



PILL:SEC: 23-24/34

10th August 2023

To
BSE Ltd.
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort
Mumbai – 400 001.

To
National Stock Exchange of India Limited
Exchange Plaza,
Bandra-Kurla Complex,
Bandra (East),
Mumbai – 400 051.

SCRIP CODE: 526381

SYMBOL: PATINTLOG

Dear sir,

Subject: Transcript of Presentation on Unaudited Financial Results (Standalone) for the quarter ended June 30, 2023.

Pursuant to Regulation 30(6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the transcript of the presentation made on August 09, 2023, on Unaudited Financial Results (Standalone) of the Company for the quarter ended March 31, 2023, is attached herewith.

Kindly note that announcement pertaining to audio recording of said presentation is already submitted to stock exchange on 10th August, 2023.

Yours faithfully

For **PATEL INTEGRATED LOGISTICS LIMITED**

Digitally signed
by AVINASH
PAULRAJ
Date: 2023.08.10
16:54:39 +05'30'

Avinash Paul Raj
Company Secretary cum compliance officer



**“Patel Integrated Logistics Limited Q1-FY24
Conference Call”**

August 09, 2023



**MANAGEMENT: MR. MAHESH FOGLA – EXECUTIVE DIRECTOR
MR. AVINASH PAUL RAJ – COMPANY SECRETARY.**
**MODERATOR: MR. VIKRAM SURYAVANSHI – PHILLIP CAPITAL (INDIA)
PRIVATE LIMITED**



*Patel Integrated Logistics Limited
August 09, 2023*

Moderator: Ladies and gentlemen, good day and welcome to FY24 Q1 Conference Call of Patel Integrated Logistics hosted by PhillipCapital (India) Private Limited.

This Conference Call may contain forward-looking statements about the Company which are based on the beliefs, opinions and expectations of the Company as on the date of this call. These statements are not a guarantee of future performance and involve risks and uncertainties that are difficult to predict.

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

I now hand the conference over to Mr. Vikram Suryavanshi from PhillipCapital (India) Private Limited. Thank you and over to you, Mr.

Vikram Suryavanshi: Thank you Rishi. Good evening and a Very Warm Welcome to everyone. Thank you for being on the call of Patel Integrated Logistics Limited.

We are happy to have Management with us here today for question-and-answer session and the Management is represented by Mr. Mahesh Fogla – Executive Director and Mr. Avinash Paul Raj – Company secretary.

Before we start with the question-and-answer session, we will have some opening comments from the management. I will hand over the call to Mr. Mahesh Fogla for “Opening Comment”. Over to you Sir.

Mahesh Fogla: Thank you very much Vikram and Rishi for organizing this call. Good afternoon, everybody. A very warm welcome to the earning call of Patel Integrated Logistic Limited.

Before the floor opens for Question & Answer, let me explain in brief about the quarter under review.

Sales in volume terms or the load terms increased quarter-on-quarter. In fact, numerically from **1,25,90428, to 1,29,64509** that is by almost 3% quarter-on-quarter. However, in value terms it is showing down quarter on quarter due to softening or decrease in rate per kg of freight overall, it is a global phenomenon.

Regarding the year-on-year decrease in sales for the year-on-year and quarterly decrease in sales is also mainly due to the decrease or softening of the freight rate compared to the same quarter of last year. There is also seasonality of festive season impact come up because last year in June maybe the little bit festive were coming earlier so the June was the bumper one and that may be the reason. But, however, we are very much hope hopeful that in the coming 3 quarters we will have sale in value terms also, which will cross over last year overall sales value in the year.



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Our profit figure consequently also impacted in the quarter also due to annual increment to our employees and for retaining the talent. And as we are in the service industry, there is a high importance for retaining talent.

At the cost of repetition, I am restressing that we will very much optimistic that although this quarter is little down for or soft for us, when we close this financial year, we will be reporting improvement from last year's figure definitely. But it's hopefulness there expected considering the current situation, which we are.

