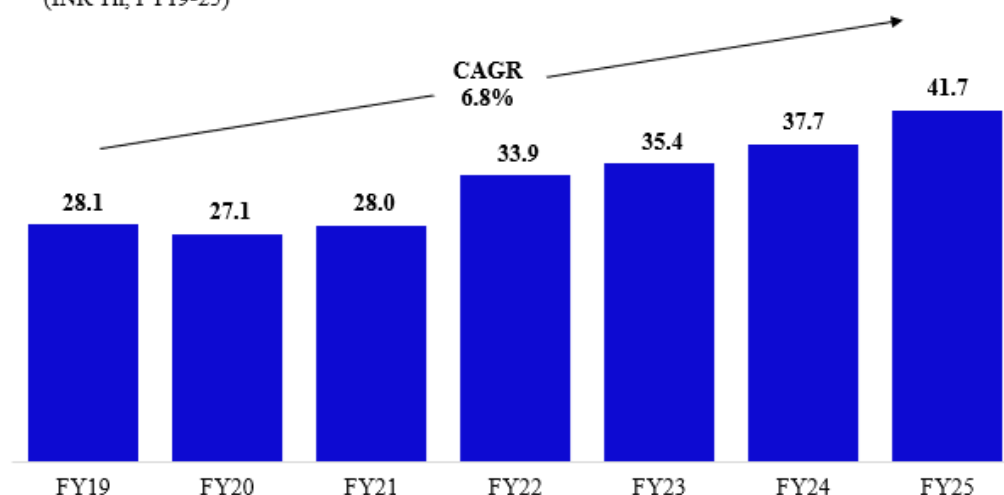


Source(s): Ministry of Statistics and Programme Implementation (MoSPI), ILLattice analysis

Manufacturing GVA growth

Manufacturing is a vital contributor to India's GDP, expanding from ~INR 28.1Tn in FY19 to ~INR 41.7Tn in FY25, reflecting a CAGR of ~6.8%. This sector drives economic progress, powered by industries such as automotive, engineering, chemicals, pharmaceuticals, and consumer goods. A robust manufacturing sector strengthens exports and boosts national income. Prior to the pandemic, manufacturing accounted for 16-17% of India's GDP and is poised for rapid growth in the coming years.

Manufacturing GVA at current prices (INR Tn, FY19-25)



Source(s): Ministry of Statistics and Program Implementation, ILatitude analysis

Key growth drivers for the Indian industrial sector

The industrial sector in India is growing rapidly, supported by initiatives like the National Manufacturing Policy and the Production Linked Incentive (PLI) scheme. The Make in India campaign fosters investment and innovation, positioning India as a global manufacturing hub. Increased government allocations, such as INR 219Bn for electronics, further boost growth. With strong sector performance, driven by automobiles, electronics, and industrial sectors, demand for industrial products is rising, creating a positive business environment.

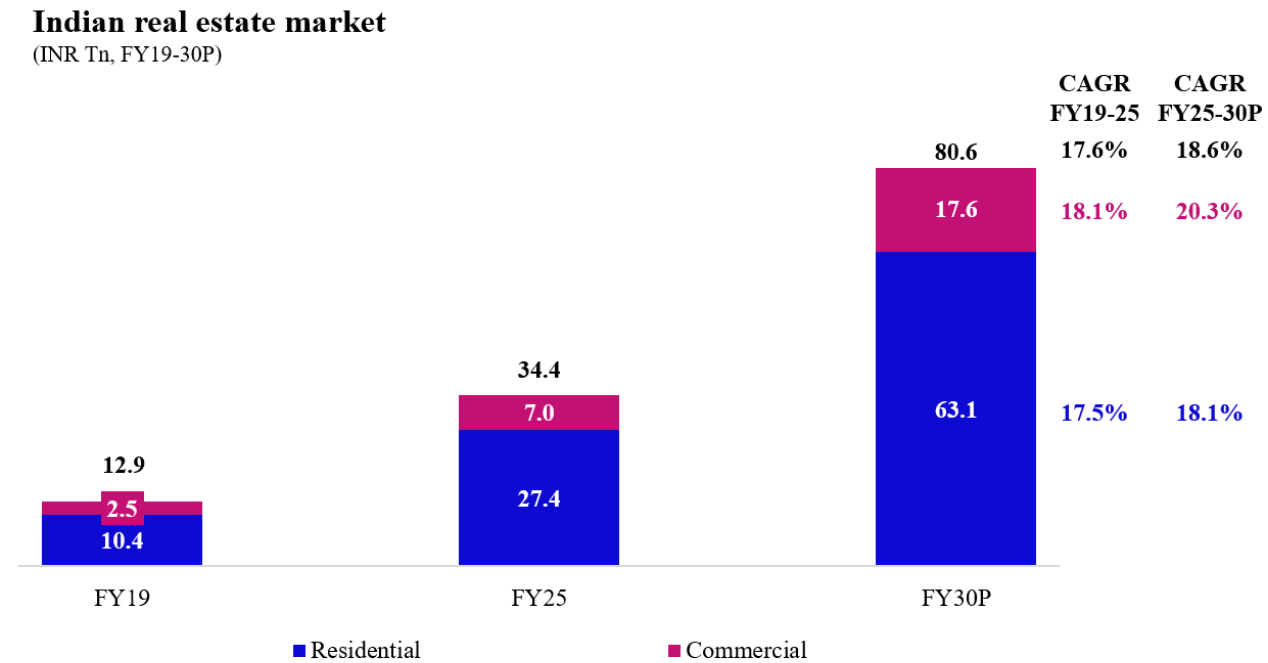
Key growth drivers	
 National Manufacturing Policy and PLI scheme	• National Manufacturing Policy aims to boost manufacturing's share in GDP, create jobs, and enhance global competitiveness. • Production Linked Incentive scheme's budget for FY25 increased by 89% to ~INR 160Bn, with 38% allocated to incentivizing large-scale electronics manufacturing to drive investments and domestic production across 16 sectors
 Make in India initiative	• Launched in 2014, Make in India aims to attract investment, foster innovation, and build infrastructure to position India as a global manufacturing hub • Focuses on 27 sectors, such as steel, aluminum, and ceramics, and collaborates with 24 sub-sectors like furniture, electronics, and textiles, driving economic growth, job creation, and self-reliance
 Increased investment	• In FY24-25, the government allocated ~INR 219Bn to boost electronics and IT hardware manufacturing • Allocation for semiconductor Assembly, Testing, Marking, and Packaging (ATMP) & Outsourced Semiconductor Assembly & Test (OSAT) facilities increased from ~INR 14Bn to ~INR 42Bn in the revised FY24 estimates
 Manufacturing growth	• Manufacturing sector showed strong growth, with output rising to 9.9% in FY24 from -2.2 % in FY23, driven by sectors like automobiles, consumer electronics, and industrial electronics • Improved performance indicates a positive business environment and growing demand for industrial products

2.2.7 Indian real estate market was valued at INR 34.4Tn in FY25 and is expected to reach INR 80.6T by FY30, growing at a CAGR of 18.6% during FY25-30

Indian real estate market is set to expand exponentially. It was valued at ~INR 12.9Tn in FY19 and reached ~INR 34.4Tn in FY24, reflecting a CAGR of ~17.6%. It is expected to reach ~INR 80.6Tn by FY30, growing at a CAGR of ~18.6% during FY24-30. This expansion is fuelled by rising population demands for housing and infrastructure, presenting significant opportunities for developers and investors. As of FY25, the Indian residential real estate sector accounts for ~80% of the overall real estate market. It was valued at ~INR 10.4Tn in FY19 and reached ~INR 27.4Tn

in FY25, reflecting a CAGR of ~17.5%. It is expected to reach ~INR 63.1Tn by FY30, growing at a CAGR of ~18.1% during FY25-30. This growth is fuelled by rising per capita income, rapid urbanization, and a growing population.

Indian commercial real estate market was valued at ~INR 2.5Tn in FY19 and grew to ~INR 7.0Tn in FY25, reflecting a CAGR of ~18.1%. It is projected to reach ~INR 17.6Tn by FY30, growing at a CAGR of ~20.3% during FY25-30. This growth is driven by shifts in employment trends, economic expansion, urbanization, and infrastructure development.



Source(s): ILattice analysis

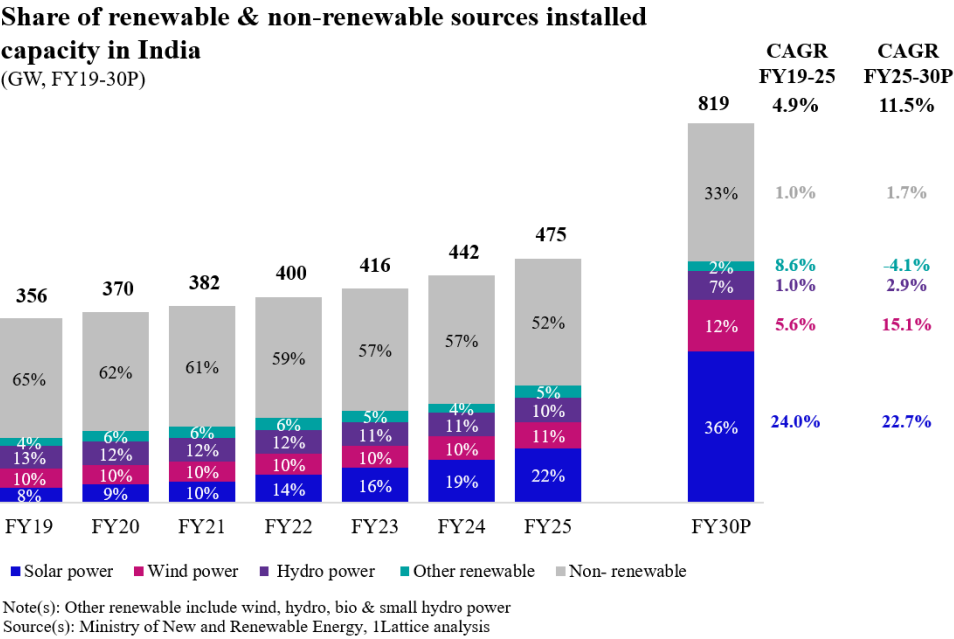
Key growth drivers for the Indian real estate sector

The Indian real estate sector is growing, driven by rising income, urbanization, and a growing workforce increasing office space demand. Initiatives like AMRUT and the Smart Cities Mission are boosting residential appeal, particularly in tier 2 and 3 cities, while PMAY-U focuses on providing affordable housing.

