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Dear Sir,

Sub: Transcript of Earnings Call on 31st May 2019

Please find enclosed herewith the transcript of the Earnings Conference Call held on 31st May 2019 for your record and reference.

Thanking you

Yours faithfully,
For **Shreyas Shipping & Logistics Limited**


Asha Prakash
Company Secretary & Compliance Officer



Encl: A/a





“Shreyas Shipping and Logistics Limited Q4 FY 2019 Earnings Conference Call”

May 31, 2019



MANAGEMENT: CAPT. V. K. SINGH – MANAGING DIRECTOR
MR. RAJESH DESAI – CHIEF FINANCIAL OFFICER
MODERATOR: MR. PRATEEK KUMAR – ANTIQUE STOCK BROKING
LIMITED

Moderator: Ladies and gentlemen, good day. And welcome to Shreyas Shipping and Logistics Limited Q4 FY2019 Earnings Conference Call, hosted by Antique Stock Broking. As a reminder, all participant lines will be in the listen-only mode. And there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing “*” then “0” on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Prateek Kumar from Antique Stock Broking. Thank you and over to you, sir.

Prateek Kumar: Hi. Good Morning, everyone. And thank you for joining us on Shreyas Shipping Q4 and FY 2019 Earnings Conference Call. Today, we are joined by senior members of management team, including Capt. V. K. Singh, who is the Managing Director; Mr. Rajesh Desai – CFO. We will begin the call with opening remarks from management team followed by interactive Q&A Session.

At the outset, I like to clarify that certain statements made or discussed on the conference call today may be forward-looking in nature and disclaimer to this effect has been included in the investor communications.

To begin with, Capt. V. K. Singh will share with us operating performance and growth plans of company, followed by Mr. Rajesh Desai, who shall share with us financial and segmental performance. The result document have been shared earlier and posted on the company’s website.

I will now invite Captain V. K. Singh to share his opening thoughts. Thank you and over to you, sir.

Capt. V.K. Singh: Hello. Good morning, ladies and gentlemen. Welcome to today’s Earnings Conference Calls for the Fourth Quarter and Financial Year ended a 2018 - 2019. I hope you had a chance to review our financial statements and earnings presentation, which have been made available on the exchanges and on our website.

Going ahead, a brief highlight about the global container market. As per the Howe Robinson Container Index, which increased by 50 points during the quarter, to close at 650 points at the close of the quarter and has a rising trend. At the beginning of the financial year, index was at 746 points, which came down to 650 points at the close of financial year end. Charter hire rates are now about 12% higher than their January low, and has a positive outlook. Containership scrapping for the quarter stands at 30 units of 69,976 TEUs in total. Scrap price remained firm around \$470 to \$480 per NDT and also second-hand sale prices remained firm, except for Panamax size container vessels.

Coming to the financial highlight for the fourth quarter of FY 2019. The revenue stood at Rs. 160 crores; EBITDA stood at Rs. 17 crores; and net profit stood at Rs. 9.5 crores. For the financial year ended 2018 - 2019, the revenue stood at Rs. 625 crores, a growth of 15.6% year-on-year. EBITDA was Rs. 70 crores and net profit was Rs. 34 crores.

During the quarter, we had a fleet of 13 vessels with total capacity of 24,519 TEUs, and total deadweight of 3,36,573 metric tons were owned by us. And in addition, two vessels were chartered in, which provided us total of 1,358 voyage days, of which 926 days used on own operation as against 972 days in the previous quarter.

Own vessels, SSL Krishna, SSL Chennai, SSL Gujarat, SSL Mumbai, and SSL Balaji were chartered out for 412 days in this quarter as against 241 days in the previous quarter. SSL Kochi was laid up for 20 days at Columbo, for change of one of the generators, which was a new generator fitted during the quarter.

The average bunker rate for the quarter was Rs. 32,100 per metric tons compared to Indian rupees 38,500 per metric tons in the previous quarter. Also, lower voyage operational days during the quarter led to a decrease in consumption of fuels. Due to which, the fuel costs decreased by Rs. 10 crores in the quarter. Full and final settlement of Rs. 31,54,64,738 against other machinery claim for SSL Kolkata was received from hull & machinery underwriters, MS United India.