Key growth drivers		
	Pradhan Mantri Awas Yojana –Urban (PMAY-U)	Aims to provide financial assistance to ~10Mn urban poor and middle-class families over 5 years for affordable housing, with ~INR 10Tn investment and ~INR 2Tn subsidy under PMAY-U 2.0
	Atal Mission for Rejuvenation and Urban Transformation (AMRUT)	Focuses on enhancing basic urban infrastructure in 500 cities, covering sectors such as water supply, sewerage and septage management, stormwater drainage, non-motorized urban transport, and the development of green spaces and parks
	Smart city mission	Aims to improve the quality of life in 100 cities by offering efficient services, robust infrastructure, and a sustainable environment, with ~8K projects worth ~INR 1.6Tn, of which ~90% have already been completed
	Rising per capita income and urbanization	Rising per capita income and urbanization are driving India's real estate sector, fueling demand for residential properties, gated communities, and integrated townships with modern amenities
	Growing workforce	Growing workforce and rising employment rates are increasing demand for office space, driving growth in the commercial real estate market and shaping urban development

2.3 Indian power sources installed capacity was ~475 GW in FY25 and is expected to reach ~819 GW by FY30, growing at a CAGR of ~11.5% during FY25-30

India is the third-largest producer and consumer of electricity worldwide. The installed power capacity in India was ~356 GW in FY19 and reached ~475 GW in FY25, reflecting a CAGR of ~4.9%. It is expected to reach ~819 GW by FY30, growing at a CAGR of ~11.5% during FY25-30. In FY19, renewable (Other renewable + solar + wind + hydro) and non-renewable power sources accounted for ~35% and ~65% of India's total power sources installed capacity, respectively. By FY25, the share of renewable energy sources increased to ~48% and is expected to reach ~67%. Solar power sources contributed ~8% to the total installed capacity in FY19 and rose to ~22% in FY25, reflecting a CAGR of ~24.0%. It is projected to reach ~36% by FY30, growing at a CAGR of ~22.7% during FY25-30. Wind power sources represented ~10% of the total installed capacity in FY19 and increased to 11% in FY25, with expectations to increase to ~12% by FY30, reflecting a CAGR of ~15.1% during FY25-30.



2.3.1 Key growth drivers and challenges of the Indian power industry

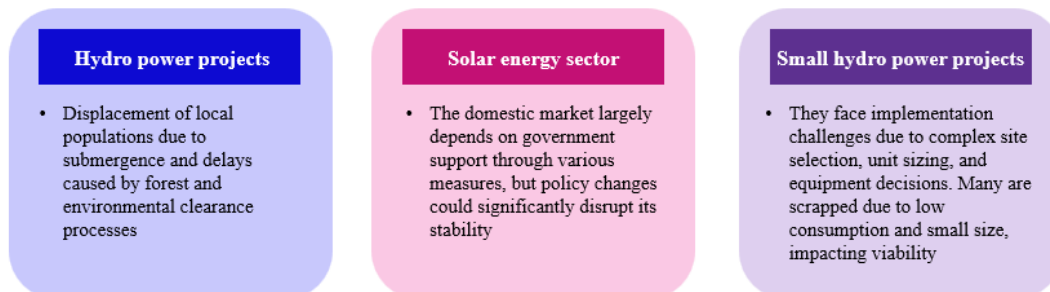
India's power industry is growing rapidly driven by rising power demand, National Electricity Plan, solar parks, Offshore wind energy projects, and a shift toward non-fossil fuels, aiming for 50% renewable capacity. These initiatives highlight a commitment to sustainability, infrastructure expansion, and meeting rising energy needs.

Key growth drivers

	Rising power demand	India's power demand peaked at 243.3 GW in June 2024, a ~12% increase from the previous year, with the Central Electricity Authority (CEA) projecting the demand to reach 817 GW by 2030
	National Electricity Plan 2032	Aims to expand the transmission network in the country from ~485K ckm (circular kilometer) in CY24 to ~648K ckm in CY32, while increasing the transformation capacity from 1,251 GVA (Gigavolt-Ampere) to 2,342 GVA during the same period
	Proposed solar cities and parks	- Government has authorized 50 solar parks across 12 states, targeting a total capacity of ~38 GW - Currently, 11 parks have been fully completed, and 7 are partially completed, with nearly 10 GW of solar projects developed within these parks
	Offshore wind energy projects	Government has approved ~INR 74Bn Viability Gap Funding (VGF) for India's first offshore wind projects, including ~INR 68Bn for 1 GW capacity (500 MW each in Gujarat and Tamil Nadu) and ~INR 6Bn for port upgrades to support project logistics
	Non-fossil fuel energy expansion	India plans to increase its installed electricity generation capacity from non-fossil fuel sources, aiming to achieve ~50% of its total installed power capacity from these resources by 2030

Key challenges

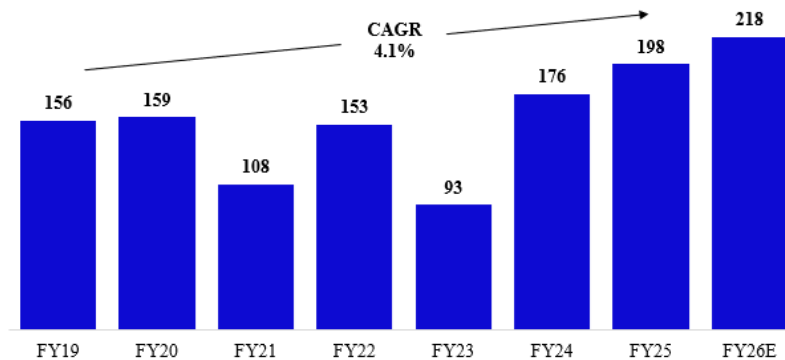
India's power sector faces multiple challenges. Hydropower projects face displacement issues, delays in clearances, and inadequate local demand. The solar energy sector relies heavily on government support, and policy changes could disrupt stability. Small Hydropower (SHP) projects struggle with complex site selection and equipment decisions, often being scrapped due to low consumption and small size, impacting viability.



2.3.2 Investments in the Indian power industry

In FY19, the Ministry of Power had a total budget allocation of ~INR 156Bn, which grew to ~INR 198Tn in FY25. The estimated budget for FY26 is ~INR 218Bn.

Budget allocation for the Ministry of Power
(INR Bn, FY19-26E)

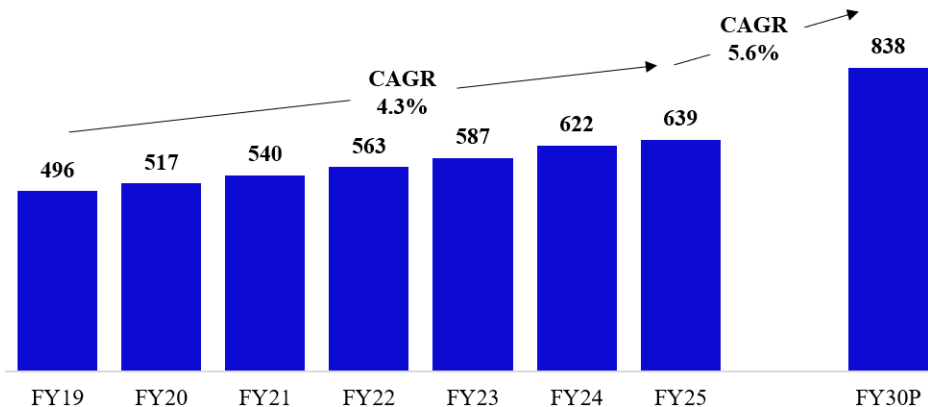


Source(s): Ministry of Power, ILattice analysis

2.4 Indian cement installed capacity was ~639Mn tonnes in FY25 and is expected to reach ~838Mn tonnes by FY30, reflecting a CAGR of ~5.6% during FY25-30

India is the second-largest cement producer globally. Indian cement installed capacity was ~496Mn tonnes in FY19 and reached ~638Mn tonnes in FY25, reflecting a CAGR of 4.3%. It is expected to reach ~838Mn tonnes by FY30, growing at a CAGR of ~5.6% during FY25-30.

Indian cement installed capacity
(Mn tonnes, FY19-30P)

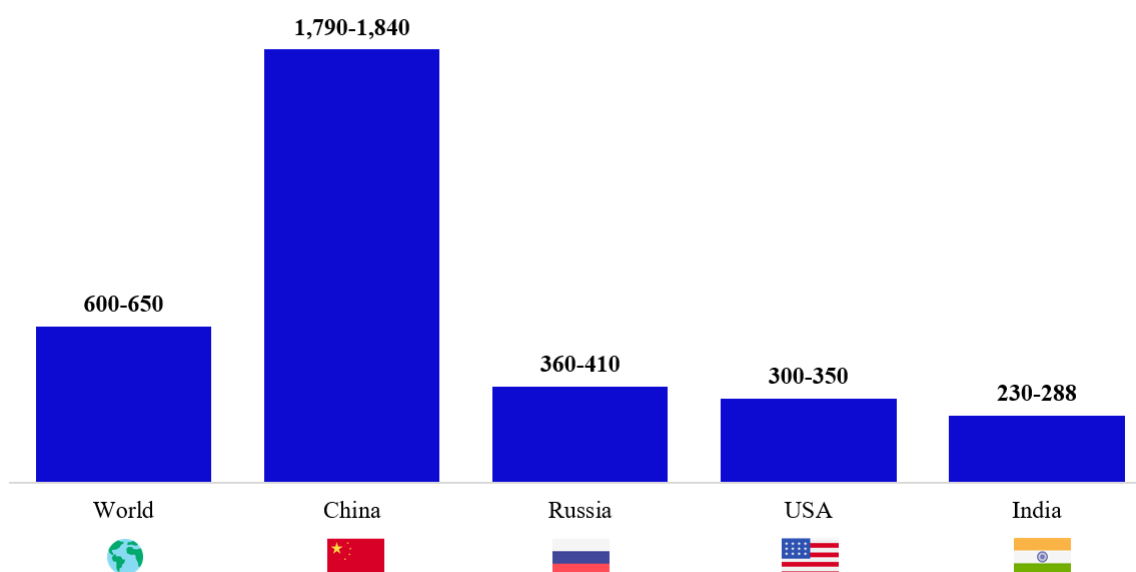


Source(s): Economic Survey 2024-25, ILattice analysis

The per capita cement consumption in India lies between 230-288Mn tonnes in CY24, which is lower than the global average of 600-650Mn tonnes. Moreover, the cement demand in India is expected to increase from 409Mn tonnes in FY24 to 537Mn tonnes in FY30.

Per capita cement consumption – World, China, Russia, USA, India

(Mn tonnes, CY24)



Source(s): I Lattice analysis

2.4.1 Key growth drivers for the Indian cement industry

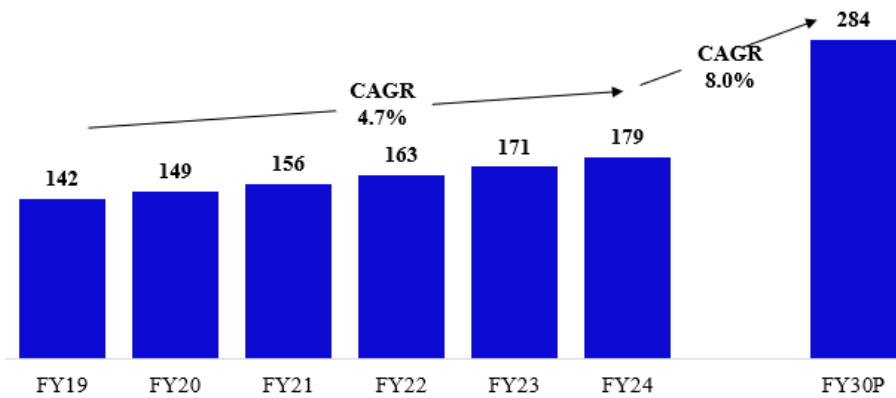
The Indian cement industry is set for significant growth, driven by key factors. Government initiatives like Housing for All are expected to boost demand for housing and real estate. A strong focus on public infrastructure, combined with robust economic growth and industrial expansion, will further fuel cement demand, creating a positive outlook for the industry.

Key growth drivers		
	Rising demand for housing and real estate	Government initiatives like Housing for All are set to boost demand in the sector, particularly with the expected growth in rural housing and low-cost housing, which will significantly drive overall demand
	Focus on public Infrastructure	Budget for FY25 proposes an infrastructure spending of ~INR 11Tn
	Industrial development	Strong economic growth is expected to drive the expansion of the industrial sector, thereby increasing demand in the cement sector

2.5 Indian crude steel production capacity was ~179Mn tonnes in FY24 and is expected to reach ~284Mn tonnes by FY30. Reflecting a CAGR of ~8.0% during FY24-30

India is the world's second-largest producer of crude steel. The crude steel production capacity was ~142Mn tonnes in FY19 and reached ~179Mn tonnes in FY24, reflecting a CAGR of ~4.7%. It is expected to reach ~284Mn tonnes by FY30, growing at a CAGR of ~8.0% during FY24-30.

Indian crude steel production capacity (Mn tonnes, FY19-30P)



Source(s): Ministry of Steel, I.Lattice analysis

Tata Steel Kalinganagar is India's largest greenfield steel project, strategically connected by road, rail, and ports. Equipped with one of the country's largest blast furnaces, a state-of-the-art steel melting shop, a hot strip mill, and advanced handling facilities, the plant sets efficiency and production excellence benchmarks.

2.5.1 Key growth drivers for the Indian steel industry

The Indian steel industry is poised for robust growth, driven by multiple key factors. Rising demand for appliances and consumer electronics is contributing to the sector's expansion while increasing automobile production and capacity additions in the automotive industry are expected to fuel strong demand for steel. The government plans to incorporate refractories into the Production Linked Incentive (PLI) Scheme 2.0 for steel. Additionally, growing investments in infrastructure are set to further propel the demand for steel products, solidifying the industry's growth trajectory in the years ahead.

Key growth drivers		
	National Steel Policy (NSP)	NSP had set a target of 300Mn tonnes of crude steel production and increase per capita steel consumption to 160 kg by FY30. Since the launch of NSP in 2017, the steel production has increased by ~42%
	Rising demand for appliance and consumer electronics	Growing demand for appliances and consumer electronics will drive the expansion of the steel industry
	Growth in automobile production	Automobile production is expected to boost steel production, while the industry's expanding capacity is likely to drive strong steel demand
	Production-linked Incentive (PLI) Scheme	Government is planning to include refractories in the upcoming Production Linked Incentive Scheme 2.0 for steel, aligning with its goal to double the country's steel production capacity to 300Mn tonnes by CY30
	Industrial development	Growing investment in infrastructure is expected to drive demand for steel products in the coming years

3. Overview of the construction equipment industry in India

The Indian construction equipment industry is undergoing significant growth, fuelled by various infrastructure projects such as roads, highways, railway, metro, bullet train, airport, ports and smart cities. Increasing urbanization and industrial expansion are driving the demand for construction equipment. In FY24, India, the world's third-largest market for construction equipment, had 50+ OEMs and employed 3M+ personnel, both directly and indirectly.

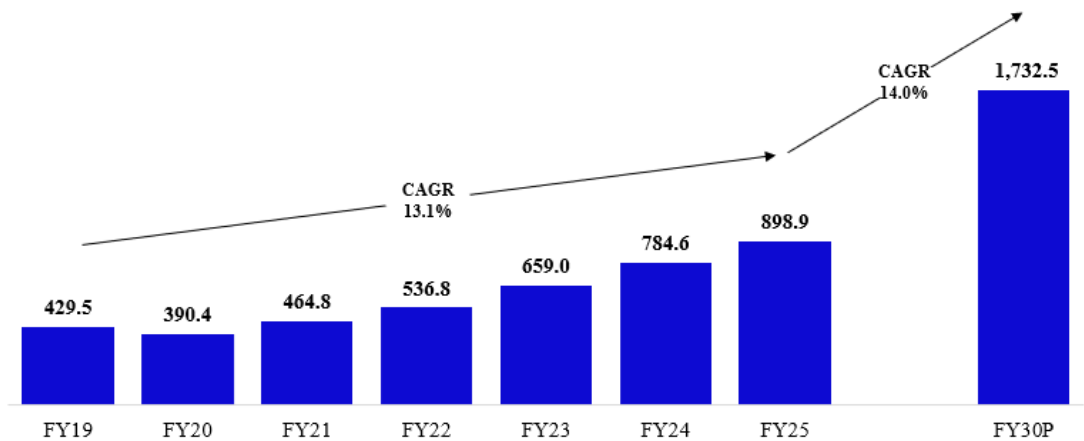
In FY24, total CE sales in India stood at 1,25,565 units, with equipment used for earthmoving and road construction contributing ~75% of sales. Equipment used for other industries, like real estate, industrial projects, and urban infrastructure like railways and water supply, accounted for the rest. With increasing infrastructure investments and ambitious goals to establish India as a manufacturing hub, the construction equipment industry also focuses on

enhancing exports. Supportive government policies, such as the Make in India initiative, PLI scheme, NIIF, and PM Gati Shakti scheme are expected to create lucrative opportunities for the construction equipment market.

3.1 Outlook of construction equipment industry market

India’s construction equipment industry, currently the third largest globally after North America and China, grew from ~INR 429.5Bn in FY19 to ~INR 898.9Bn in FY25 at a CAGR of 13.1% between FY 19-25. The market is projected to reach ~INR 1,732.5Bn by FY30, expanding at a CAGR of 14.0%. The industry saw a ~24% rise in construction equipment sales, increasing from 1,01,141 units in FY23 to 1,25,565 units in FY24 owing to infrastructure development, an increase in construction activity in other sectors including urban development, rural sector, airports, and ports along with a rise in mining activities. Projections indicate that the market will triple in size by CY30, positioning India as the world’s second-largest construction equipment market.

Indian construction equipment market - By value
(INR Bn, FY19-30P)



Source(s): ICEMA, 1Lattice analysis

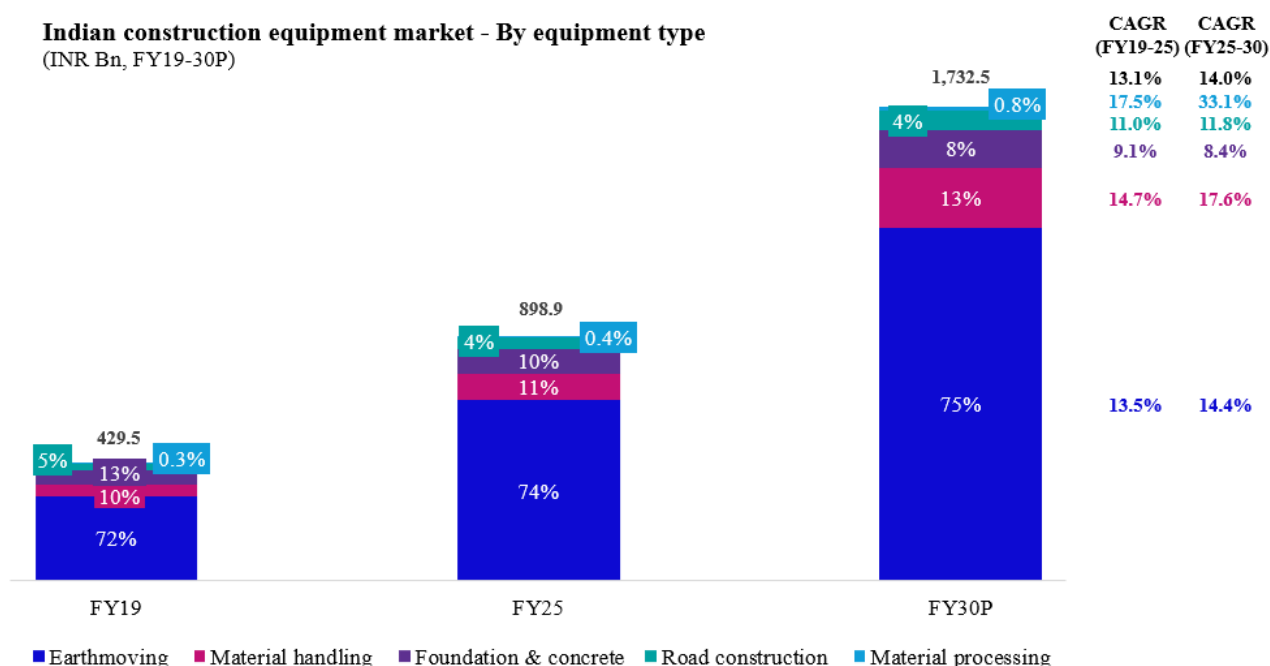
The construction equipment industry encompasses a diverse range of machinery used for various stages of construction, from earthmoving and material handling to road construction, material processing, and concrete operations. Each category of equipment plays a critical role in enhancing project efficiency, reducing manual labour, and improving overall productivity.