Our strategic decision for rationalization of tonnage was taken during the year for operating suitable tonnages and chartering out excess tonnage. Relaxation of cabotage last year also helped us to charter in suitable vessel for specific trade lanes. During the quarter, we operated 10 vessels, of which two vessels were chartered in and five own vessels were chartered out. Out of which, one of the vessels chartered to Hyundai Merchant Marine, on own service having slot-swap arrangement. We signed an agreement with Vishwa Samudra where we have chartered out two of our vessel, SSL Mumbai and SSL Gujarat on a long-term basis, besides overview operational activities for their CONCOR's tender business on coast

The domestic business shifted to Kandla from Mundra port due to a trade requirement and cost saving for the trade. Containerized domestic trade during the year has increased by 21% as compared to previous year, and our domestic volume increased by 11% in the year as against previous year, with the current market share of 52%. Total volume handled during the quarter was one 113,000 TEUs as against what 128,439 TEUs in the previous quarter. The drop in the volume was on the account of drop in EXIM empty volume, as well as well volume for Hyundai Merchant Marine, which shifted to SSL Chennai chartered to them on the Kolkata - Krishnapatnam corridor. The total volume handled during the year was 478,104 TEUs as against 448,181 TEUs in the previous year, with an increase of around 7%.

During the last financial year market remained volatile, leading to drop in volume and changes in the utilization level of our operating assets. Utilization levels on all the services from north to south and west to east remained at the level of around 90%, and on the reverse leg was

around 70% during the quarter. During the quarter, we did not handle break bulk cargo, since one of the vessel was on charter, and another MBB vessel was used on container trade. Currently, we have again resumed our break bulk operation.

Total 26% of TEU days assets were chartered out which provided 36% of the total yield, while 74% of TEU days asset used our own operation will provide 54% of the during the yield. During the current financial year, we will continue to focus on container operations with suitable vessels, as well as break bulk operations on the coast. We will look out for an opportunity to have a growth on our asset with our strategy to charter out few excess tonnages in the good market. We will be focusing to provide connectivity between east coast of India with Bangladesh.

Lastly, with the respect to corporate actions, the Board of Directors at the meeting held on 28th May 2019 have considered and recommended a dividend of Rs. 1.2 per share for the year ended 31st of March, 2019.

Thank you very much for your kind patience. And we can now go ahead with the question answer session.

Moderator: Thank you very much, sir. Ladies and gentlemen, we will now begin the question and answer session. The first question is from the line of Sreemant Dudhoria from Unifi Capital. Please go ahead.

Sreemant Dudhoria: Good morning. So, firstly, if you can explain the operations in the joint Avana, our share of profit has fallen sharply from Rs. 14 crores to about Rs. 3.7 crores in FY19. So, can you please help us understand what is the reason for the loss in that business?

Capt. V.K. Singh: Well, during the year the global market was quite volatile, in addition the Iranian trade also came down because of the sanctions which resulted in considerable loss on the liner service operation, affecting the overall profitability for Avana.

Sreemant Dudhoria: Okay. Are we doing anything to address the situation over there?

Capt. V.K. Singh: Yes, we are pushing up the volume and now slowly the volume has been increasing on all the sectors. We have also increased certain sectors for operations, besides liner we are also pushing up volume on the domestic front by increasing the capacity. We have got SSL Krishna back from the charter and have put her on own service to provide more capacity on the coastal trade.

Sreemant Dudhoria: And you had highlighted about the fall in volume from 1.28 lakh TEUs to 1.13 lakh TEUs. I missed on the reason for this fall in volumes, can you help us understand better why is the fall?