Earthmoving equipment, such as excavators and loaders, is vital for moving soil and rock, preparing construction sites by reshaping the terrain. Material handling equipment, including cranes and handlers, facilitates the efficient movement and storage of materials, ensuring that heavy loads can be transported safely and effectively across job sites. Road construction equipment, like rollers and pavers, is specifically designed for constructing and maintaining roads, providing the necessary tools to create smooth and durable surfaces for vehicular traffic. Material processing equipment, which features crushers and screeners, transforms raw materials into usable forms by breaking down large aggregates and sorting them based on size. Finally, concrete equipment, including mixers and pumps, is crucial for the mixing, transporting, and finishing of concrete, enabling the production of strong and uniform materials essential for various construction projects.

Construction equipment categories and corresponding machinery					
 Earthmoving equipment	 Material handling equipment	 Road construction equipment	 Material processing equipment	 Concrete equipment	 Foundation equipment
Backhoe loaders	Pick & carry cranes (Hydra cranes)	Tracked pavers	Compressors (Automatic / diesel / electric portable; diesel skid)	Batching plants	Piling rigs
Skid steer loaders	Pick & carry cranes (Hydraulic cranes)	Wheeled pavers	Static crushers	Self loading concrete mixers	Vibro hammer
Track loaders	Pick & carry cranes (Next gen cranes)	Single drum rollers (Soil compactors)	Track crushers	Concrete mixers (Transit mixers)	
Wheeled loaders	Lorry loader cranes	Double drum rollers (Tandem compactors)	Wheeled crushers	Stationary concrete pumps	
Track type tractors / crawler dozers	Truck cranes	Pneumatic tyre rollers	Roll crusher	Mobile line pumps	
Wheeled dozers (Bull dozer)	Crawler cranes	Asphalt batching plants	Screeners (Static / trackmounted / vibrating)	Boom pumps	
Crawler excavators	All terrain cranes	Asphalt finishers	Air Classifiers	Shotcrete	
Wheeled excavators	Rough terrain cranes	Milling track	Wet classifiers / washing system	Slipform pavers	
Motor graders	Fixed tower cranes	Milling wheel	Grizzly feeder	Fixed form pavers	
Off highway dump trucks	Mobile tower cranes	Baby roller	Pan feeder		
Pipe layers	Tele handlers				
	Reach stackers				

The construction equipment market in India is segmented into various categories, each contributing to the industry's overall growth and functionality. Among these, earthmoving equipment remains the dominant segment, increasing from 72% in FY19 to 74% in FY25, due to its extensive use in infrastructure projects including roads, railways, ports, and airports. Large-scale government initiatives such as “National Infrastructure Pipeline” fuel demand for excavators, loaders and other machinery. Additionally, the real estate boom in urban areas contributes significantly to the demand for earthmoving equipment. Material handling equipment is driven by industrial and manufacturing sector expansion, increasing demand for lifting and transportation machinery like cranes and handlers. Concrete equipment benefits from infrastructure and real estate projects, including affordable housing and smart cities. Road construction equipment relies on government investments in infrastructure, particularly highways. Material processing equipment is experiencing growth due to rising mining activities. The graph below illustrates the market share distribution across these key equipment categories, highlighting the dominance of earthmoving machinery:

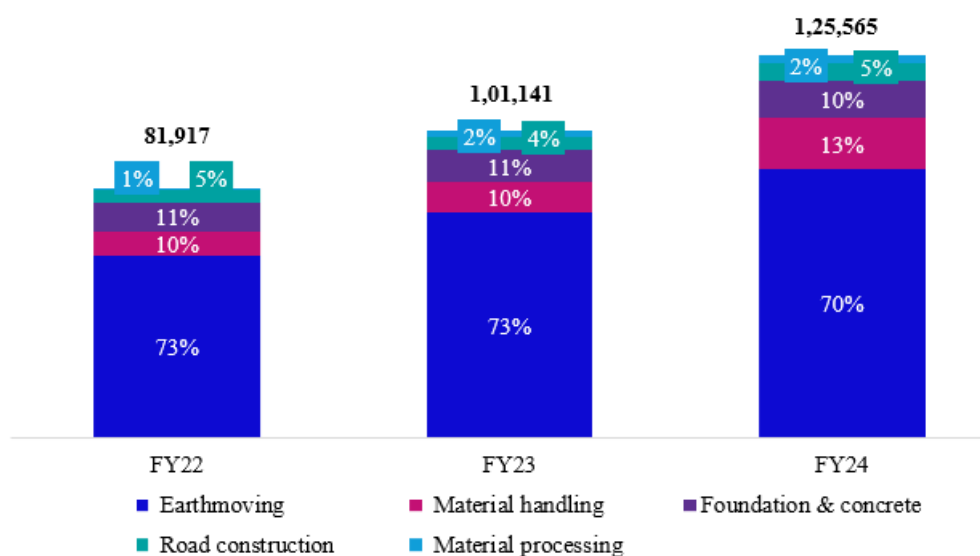
Indian construction equipment market - By equipment type
(INR Bn, FY19-30P)



Source(s): ILLattice analysis

The Indian construction equipment market has experienced significant growth across various equipment types, driven by increased infrastructure investments and government initiatives. Earthmoving equipment, particularly backhoe loaders and crawler excavators dominate the market in terms of sales volume, reflecting their critical role in construction activities. Material handling, concrete, road construction, and material processing equipment also show steady growth, with notable increases in sales volume across multiple categories from FY22 to FY24. The chart below presents a detailed comparison of sales volumes across these key equipment segments over the past three fiscal years, highlighting trends and market dynamics:

Indian construction equipment market - Sales volume
(#, FY22-24)



Source(s): ICEMA, ILLattice analysis

3.2 Overview of equipment rental and leasing business

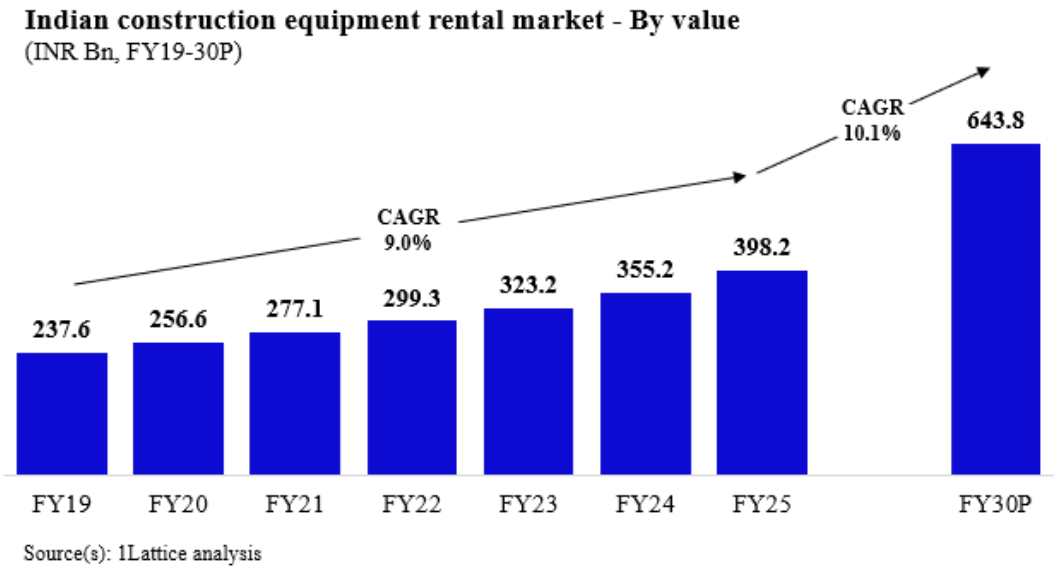
The construction equipment rental market in India is experiencing significant growth, driven by rising infrastructure investments, urban development projects, and the need for cost-effective, flexible solutions. Renting equipment offers construction firms access to advanced machinery without the burden of high ownership costs, including maintenance and operational expenses. This trend enhances efficiency, reduces financial risk, and improves project scalability.

Technological advancements are transforming the rental sector, with increasing adoption of new age construction equipment vehicles. These innovations boost productivity and enhance overall competitiveness. Rental services allow companies to leverage state-of-the-art machinery, keeping them agile in a rapidly evolving market without significant capital investment. Additionally, careful fleet maintenance by rental companies extends equipment lifespan, reduces waste, and lowers carbon emissions, contributing to improved environmental sustainability.

As of January 2025, India’s rental market outlook remains optimistic, with approximately 55,460 active construction projects covering over 17.6Bn square feet and a total estimated construction value of INR 10,572.3Bn (~US\$ 1.2Tn). Rising demand for office spaces in tier 1 and 2 cities is expected to sustain demand for rental equipment. Additionally, significant government investments in infrastructure, such as the “Viksit Bharat 2047” mission, further support robust growth projections for the sector.

3.2.1 Construction equipment rental market in India

The Indian construction equipment rental industry grew from ~INR 237.6Bn in FY19 to ~INR 398.2Bn in FY25 at a CAGR of 9.0% and is projected to reach ~INR 643.8Bn by FY30, expanding at a CAGR of 10.1%. This growth is primarily driven by significant investments in infrastructure projects, including roads, highways, and urban development initiatives under government programs such as the Smart Cities Mission.



3.2.2 Breakdown of rental market by key equipment types

Road construction equipment

Holding a 30% share in FY19, this segment grew to 40% in FY25 and is projected to reach 42% by FY30. Companies in this sector prefer renting over purchasing due to frequent equipment relocation across multiple sites, which increases transportation costs. This trend is further driven by large-scale highway and urban infrastructure projects.

Earthmoving equipment

With a 35% share in FY19, its dominance declined to 25% in FY25 and is expected to reach 26% by FY30. While demand remains strong due to construction and mining activities, the rise of SMEs offering these machines has increased sales volume but driven down rental prices due to market saturation.

Material handling equipment

This segment steadily grown from 18% in FY19 to 20% in FY25, with projections placing it at 22% by FY30. This growth is largely supported by the expansion of warehousing and logistics infrastructure.

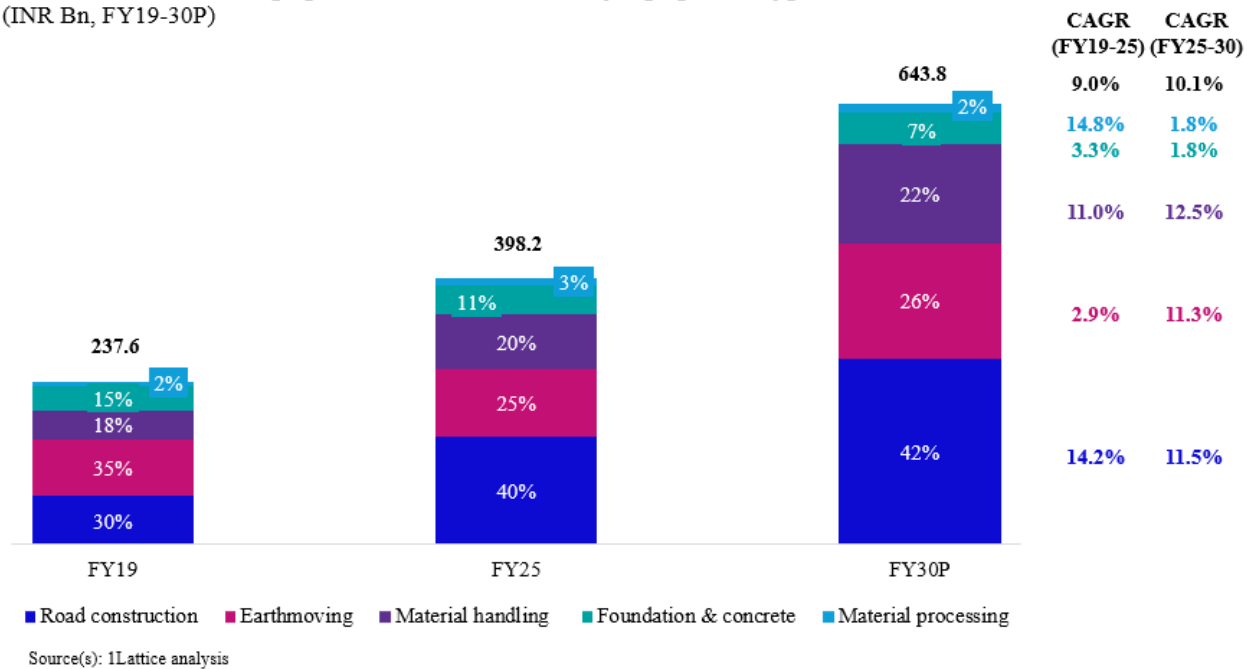
Foundation & concrete equipment

Primarily consisting of pilling rigs, vibro hammers, and concrete mixer trucks, accounted for 15% in FY19 but has dropped to 11% in FY25 and is projected to decline further to 7% by FY30. Since RMC companies maintain their own fleets, rental demand remains low in this segment.

Material processing equipment

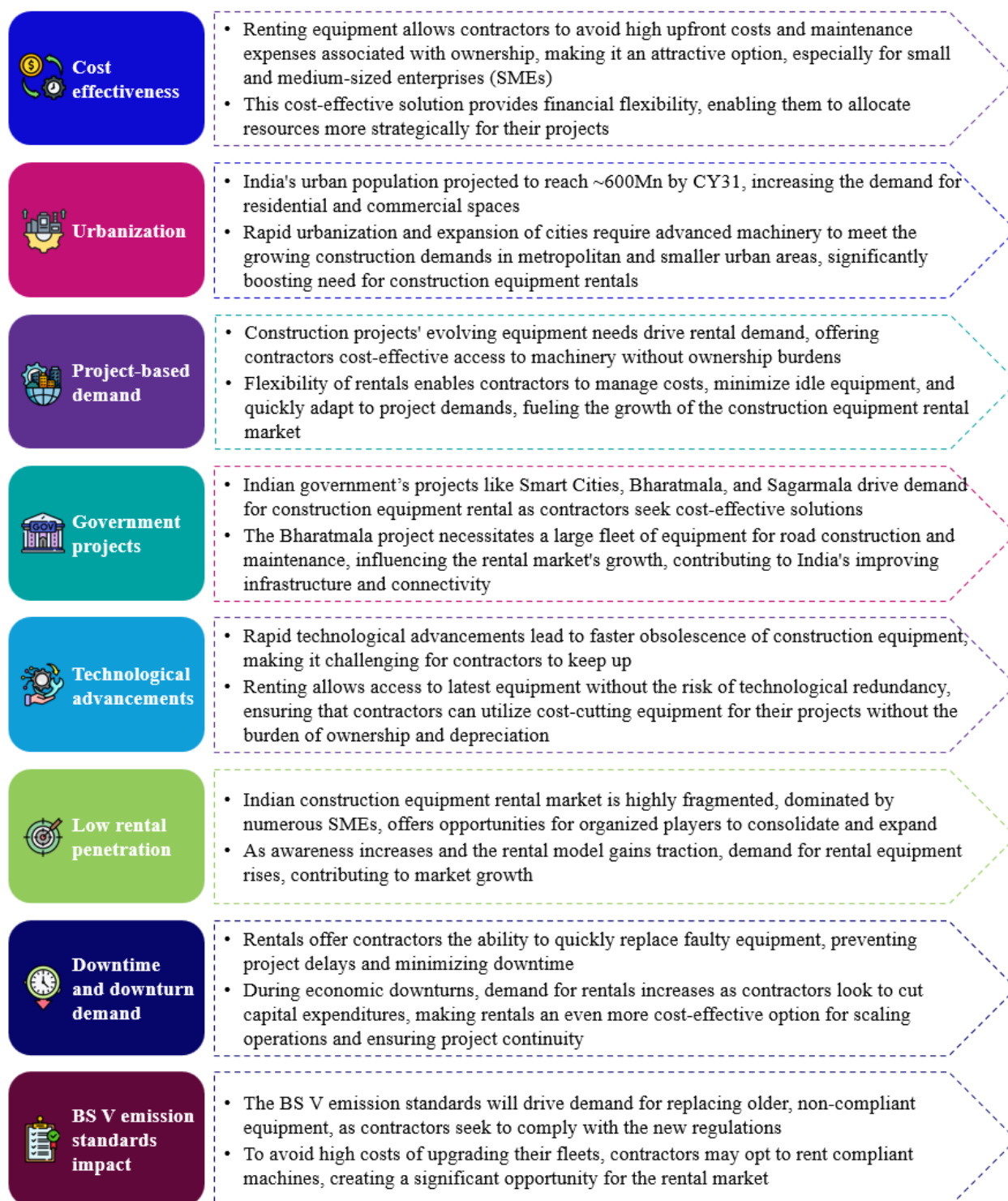
The smallest segment, with a 2% share in FY19, rose slightly to 3% in FY25, and is expected to stabilize at 2% by FY30, showing minimal fluctuation in market share.

Indian construction equipment rental market - By equipment type
(INR Bn, FY19-30P)



3.2.3 Key growth drivers

Rapid urbanization, government initiatives, project-based demand for equipment and other factors collectively contribute to a robust growth trajectory for the construction equipment rental industry in India, positioning it as a vital component of the country's infrastructure development strategy.



3.2.4 Advantages of rental vs ownership of construction equipment

The decision between renting and owning construction equipment is a critical consideration for contractors in the Indian construction industry. As the market evolves and project demands fluctuate, understanding the benefits of rental versus ownership becomes essential for optimizing resource allocation and enhancing competitiveness. Below is a comparative overview of the advantages associated with renting construction equipment versus owning it, which highlights key factors influencing this decision-making process.