- Capt. V.K. Singh:** Yes, there was a volume drop on the EXIM empty which has been dropping every quarter because as against the volume we have been handling earlier due to relaxation of cabotage for the empties, which are being carried on the main line's services. Secondly, as I told earlier, due to Iran sanction we lost some volume on that trade lane. And thirdly, we had slot swap arrangement with Hyundai Merchant Marine since they have taken one of our vessels on charter. The volume handled on the chartered vessel and on the slot-swap arrangement on our vessel is not counted on our account.
- Sreemant Dudhoria:** Okay. Is the volume expected to revive now? Are we doing any rejig in the way we use the ships? Or do you look that these would be the sustainable levels and should grow with the industry growth rate?
- Capt. V.K. Singh:** No, we expect the volume to revive, and also expanding on certain new sectors, we are looking to provide connectivity between eastern coast of India to Bangladesh. With all these additional services and additional tonnages which we are trying to put now, I am sure the volume will grow.
- Sreemant Dudhoria:** Okay. Finally, in the presentation you had highlighted about the contribution from domestic EXIM and charter, can you share at the operating profit level the contribution from these three segments?
- Capt. V.K. Singh:** On the chartered-out vessels, charter hire is net-off yield for the vessel while on own operating vessels, the operating income and the costs are considered to arrive at the yield. The figures given is based on the operating yield and charter hire for the vessels. So, you can see the percentage of yield what we have got on the chartered vessels are higher than on the operating vessels. Since all vessels were chartered out in a good market rate, yield was better
- Sreemant Dudhoria:** Right. And finally, if I look at the other expenses, stores and spares and other operations cost, there has been a good enough increase on a sequential basis. You had highlighted in initial remarks about I think SSL Kochi, I think 20 days of generator change. Was it mostly related to that or were there any one-off expenses? What is the sustainable rate for these fixed costs going forward?

- Capt. V.K. Singh:** The increase is not only because of the new generator installation but also the cost of new generator. Besides that, if you recall, we had acquired three vessels in the later part of the last year, while all these vessels were available for this full year. Besides we also acquired one vessel this year. Three vessels were additional for full year as against part during last year resulting in increase in cost for spares and maintenance.
- Sreemant Dudhoria:** No, but I am looking at sequentially there has been an increase, quarter three to quarter?
- Rajesh Desai:** In case of quarter there is an increase mainly because of these expenses and additional insurance costs. And also, we carried out other repairs on Kochi adding to expenses. So, some of the part will continue and some of the part will not continue, you can say roughly 50% increase that has to continue, 50% will not be there, somewhat as a rough estimate.
- Capt. V.K. Singh:** And to add, in this quarter we will have new generator fitted on Kutch, so will have some additional cost there.
- Moderator:** Thank you. The next question is from the line of Piyush K. from Crest Wealth. Please go ahead.
- Piyush K:** I just have one question regarding the freight charges. I see this quarter the freight charges has gone up by 58% year-on-year. I just wanted to know, is there any development happening over there? Is there any increase or anything like that?
- Capt. V.K. Singh:** Can you repeat your question, the total freight charges... because you see, year-on-year the volume has grown but freight charges has not gone up in that respect
- Piyush K:** Freight charges if I see, there is Rs. 33 crores, right, for this quarter?
- Capt. V.K. Singh:** You are talking about expenses?
- Piyush K:** Yes, in the total expenditure if you, the freight charges.
- Capt. V.K. Singh:** Yes. In the case of expenses, we have taken two vessels in charter in the current year, while last year it was only for the par quarter, I think just one month. Besides we had slot swap arrangement with HMM, where we received charter hire instead of freight for their cargo.
- Piyush K:** Okay. So, because of that it has increased?