Advantages of renting vs owning a construction equipment		
Factors	Rental	Ownership
 Cost	• Lower upfront costs; eliminates high capital investment	• Significant initial investment required for purchasing equipment
 Maintenance	• Maintenance & repair costs are typically covered by the rental company	• Owner is responsible for all maintenance, repairs, & associated costs
 Storage	• No need for storage facilities; the rental company handles storage logistics	• Requires space for storing equipment, which adds to operational costs
 Flexibility	• Ability to rent equipment as needed for specific projects, allowing for scalability	• Limited flexibility; owning equipment may lead to idle machinery during off-peak times
 Latest technology	• Immediate access to the latest models & technologies without the need for upgrades	• Equipment may become outdated quickly, requiring additional investment to upgrade
 Financial flexibility	• Rental costs can be deducted as business expenses, improving cash flow management	• Depreciation of owned equipment can impact financial statements negatively over time
 Project-based demand	• Ideal for short-term projects or fluctuating demand, avoiding long-term commitments	• Suitable for long-term projects but can lead to financial strain during periods of low utilization
 Transport	• Renting from local vendors minimizes transportation costs & logistical challenges	• Moving owned equipment between sites incurs significant transportation expenses
 Quick deployment	• Rapid access to required equipment without delays associated with purchasing & delivery	• Purchasing may involve lengthy procurement processes that delay project timelines
 Supplementing core fleet	• Allows companies to supplement their core fleet without significant capital expenditure	• Expanding the fleet requires additional capital investment & management of more assets
 Minimized downtime	• Rental agreements often include prompt replacement of faulty equipment, reducing operational disruptions	• Equipment breakdowns can lead to costly downtime, with no immediate replacement solutions available
 Access to expertise	• Rental companies often provide trained operators & technical support, ensuring optimal equipment performance & safety	• Owners must manage training & hiring of operators independently, which can increase overall labor costs

The comparison highlights that renting construction equipment is often a more practical choice than ownership, given its advantages across key factors. With the ability to align costs and resources with project needs, rentals provide a flexible and efficient solution for contractors, driving the growing preference for rental services in the industry.

3.2.5 Industry structure of the rental market

The Indian construction equipment rental market is characterized by significant fragmentation in terms of players, with a high presence of local and regional rental firms alongside a limited number of organized players. Approximately 40-50% of construction equipment sales in CY24 are channelled through rental companies, with a significant portion of projects being executed through these rental players. The organized sector comprises a limited number of large players with extensive fleets and broader service offerings. This fragmentation is primarily due to the local nature of rental services, with many companies operating regionally rather than nationally. The market is segmented into various levels based on the type of equipment offered, such as earthmoving equipment, material handling equipment, and specialized machinery like cranes.

Key structural features

- **Dominance of unorganized, hyper-local players:**

The market is overwhelmingly driven by small-scale, regional contractors that own limited fleets (e.g., 3–20 machines) and cater to specific end-user industries through short-term, geographically concentrated projects. These players thrive on informal relationships, proximity to clients (e.g., rural road projects, residential builders), and flexibility in pricing. Their operations are often constrained by limited-service offerings, reliance on outdated equipment, and lack of pan-India reach.

- **Emerging organized tier:**

A small but growing segment of organized players, including digital platforms and established equipment providers, operates at a national scale. These companies differentiate themselves through standardized service agreements, advanced fleet management (e.g., telematics, maintenance support), and the ability to serve large infrastructure contractors.

- **Localized demand & project-driven dynamics:**

Rental demand is heavily influenced by India's localized construction activity. For instance:

- Regional SMEs dominate in states with active rural infrastructure or residential construction.
- National players focus on mega urban projects (e.g., metro rail, highways) requiring specialized, high-value equipment.
- Equipment mobility remains limited due to logistical challenges, though GST implementation has eased interstate movement.

3.3 Overview on aerial work platform (AWP) rental market

AWPs are mechanical devices engineered to provide temporary elevated access for people or equipment to perform work at height. These platforms are designed to enhance safety, efficiency, and productivity in tasks that require elevation, such as installation, maintenance, inspection, and repairs. Unlike traditional methods like scaffolding or ladders, AWP offer greater mobility, flexibility, and security, reducing the risk of falls and workplace injuries. They are typically powered by hydraulic, pneumatic, or electric systems and can be operated by a single user, making them highly efficient for short-term and repetitive tasks.

3.3.1 Type of AWP

			
Scissor lifts	Articulated boom lifts	Telescopic boom lifts	Vertical mast lifts
• Vertical-lifting platforms with crisscross supports, offering stable, spacious work areas for multiple users and tools • Commonly used indoors (e.g., warehouses, malls, factories) for ceiling repairs, electrical work, and inventory tasks	• Boom lifts with hinged arms that extend and bend to navigate obstacles in complex environments • Used for hard-to-reach tasks like window cleaning, façade work, and tree trimming	• Boom lifts with straight, extendable arms for maximum vertical and horizontal reach • Ideal for outdoor tasks like bridge work, tower maintenance, and industrial installations	• Compact, vertical-only lifts designed for maneuvering in tight indoor spaces • Suitable for tasks like light replacement, painting, and shelf access in offices or stores

3.3.2 Sectoral applications of AWP

- **Construction:** AWP are indispensable in the construction industry for activities such as building erection, façade installation, painting, cladding, and structural inspections. Their ability to quickly and safely elevate workers to various heights reduces project timelines and enhances safety compliance on-site. AWP are also used for bridge construction, roofing, and installation of heavy equipment at height.
- **Manufacturing:** In manufacturing facilities, AWP are used for equipment installation, routine maintenance, facility upgrades, and overhead repairs. They provide safe access to machinery, conveyor systems, and lighting fixtures, ensuring minimal disruption to production lines and reducing downtime.
- **Facility management:** Facility management teams rely on AWP for a wide range of maintenance tasks, including cleaning, HVAC servicing, fire alarm installation, and lighting replacement. The mobility and ease of operation of AWP make them ideal for maintaining large commercial buildings, airports, hospitals, and educational institutions.
- **Warehousing & logistics:** AWP play a critical role in warehouses and distribution centres, enabling workers to reach high storage racks, conduct inventory checks, and perform maintenance on overhead systems. Their use improves efficiency, reduces manual handling risks, and supports the growing demands of e-commerce and logistics operations.
- **Energy & utilities:** The energy and utilities sector utilises AWP for the maintenance and installation of overhead power lines, wind turbines, substations, and solar panels. AWP provide safe and stable platforms for workers to perform tasks in hazardous or hard-to-reach locations, reducing the risk of electrical accidents.

- **Telecommunications:** AWP are essential for telecommunications infrastructure, including the installation and maintenance of cell towers, antennas, and fibre optic cables. Their ability to provide precise positioning at height ensures efficient and safe operations, even in challenging environments.

3.3.3 Key growth drivers

- **Rising demand from construction and infrastructure sectors:** The surge in residential, commercial and public infrastructure projects, including metro rail networks, airport expansions and smart city developments, is creating sustained need for safe and efficient elevated access solutions. AWP are increasingly being used for high-rise construction, structural maintenance and installation tasks where traditional methods are inadequate or unsafe.
- **Stringent safety regulations and rising workplace safety standards:** In India, evolving occupational safety norms and state-level initiatives are driving demand for compliant equipment for work at height. Rental AWP enable businesses to meet these safety and regulatory requirements without heavy capital investment, supporting growth in the rental segment as organisations increasingly prioritise worker protection and compliance.
- **Cost-effectiveness and flexibility of rentals:** Renting AWP allows businesses to avoid large upfront capital expenditures, reduce maintenance burdens, and access the latest equipment as needed. This flexibility is especially attractive for companies with fluctuating project requirements or those operating in emerging markets, accelerating the shift from ownership to rental models.
- **Diversification of end-user industries:** Beyond construction, sectors such as manufacturing, warehousing, logistics, telecommunications, and utilities are increasingly adopting AWP for maintenance, inventory management, and facility operations. This diversification broadens the rental market's customer base and underpins steady growth across economic cycles.

3.3.4 Key market trends

- **Shift to electric and hybrid models:** There is a significant shift among rental companies toward expanding their fleets with electric and hybrid AWP. This trend is driven by stricter emission regulations, customer demand for sustainable equipment, and the operational benefits of quieter, cleaner machines-especially for urban and indoor projects. Rental providers are investing in battery-powered and hybrid models, which offer reduced carbon emissions, lower noise, and decreased fuel costs, making them attractive for both regulatory compliance and customer preference.
- **Integration of advanced technologies:** Technological innovation is transforming the AWP rental sector, with rental companies increasingly offering platforms equipped with telematics, IoT-enabled monitoring, and remote diagnostics. These features allow rental providers to track equipment usage & schedule predictive maintenance, resulting in improved fleet management, reduced downtime, and enhanced safety.
- **Product customisation and value-added features:** Rental providers are differentiating themselves by offering AWP with advanced features such as integrated power tool hookups, compressed air outlets, and modular attachments. There is also a trend toward providing tailored rental solutions, including flexible terms, on-site support, and digital platforms for seamless equipment management.

4. Company overview

4.1 Operational benchmarking

Aggcon Equipments International Limited, established in 2003, is one of the leading and fastest growing infrastructure equipment rental companies in India, with revenue growth of 21.56% CAGR over FY23-25 and highest EBITDA margin of 61.32% and EBIT margin of 41.11% in FY25, and has an integrated operations network across India. With over 22 years of experience, Aggcon is one of the few infrastructures rental companies in India dealing possessing the fleet of all the equipment ranging from earthmoving equipment, road construction equipment, material handling equipment, concrete equipment and foundation equipment. Aggcon is working with major infrastructure sector companies in India. Aggcon has an extensive portfolio of equipment leasing services consisting of 337 fleets as on the date of this draft red herring prospectus, having an average age of 2.91 years spans across critical industries, including road construction, railways, waterways, power, earthmoving, and construction. Aggcon is one of the few players which only does rental services for construction equipment. Aggcon is one of the few companies which provides all the construction equipment's in India under one roof. The table below sets forth the companies in India which engages in supplying the services of construction equipment's in India.

Equipment												
Concrete equipment	Self Loading Mixer	✓	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗
	Boom Pumps	✓	✓	✗	✗	✗	✗	✗	✓	✓	✗	✗
Foundation equipment	Piling Rig	✓	✓	✓	✗	✓	✗	✗	✓	✓	✗	✓
	Vibro Hammer	✓	✗	✗	✗	✗	✗	✗	✓	✗	✗	✗
Material handling equipment	Truck Cranes	✓	✗	✓	✗	✗	✓	✓	✓	✓	✗	✓
	Crawler Cranes	✓	✗	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Tyre Mounter Crane	✓	✗	✗	✓	✓	✗	✓	✓	✗	✓	✓
	Telehandlers	✓	✗	✗	✗	✗	✓	✗	✗	✗	✓	✗
Road construction equipment	Tracked Paver	✓	✓	✗	✗	✗	✗	✗	✓	✗	✗	✗
	Soil Compactor	✓	✓	✗	✗	✗	✗	✗	✗	✗	✗	✗
	Tandem Compactor	✓	✓	✗	✗	✗	✗	✗	✗	✗	✗	✗
	Baby Roller	✓	✓	✗	✗	✗	✗	✗	✗	✗	✗	✗
	PTR	✓	✓	✗	✗	✗	✗	✗	✗	✗	✗	✗
Earthmoving equipment	Skid Steer Loader	✓	✗	✗	✗	✓	✗	✗	✗	✗	✗	✗
	Wheel Loader	✓	✓	✗	✗	✓	✓	✗	✗	✗	✗	✗
	Crawler Excavators	✓	✓	✗	✗	✗	✗	✗	✗	✗	✗	✗
	Bull Dozer	✓	✗	✗	✗	✓	✗	✗	✗	✗	✗	✗
	Motor Grader	✓	✓	✗	✗	✓	✗	✗	✗	✗	✗	✗
AWP	Boom lift	✓	✗	✗	✓	✓	✓	✓	✗	✓	✗	✓

4.2 Financial benchmarking

Among listed peers, Aggcon has highest EBITDA margin (61.32%) and EBIT margin (41.11%) in FY25. Aggcon has second highest ROE (24.73%) in FY25. Aggcon's average capacity utilization for FY23, FY24 and FY25 is best among the listed peers. Aggcon's average blended yield per month is highest in FY25 (3.22%) and FY24 (3.56%) and second highest in FY23 (3.76%).

Company name (listed players)	Revenue CAGR
	(FY23-25)
Aggcon Equipments International Ltd	21.56%
Sanghvi Movers Ltd	31.00%
Vision Infrastructure Equipment Solutions Ltd	10.98%
Tara Chand Infralogistic Solutions Ltd	32.55%

Parameters	Company (listed players)	FY23	FY24	FY25
Revenue from operations (INR Mn)	Aggcon Equipments International Ltd	1,110.06	1,372.86	1,640.22
	Sanghvi Movers Ltd	4,557.83	6,185.36	7,821.16
	Vision Infrastructure Equipment Solutions Ltd	3,598.08	3,327.46	4,432.68
	Tara Chand Infralogistic Solutions Ltd	1,410.59	1,720.21	2,478.18
EBITDA (INR Mn)	Aggcon Equipments International Ltd	670.70	811.86	1,005.75
	Sanghvi Movers Ltd	2,568.40	3,810.24	3,303.54
	Vision Infrastructure Equipment Solutions Ltd	559.70	823.78	1,189.55
	Tara Chand Infralogistic Solutions Ltd	384.10	553.86	779.24
EBITDA (%)	Aggcon Equipments International Ltd	60.42%	59.14%	61.32%
	Sanghvi Movers Ltd	56.35%	61.60%	42.24%
	Vision Infrastructure Equipment Solutions Ltd	15.56%	24.76%	26.84%
	Tara Chand Infralogistic Solutions Ltd	27.23%	32.20%	31.44%
EBIT (INR Mn)	Aggcon Equipments International Ltd	469.98	524.89	674.23
	Sanghvi Movers Ltd	1,357.74	2,491.82	2,018.49
	Vision Infrastructure Equipment Solutions Ltd	223.16	400.17	639.64
	Tara Chand Infralogistic Solutions Ltd	159.54	260.17	342.65
EBIT (%)	Aggcon Equipments International Ltd	42.34%	38.23%	41.11%
	Sanghvi Movers Ltd	29.79%	40.29%	25.81%
	Vision Infrastructure Equipment Solutions Ltd	6.20%	12.03%	14.43%
	Tara Chand Infralogistic Solutions Ltd	11.31%	15.12%	13.83%
PAT (INR Mn)	Aggcon Equipments International Ltd	279.24	226.44	307.15
	Sanghvi Movers Ltd	1,120.41	1,879.42	1,565.22
	Vision Infrastructure Equipment Solutions Ltd	91.89	266.89	340.52
	Tara Chand Infralogistic Solutions Ltd	93.57	161.33	248.57
PAT (%)	Aggcon Equipments International Ltd	24.96%	16.36%	18.60%
	Sanghvi Movers Ltd	23.07%	29.06%	19.02%
	Vision Infrastructure Equipment Solutions Ltd	2.49%	7.63%	7.49%
	Tara Chand Infralogistic Solutions Ltd	6.47%	9.23%	9.78%
ROE (%)	Aggcon Equipments International Ltd	38.73%	23.24%	24.73%
	Sanghvi Movers Ltd	14.22%	20.28%	14.53%

	Vision Infrastructure Equipment Solutions Ltd	33.32%	99.69%	36.12%
	Tara Chand Infralogistic Solutions Ltd	14.46%	19.32%	22.99%
ROCE (%)	Aggcon Equipments International Ltd	20.55%	16.58%	15.05%
	Sanghvi Movers Ltd	14.11%	21.40%	13.99%
	Vision Infrastructure Equipment Solutions Ltd	13.23%	17.05%	17.48%
	Tara Chand Infralogistic Solutions Ltd	10.28%	15.34%	16.57%
Net worth (INR Mn)	Aggcon Equipments International Ltd	861.08	1,087.99	1,396.16
	Sanghvi Movers Ltd	8,417.08	10,121.45	11,425.27
	Vision Infrastructure Equipment Solutions Ltd	300.04	235.39	1,649.91
	Tara Chand Infralogistic Solutions Ltd	721.19	948.94	1,213.61
Net debt (INR Mn)	Aggcon Equipments International Ltd	1,717.37	2,648.96	3,807.06
	Sanghvi Movers Ltd	1,617.03	2,110.14	3,837.97
	Vision Infrastructure Equipment Solutions Ltd	1,475.04	2,537.64	2,707.10
	Tara Chand Infralogistic Solutions Ltd	754.68	850.27	922.44
Net debt to equity	Aggcon Equipments International Ltd	1.99	2.43	2.73
	Sanghvi Movers Ltd	0.19	0.21	0.34
	Vision Infrastructure Equipment Solutions Ltd	4.92	10.78	1.64
	Tara Chand Infralogistic Solutions Ltd	1.05	0.90	0.76
Net debt to EBITDA	Aggcon Equipments International Ltd	2.56	3.26	3.79
	Sanghvi Movers Ltd	0.63	0.55	1.16
	Vision Infrastructure Equipment Solutions Ltd	2.64	3.08	2.28
	Tara Chand Infralogistic Solutions Ltd	1.96	1.54	1.18
Fleet size	Aggcon Equipments International Ltd	166	245	337
	Sanghvi Movers Ltd	394*	346*	370*
	Vision Infrastructure Equipment Solutions Ltd	NA	395**	425***
	Tara Chand Infralogistic Solutions Ltd	300^^	312^^	368^^
Average Capacity Utilization	Aggcon Equipments International Ltd	87.09%	84.46%	82.74%
	Sanghvi Movers Ltd	82.00%*	84.00%*	73.00%*
	Vision Infrastructure Equipment Solutions Ltd	NA	NA	NA
	Tara Chand Infralogistic Solutions Ltd	NA	NA	NA
Average Blended Yield per month	Aggcon Equipments International Ltd	3.76%	3.56%	3.22%
	Sanghvi Movers Ltd	2.23%	2.64%	1.84%^
	Vision Infrastructure Equipment Solutions Ltd	5.15%	1.12%	NA
	Tara Chand Infralogistic Solutions Ltd^^^	2.48%	2.36%	3.20%#

NA – Not available

* As per Investor Presentation as on May 20, 2025

** As per the Vision Infra Equipments Solution Limited RHP as on September 1, 2024

*** As per Investor Presentation as on May 27, 2025

^ Gross block for FY25 taken from the Investor Presentation as on May 20, 2025

^^ Fleet as on FY25 - As per Investor presentation dated May 16, 2025; Fleet as FY24 - As per Investor presentation dated May 6, 2024; Fleet as on FY23 - As per FY23 Annual Report

^^^ For the purpose of computing average blended yield per month for Tara Chand Infralogistic Solutions Ltd, we have used revenue from Infra work, Tangible Goods & Services)

Gross block for FY25 taken from Investor Presentation dated May 16, 2025

- **FY25** - The financial information for listed industry peers is sourced from the Financial Results of the respective companies.
- **FY24** - The financial information for listed industry peers other than Vision Infra Equipments Solution Limited mentioned above are sourced from the annual report of FY24 and for Vision Infra Equipments Solution Limited the financial information has been sourced from its Red Herring Prospectus dated September 1, 2024.
- **FY23** - The financial information for listed industry peers other than Vision Infra Equipments Solution Limited mentioned above are sourced from the annual report of FY23 and for Vision Infra Equipments Solution Limited the financial information has been sourced from its Red Herring Prospectus dated September 1, 2024.