- Capt. V.K. Singh:** Yes.
- Piyush K:** And do we see the same trend going up in the next quarters coming in?
- Capt. V.K. Singh:** Yes, this will continue in future also. Slot charter income and expenses will be more or less same. Will continue to get charter hire on one vessel and pay charter hire on the other and have slot swap arrangement on both vessels.
- Piyush K:** And another thing I wanted to ask you sir, is there any addition we are expecting this year or because we are chartering our, what five, we chartered out this quarter right. So, we see the utilization levels are 90 and we are still chartering out five ships. So, can you just give us some clarity on that?
- Capt. V.K. Singh:** Well, utilization level was 90% during the quarter when the five vessels were chartered out. But now, Krishna has already come back, and we have put her on our service. Currently we do not have five vessels on charter, rather have only three vessels on charter. So, it has already reduced. We are taking care with our requirement and the priority for operations given as per the utilization level on the vessels. Only the excess vessels are being chartered out. However, we will be planning to take a larger vessel during the year to reduce the cost of operation, per TEU. This will certainly help us to take care of the market fluctuations.
- Piyush K:** Okay. So, as you said, we have 52% of the market share right now, so just wanted to know that is there any threat to that, is there any competition arising up or anything like that, the price competition, is there anything happening right now in the market?
- Capt. V.K. Singh:** No, today the market is quite stable, and the volume is going up now. We are looking to operate larger vessel, although earlier the utilization level was low, but with increase in volume, utilization level currently has gone up.
- Moderator:** Thank you. The next question is from the line of Pritesh Chheda from Lucky Investment Managers. Please go ahead.
- Pritesh Chheda:** Sir few data points I wanted. So, you gave out the total volume handle for a FY19, I just wanted to know what is the domestic volume and what is the EXIM volume in that? And what is the growth rate?
- Capt. V.K. Singh:** Domestic volume growth during the year has been about almost 11%, and overall volume growth rate is about 7%. We achieved better growth on the domestic volume as compared to EXIM volume.

- Pritesh Chheda:** So what is your EXIM volume, if you could give that? Do have it handy or later maybe?
- Capt. V.K. Singh:** No, we can provide you later.
- Pritesh Chheda:** Okay, no problem. On the capacity side what is the DWT capacity at the end of FY19? And how much of that capacity is chartered out?
- Capt. V.K. Singh:** We had total number of 13 vessels with a capacity of 24,519 TEUs, dead weight of 336,573. Out of we have chartered out three vessels of total capacity 4300 teus.
- Pritesh Chheda:** And what is your capacity expansion plans? How many vessels are you going to add? And in your reorganization how much TEUs will be chartered out, if you could just tell that, in FY20, next year?
- Capt. V.K. Singh:** Yes, during FY20 we expect to acquire two larger tonnage vessels of capacity 4250 TEUs each. So that gives us 8500 Teus additional capacity which will be put on our operation. Excess smaller vessels of 1700 to 2500 Teus capacity will be chartered out, in order to achieve economy of scale
- Pritesh Chheda:** And what will be the effective TEUs that you will charter out? So this year it is let's say 1700 into 2, plus 900.
- Capt. V.K. Singh:** We can charter out maybe two of the vessels of 2500 TEUs, so that is about 5000 TEUs can be put on charter
- Pritesh Chheda:** Additional?
- Capt. V.K. Singh:** Yes. After we take these two vessels of total 8,500 teus capacity.
- Pritesh Chheda:** Yes, so you have existing three vessels chartered out, that remains there. Plus, you will charter out another 2,500 TEU into two lessons, right?
- Capt. V.K. Singh:** Yes, correct.
- Pritesh Chheda:** Okay. And just last on this charter hire, so do we book the entire revenue and the expense on the charter in our P&L or we just get the charter income?
- Capt. V.K. Singh:** No, we get the charter income which is accounted in the income. As far as cost is concerned we have only the standing cost but not the operating costs.

- Pritesh Chheda:** So you don't have the operating costs on it?
- Capt. V.K. Singh:** No.
- Rajesh Desai:** Operating cost means the voyage operating cost only, vessel related costs will be there.
- Pritesh Chheda:** Yes, so the fuel cost, bunker cost, port cost, that thing will not be there, right?
- Capt. V.K. Singh:** Yes, it will not be there.
- Pritesh Chheda:** Yes. So just last question, in a FY18 what was the vessel chartered out, if you could just tell that?
- Rajesh Desai:** Only one vessel was chartered out for part FY18.
- Pritesh Chheda:** Okay. And lastly, have the rates improved on the box rates?
- Capt. V.K. Singh:** Rates have not improved as such, once the market gets a little more stable, then we can look at increasing the rate, since the utilization level for all the vessels on operation of all the operators are not fully utilized. Once the utilization level increases, definitely we can look at increasing the rate.
- Pritesh Chheda:** So rates are flat, both YoY and QoQ? For the year also it is flat and it's flat for the QoQ also?
- Capt. V.K. Singh:** Yes.
- Moderator:** Thank you. The next question is from the line of Anand Bhavnani from Unifi Capital. Please go ahead.
- Anand Bhavnani:** Sir, my first question is on the volumes, given that we have spoken about chartering out two more vessels, and we already chartered out two 1700 TEUs and one 900 TEUs. So with these chartering out, and assuming we don't add any further vessels in FY20, what is the maximum TEUs we can do in FY20?
- Capt. V.K. Singh:** We expect a growth of about 10% to 12% in the volume, which we can take care even with a slight increase in the operating tonnage. Will be chartering out additional vessels only after we have acquired new tonnage, so that's not going to affect our operational requirements.
- Anand Bhavnani:** Okay. So we will acquire vessels first and then we will charter out the two vessels?