Company name (Unlisted)	Revenue CAGR
	(FY23-24)
Aggcon Equipments International Ltd	23.67%
Amrik Singh & Sons Crane Services Pvt Ltd	NA
Shethia Erectors & Material Handlers Ltd	62.66%
Sociam Equipment Solutions Pvt Ltd	-28.43%
Sarens Heavy Lift India Pvt Ltd	51.51%
Jindal Infrastructure Pvt Ltd	19.48%
Oasis Infrastructure Pvt Ltd	11.29%
Barkat Cranes & Equipments Pvt Ltd	28.10%

Parameters	Company (Unlisted)	FY23	FY24
Revenue from operations (INR Mn)	Aggcon Equipments International Ltd	1,110.06	1,372.86
	Amrik Singh & Sons Crane Services Pvt Ltd	1,671.78	NA
	Shethia Erectors & Material Handlers Ltd	1,674.85	2,724.24
	Sociam Equipment Solutions Pvt Ltd	1,493.60	1,069.01
	Sarens Heavy Lift India Pvt Ltd	2,496.20	3,782.00
	Jindal Infrastructure Pvt Ltd	588.17	702.74
	Oasis Infrastructure Pvt Ltd	421.22	468.76
	Barkat Cranes & Equipments Pvt Ltd	1,267.68	1,623.96
EBITDA (INR Mn)	Aggcon Equipments International Ltd	670.70	811.86
	Amrik Singh & Sons Crane Services Pvt Ltd	906.47	NA
	Shethia Erectors & Material Handlers Ltd	885.33	1,402.78
	Sociam Equipment Solutions Pvt Ltd	-14.25	60.68
	Sarens Heavy Lift India Pvt Ltd	-168.80	-50.90
	Jindal Infrastructure Pvt Ltd	236.41	306.49
	Oasis Infrastructure Pvt Ltd	251.49	269.51
	Barkat Cranes & Equipments Pvt Ltd	403.27	700.28
EBITDA (%)	Aggcon Equipments International Ltd	60.42%	59.14%
	Amrik Singh & Sons Crane Services Pvt Ltd	54.22%	NA
	Shethia Erectors & Material Handlers Ltd	52.86%	51.49%
	Sociam Equipment Solutions Pvt Ltd	-0.95%	5.68%
	Sarens Heavy Lift India Pvt Ltd	-6.76%	-1.35%
	Jindal Infrastructure Pvt Ltd	40.19%	43.61%
	Oasis Infrastructure Pvt Ltd	59.71%	57.49%
	Barkat Cranes & Equipments Pvt Ltd	31.81%	43.12%

EBIT (INR Mn)	Aggcon Equipments International Ltd	469.98	524.89
	Amrik Singh & Sons Crane Services Pvt Ltd	390.56	NA
	Shethia Erectors & Material Handlers Ltd	484.92	736.14
	Sociam Equipment Solutions Pvt Ltd	-44.05	37.22
	Sarens Heavy Lift India Pvt Ltd	-418.00	-164.30
	Jindal Infrastructure Pvt Ltd	119.15	176.26
	Oasis Infrastructure Pvt Ltd	177.16	175.85
	Barkat Cranes & Equipments Pvt Ltd	191.58	385.87
EBIT (%)	Aggcon Equipments International Ltd	42.34%	38.23%
	Amrik Singh & Sons Crane Services Pvt Ltd	23.36%	NA
	Shethia Erectors & Material Handlers Ltd	28.95%	27.02%
	Sociam Equipment Solutions Pvt Ltd	-2.95%	3.48%
	Sarens Heavy Lift India Pvt Ltd	-16.75%	-4.34%
	Jindal Infrastructure Pvt Ltd	20.26%	25.08%
	Oasis Infrastructure Pvt Ltd	42.06%	37.51%
	Barkat Cranes & Equipments Pvt Ltd	15.11%	23.76%
PAT (INR Mn)	Aggcon Equipments International Ltd	279.24	226.44
	Amrik Singh & Sons Crane Services Pvt Ltd	407.44	NA
	Shethia Erectors & Material Handlers Ltd	-35.19	489.60
	Sociam Equipment Solutions Pvt Ltd	-71.68	3.51
	Sarens Heavy Lift India Pvt Ltd	-399.20	2044.30
	Jindal Infrastructure Pvt Ltd	52.77	65.99
	Oasis Infrastructure Pvt Ltd	112.65	125.66
	Barkat Cranes & Equipments Pvt Ltd	158.34	289.16
PAT (%)	Aggcon Equipments International Ltd	24.96%	16.36%
	Amrik Singh & Sons Crane Services Pvt Ltd	24.37%	NA
	Shethia Erectors & Material Handlers Ltd	-2.10%	17.97%
	Sociam Equipment Solutions Pvt Ltd	-4.80%	0.33%
	Sarens Heavy Lift India Pvt Ltd	-15.99%	5.054%
	Jindal Infrastructure Pvt Ltd	8.97%	9.39%
	Oasis Infrastructure Pvt Ltd	26.74%	26.81%
	Barkat Cranes & Equipments Pvt Ltd	12.49%	17.81%
ROE (%)	Aggcon Equipments International Ltd	38.73%	23.24%
	Amrik Singh & Sons Crane Services Pvt Ltd	30.57%	NA
	Shethia Erectors & Material Handlers Ltd	-1.52%	19.06%
	Sociam Equipment Solutions Pvt Ltd	-225.69%	3.60%
	Sarens Heavy Lift India Pvt Ltd	NM	NM
	Jindal Infrastructure Pvt Ltd	26.39%	25.45%
	Oasis Infrastructure Pvt Ltd	41.40%	32.12%
	Barkat Cranes & Equipments Pvt Ltd	25.45%	34.18%
ROCE (%)	Aggcon Equipments International Ltd	20.55%	16.58%
	Amrik Singh & Sons Crane Services Pvt Ltd	11.24%	NA
	Shethia Erectors & Material Handlers Ltd	10.79%	14.16%
	Sociam Equipment Solutions Pvt Ltd	-7.38%	5.83%
	Sarens Heavy Lift India Pvt Ltd	NM	NM
	Jindal Infrastructure Pvt Ltd	10.81%	13.36%
	Oasis Infrastructure Pvt Ltd	19.87%	16.24%
	Barkat Cranes & Equipments Pvt Ltd	9.53%	13.58%

Networth (INR Mn)	Aggcon Equipments International Ltd	861.08	1,087.99
	Amrik Singh & Sons Crane Services Pvt Ltd	1,536.35	NA
	Shethia Erectors & Material Handlers Ltd	2,316.93	2,821.15
	Sociam Equipment Solutions Pvt Ltd	-4.08	199.27
	Sarens Heavy Lift India Pvt Ltd	-1,792.40	1,173.98
	Jindal Infrastructure Pvt Ltd	226.32	292.32
	Oasis Infrastructure Pvt Ltd	328.40	454.06
	Barkat Cranes & Equipments Pvt Ltd	701.35	990.51
Net debt (INR Mn)	Aggcon Equipments International Ltd	1,717.37	2,648.96
	Amrik Singh & Sons Crane Services Pvt Ltd	2,675.27	NA
	Shethia Erectors & Material Handlers Ltd	2,248.18	2,502.79
	Sociam Equipment Solutions Pvt Ltd	570.01	233.55
	Sarens Heavy Lift India Pvt Ltd	-193.60	-245.20
	Jindal Infrastructure Pvt Ltd	978.59	1,117.13
	Oasis Infrastructure Pvt Ltd	641.89	685.86
	Barkat Cranes & Equipments Pvt Ltd	1,570.01	2,365.69
Net debt to equity (INR Mn)	Aggcon Equipments International Ltd	1.99	2.43
	Amrik Singh & Sons Crane Services Pvt Ltd	1.74	NA
	Shethia Erectors & Material Handlers Ltd	0.97	0.89
	Sociam Equipment Solutions Pvt Ltd	-139.71	1.17
	Sarens Heavy Lift India Pvt Ltd	0.11	-0.21
	Jindal Infrastructure Pvt Ltd	4.32	3.82
	Oasis Infrastructure Pvt Ltd	1.95	1.51
	Barkat Cranes & Equipments Pvt Ltd	2.24	2.39
Net debt to EBITDA (INR Mn)	Aggcon Equipments International Ltd	2.56	3.26
	Amrik Singh & Sons Crane Services Pvt Ltd	2.95	NA
	Shethia Erectors & Material Handlers Ltd	2.54	1.78
	Sociam Equipment Solutions Pvt Ltd	NA	3.85
	Sarens Heavy Lift India Pvt Ltd	1.15	4.82
	Jindal Infrastructure Pvt Ltd	4.14	3.64
	Oasis Infrastructure Pvt Ltd	2.55	2.54
	Barkat Cranes & Equipments Pvt Ltd	3.89	3.38

Note(s):

NM – Not meaningful

1. Revenue from Operations = Revenue from operations is as per respective companies' annual report
2. EBITDA = EBITDA is calculated as profit before share of profit/(loss) from joint venture and tax plus finance costs and depreciation and amortization expense less other income
3. PAT = profit for the year as per respective companies' annual report
4. Networth = Networth is Total Equity as per respective companies' annual report
5. EBITDA Margin = EBITDA Margin (%) is computed as EBITDA divided by revenue from operations*100
6. EBIT = EBIT is calculated as EBITDA less depreciation and amortization expense
7. EBIT Margin = EBIT Margin (%) is computed as EBIT divided by revenue from operations*100
8. PAT Margin = PAT Margin (%) is calculated as profit for the year divided by Total Income
9. RoE% = Return on Equity (%) is calculated as PAT divided by Average Total Equity multiplied by 100
10. ROCE% = ROCE is calculated as EBIT as a % of Average Capital employed. Capital employed refers Total Equity added by Total Borrowings (i.e. Long Term Borrowings + Short Term Borrowings)
11. Net Debt = Net debt is calculated by total borrowings (long term borrowings plus short-term borrowings) less cash and cash equivalents and bank balances other than cash and cash equivalents
12. Net Debt / Equity = Net debt / Equity is calculated by dividing net debt with Networth
13. Net Debt / EBITDA = Net debt / EBITDA is calculated by dividing net debt with EBITDA
14. Fleet Size = Fleet size means total number of equipment owned and operated

15. *Average Capacity Utilization = Average Capacity Utilization is calculated by Total Days used divided by Total Days multiplied by 100. Total Days used exclude idle time which is machine dehire time and break down time.*
16. *Average Blended Yield per month = Average Blended Yield per month is calculated by dividing total rental revenue by 12 which is further divided by average gross block.*

Source: Company annual reports, MCA, 11Lattice analysis

4.3 Key threats and challenges to industry

- **Economic fluctuations:** Demand for rental equipment is impacted by construction cycles, infrastructure investments, and broader economic conditions
- **Equipment downtime and maintenance:** Managing equipment downtime and ensuring timely maintenance is crucial. Unplanned downtime leads to lost revenue and dissatisfied customers
- **Complex rental processes:** Managing reservations, pricing models, and equipment returns is a complex task. Efficient booking and scheduling are essential, as delays can disrupt project timelines and cause financial losses
- **Equipment transportation & logistics:** Managing equipment transportation presents logistical challenges, particularly for large or specialized machinery. Efficient route planning and coordination is required for timely delivery and pickup
- **High investment & scalability challenges:** Substantial capital is required for technology, logistics, and capital expenditure for equipment, making expansion resource-intensive



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