- Capt. V.K. Singh:** Yes. We are only trying to rationalize our tonnages in a way that the suitable vessels are used on our operation, and excess vessels which are not very suitable for the trade lanes, can be chartered out.
- Anand Bhavnani:** Sir, of the volumes that we have lost, like for Example, volume loss to Iran, then there is certain volume which is lost due to slow-swap with Hyundai, because we have giving them a vessel. So, when you say we will be able to grow 10%, 12%, should I consider the Q4 volumes at the base or there is entire FY19 volume is the base on which you can grow 10%, 12%?
- Capt. V.K. Singh:** Yes, we will grow by 10 to 12% for FY20 as compared to the volume of FY19, which will include growth will on domestic as well as Exim volume. We plan to induce new sectors which will add to the existing growth.
- Anand Bhavnani:** Okay. And sir with respect to our charter hire in ocean freight expenses, if I look year-on-year in last Q4 we had the expenses of around Rs. 21 crores, this year it is Rs. 33-odd crores. So can you help us understand the reason for the difference? I understand there were two vessels extra which were chartered out, if you can give us the breakup of the cost of chartering in each of the vessels? And then any other reasons for the higher cost year-on-year.
- Rajesh Desai:** Sure, the charter hire income for the vessel during the quarter was roughly around Rs. 7 crores as compared to last quarter which was just around Rs. 0.6 crores or 0.7 crores. The balance is mainly because of the addition of the Hyundai swap. These are the two main factors for that.
- Anand Bhavnani:** No, I am talking about quarterly. If you say last quarter, out of Rs. 10 crores basically...
- Anand Bhavnani:** No, I am talking about year-on-year, year-on-year is Rs. 21 crores versus Rs. 33 crores. Because last quarter there could have been some seasonality, whatever, I was talking about Q4 FY18 versus Q4 FY19. The reason for the Rs. 13-odd crores, one you gave is Rs. 7 crores is two vessels, what about the remaining Rs. 6 crores?
- Capt. V.K. Singh:** If you compare with Q4 of the last year, there is total of around Rs. 12 crores increase, out of that Rs. 6.5 crores pertain to charter hire, and balance pertains to slot swap income which we had with SCI, HMM and other coastal operators which increased during this year.

- Anand Bhavnani:** Okay. Sir, with regards to our Q4. In our top line how much is the overall charter out income that we have booked in the revenue?
- Rajesh Desai:** Total charter income is Rs. 23 crores. Slot charter is also Rs. 23 crores.
- Anand Bhavnani:** And slot chartering that we have done on our vessels?
- Rajesh Desai:** Yes, on the slot-swap arrangement. Charter hire is pure charter hire, and slot-swap is a slot- swap arrangement.
- Anand Bhavnani:** Okay, so we had Rs. 23 crores from the pure charter, and Rs. 20 crores from the charter, so like Rs. 43 crores for the quarter was that revenue in charter hire and slot-swap, am I getting you correct?
- Rajesh Desai:** Correct.
- Capt. V.K. Singh:** But the slot swap has got a cost also.
- Anand Bhavnani:** Yes, I understand, then Rs. 33 crores is the corresponding cost. So next charter, if I were to take net charter revenues its around Rs. 10 crores, charter and slot-swap combined net revenue is Rs. 10 crores.
- Capt. V.K. Singh:** On the charter hire income, there is no voyage operating expenses, but there are the vessel standing related expenses, which are also parts of the operating expenses, but it's not voyage operation expenses. With regards to slot-swap, where slot charter income, say is Rs. 23 crores, we will incur equivalent expenses of Rs. 23 crores.
- Anand Bhavnani:** And sir, with respect to Avana, you mentioned a few reasons like Iran, Iran you mentioned was one of the big reasons and in general volumes are lower. So these reasons, for example, Iran doesn't seem to be a sorting out very soon. So, in best case, what are we expecting? Like a FY20 Avana would it be similar loss for us or it will be breaking even or it can return to profitability, what is the base case expectation for Avana in FY20 at this point in time?
- Capt. V.K. Singh:** No, we are not expecting any loss in this year as such, because we have already tried to cover up and we have stopped certain loss-making businesses on the liner service. We are focusing more on the coastal, which will continue to contribute towards the revenue. We hope to revive earlier profitability.
- Anand Bhavnani:** Okay. Earlier profitability in a essence like we had FY18 we had Rs. 14 crores of contribution, is that kind of number realistic for FY20?
- Capt. V.K. Singh:** Yes, around that or slightly lesser than that.
- Rajesh Desai:** Currently we do not have but certainly hoping for the best.

- Capt. V.K. Singh:** We are working on lot of other cargo on the return leg as well as tendered cargo, so definitely we expect to have volume growth, both for Avana as well as in our operations.
- Anand Bhavnani:** Okay. And sir with respect to volume, one, we were hearing is tiles being a big sector for us, there due to MORBI volumes were probably lesser, let me know if I am correct with my assumption? And if yes that were lesser due to MORBI, how are we seeing the situation now? Like has the situation improved as compared to Q4 or it continues to be subdued?
- Capt. V.K. Singh:** No, MORBI volume had reduced in between because of change in fuel used in the factory but now we expect volume growth. We have also added other commodities like food grains like wheat and rice in our shipment as a substitute for the MORBI volumes.
- Anand Bhavnani:** Okay. And lastly sir, another listed competitor, their coastal cargo business and their international route overall year-on-year they have grown revenues by 40%, we have grown by 15%, but there is no like-to-like comparison because they have some different routes. But on the like-to-like routes do you have any measurement of how much has their volumes increased on the routes that we also operate on? The way we see it is, their margins haven't shrunk much in the year, their margins are down from 25% at EBITDA level to 22% whereas our margins have fallen drastically. So, how do you benchmark yourself with them on the routes where you already are competing in terms of volumes, how has our growth bee vis-à-vis their growth?
- Capt. V.K. Singh:** We are not operating on the similar routes, as you mentioned, and we have different costings for other sectors.
- Anand Bhavnani:** But on some routes you would be same, I am asking about the routes here we would be same?
- Capt. V.K. Singh:** Routes are the same on the west coast of India, which is the only one sector where we have common operation where our volume has gone up in the same level and margin is more or less similar. We may have slightly better advantage due to larger vessels which we are using on the west coast. Since we are operating other services where we have larger sailing and more fuel consumption hence margin dropped due to higher fuel cost.
- Moderator:** Thank you. The next question is from the line of Prateek Kumar from Antique Stock Broking. Please go ahead.
- Prateek Kumar:** My question is regarding more like for industry. So regarding the IMO compliance from like next year, are we hearing anything from the government side in terms of how much costs we may have to incur after that or before that? Is there any clarity related to that?
- Capt. V.K. Singh:** On the cost front, there has not been any clarity so far. But earlier we were worried about the availability of the fuel, which now we have a confirmation that even in India and

Indian ports, IOCL will be supplying low sulfur fuel starting from September of this year. We will have the required fuel quality and quantities as per the regulation. We are already working on the changeover of fuel plans, we will be cleaning the tanks and changing over the fuel. Further, increase in the cost will be passed on to the customers. Quantum of increase in price is not yet known.

Prateek Kumar: This has not been evaluated by the company as yet or as in the amount of CAPEX or OPEX which company might have to incur? Or is it some numbers we are waiting from government side on this front, or in terms of fuel pricing also for that matter?

Capt. V.K. Singh: We will not have any CAPEX but on the OPEX side we will have an increase, and the numbers will only be declared once, oil companies declare what is going to be the actual price for the low sulfur fuel. We only expect that there could be an increase of about \$60 to \$70 per ton. Going forward whatever comes in, like we have arrangement of bunker adjustment factors in the Exim trade, we will go ahead on the domestic sectors also.

Prateek Kumar: So, like for EXIM this will be likewise applicable for domestic shipping uniformly, this new regulation?

Capt. V.K. Singh: Yes, that's correct, we will have to increase the cost on the domestic sector also.

Prateek Kumar: Okay. And sir, we had chartered a couple of our vessels to CONCOR. So is there further indication, I mean they might be taking more vessels? Or in general what is the capacity addition like we are looking to add a couple of ships? What is the industry capacity addition you are looking at like in the next few years?

Capt. V.K. Singh: I don't have any indication from CONCOR for any other vessel, and neither we are participating in that. I don't think any addition will come on the west coast of India. If at all, they are looking at any other sectors, we will have to take a stock at that time. I don't see even other operators are looking at any increase in the capacity at this moment and time.

Prateek Kumar: We are looking to charter out some of our smaller vessels, so that might be chartered to let's say CONCOR, I mean, which we had done earlier also?

Capt. V.K. Singh: No, we can charter out in the global market in a suitable market.

- Rajesh Desai:** Yes. And just to clarify, we have not chartered vessel to CONCOR, we have chartered vessels to Vishva Samudra.
- Prateek Kumar:** Yes, I mean, but they are doing work for CONCOR only.
- Rajesh Desai:** That is their tender business
- Moderator:** Thank you. The next question is from the line of Viraj Mehta from Equirus PMS. Please go ahead.
- Viraj Mehta:** My really is not really a question, more submission. Is that, A, as investors in your company we are not able to take anything or any comments that you make on the face value, because if you look at your media interview just a month back in April, the numbers that you had said to the TV presenter are very different from the numbers that you have delivered in March. I just want to know why was there such a big difference in the commentary you made in April, and the results you published in May? Thank you.
- Capt. V.K. Singh:** The market became a little volatile during the time, which was not expected.
- Moderator:** No, sir. This interview of yours was in April and the results were published in May, and this is for the March results. So you would have definitely known, e and you talked about 25% plus growth in your interview in April for your March quarter. And by the time your results are published, it is horrible number. So as investor how are we supposed to take you on face value then? Because the numbers can be different by 2%, 3% 4% here and there, but there cannot be such a wide difference in what you say and what the numbers say.
- Capt. V.K. Singh:** The interview was in March and certainly we can't disclose the performance at that time. More so I recall of saying 15% on the EBITDA margin and 25% growth in domestic trade volume for the year as against previous year which is actually 21%..
- Viraj Mehta:** No sir, I can send you that interview of yours, where you said that there will be 25% growth and there will be margin improvement. If you want I can email you the interview of your, it is on national TV on CNBC18.
- Capt. V.K. Singh:** Anyway, we will check on that.
- Capt. V.K. Singh:** During the Analyst Meet we had talked the same as EBITDA margin of 15%, if you recall.
- Moderator:** Thank you. The next question is on the line of Sunil Pacchisiya, an individual investor. Please go ahead.
- Sunil Pacchisiya:** Sir, just wanted to check up on Avana, what is the expected time or the process for the IPO, when is it expected?

- Capt. V.K. Singh:** We are still awaiting a better market however this is still under process; we will come to know in a couple of weeks.
- Sunil Pacchisiya:** But it is like we are awaiting any regulatory approval or the Board has yet to decide?
- Capt. V.K. Singh:** No, regulatory approval is there, Board has approved, everything is there in place. But we are just waiting for the right time.
- Moderator:** Thank you. Ladies and gentlemen, as there are no further questions from the participants, I would not like to hand the conference over to the management for closing comments.
- Capt. V.K. Singh:** Thank you very much to all participants.
- Viraj Mehta:** Thank you. Ladies and gentlemen, on behalf of Antique Stock Broking, that concludes this conference. Thank you for joining us. And you may now disconnect your lines.