Now come to our other part of the business, which is basically a non-core for us right now, which is real estate. We are in the process of removing charges of bank on this real estate properties which we are holding in our books. And now we are a net debt-free Company. And we all know we are carrying realty in our booked at historical cost or in simple terms in lower value considering almost all our real estate are in the metros or in the prime location of India, this value definitely will be higher as compared to what is reflecting in our balance sheet. So, there is definitely which we can understand that there is a hidden values out there.

For this we are in active discussion for either monetizing or jointly redeveloping this property. The discussions are in progress and these are very serious discussion, so it will not be right on my part to divulge further about this matter. Please have reassuring all the people that will definitely try to extract the maximum possible value from our real estate piece creating value for all stakeholders.

We are also in active discussion for expanding our logistics business apart from the air cargo consolidation business which we are involved right now in such a way that it will be an EPS accretive from day one. For that also we are in multiple discussion with the companies for growing our business and from apart from our air cargo consolidation business. Since these are in a very advanced stages of discussion and till the binding agreement is signed, we will not be able to share further details or consult right now at this stage as. Soon as we get some definite things we will immediately inform the stock exchange also and all the people that watch the development is there.

As you know the Company has seen its worst part behind due to pandemic, etc., due to unfortunate death of the MD earlier, etc. Now the future looks very bright and this is also supported by the growing of the aviation sector and our government is very active in developing this aviation sector. As they also know that Rs. 1 invested in aviation will give them a return of at least 3x of the amount. Our Honorable Aviation Minister is tirelessly trying to develop aviation sector like increasing the number of airports from 140 to 220, give all the ground support, all the necessary support to all the airlines, to increase the number of passenger aircraft which can be seen by all major airlines like Indigo or Air India, given a big order for passenger aircraft. Even new airlines Akasa also targeting to increase the number of passengers aircrafts from current around 20 to more than 100.



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New airlines also coming Flight 91 by the maybe by in September, October, so sector overall growing. So, we are making every effort to keep the growth momentum intact in the next quarter of the next 3 quarter this financial year.

I will be closing my opening the remarks by this only and over to Vikram please.

Moderator: Thank you. We will now begin the question-and-answer session. The first question is from the line of Ankur Savaria, he is an individual investor. Please go ahead.

Ankur Savaria: My question is regarding the comprehensive income that you're showing in your balance sheet. This quarter we had a positive comprehensive income and last time we had a negative one. So, could you please diverge on that?

Mahesh Fogla: It is basically the Company is getting some investment also and these investment are market driven. So, if they're on the 31st of March suppose the market value of investment in lower then as per the IndAS we have to reflect the lower value. As we all know market is buoyant, market is increasing so definitely this investment value also got increased and consequently we have a positive figure are showing.

Ankur Savaria: So, what kind of investment would that be?

Mahesh Fogla: It is basically in the some of the blue-chip company only long back not now and that is we are just carrying it. That is giving us ROI more than what we have invested.

Ankur Savaria: As I understand you have invested in some shares or equity?

Mahesh Fogla: Yes, as you can see in the Annual Report that will be coming also. And last year, the annual report also if you can see the same one, nothing changes like Hindustan Petroleum Corporation or there is a mutual fund investment is there. So, that is there, IndusInd Bank is there.

Ankur Savaria: One more question Sir. As we have forfeited about Rs. 37 lakhs for people who did not pay for the right issue. So, when would that amount be reflected in our balance sheet?

Mahesh Fogla: It already got reflected. If you see the paid-up equity share capital, it has already got reduced to that extent.

Ankur Savaria: So, what are we doing to actually improve our revenue from the core business?

Mahesh Fogla: As I was talking in my opening remarks also definitely this quarter was a tough for us, but we are very much aware and we assure that the revenue will be increasing only and for that one other thing I can tell you we are not in the one front we are talking about, we have opened multiple fronts to grow our business.



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- Ankur Savaria:** Sir, my last question, if I may? What is the minimum value of the land parcel that you see that you have, let's say our market cap is somewhere about Rs. 70 crores today and you have freed the land after paying Rs. 39 crores to the bank so I'm sure that the current value of the land would be far more than the market cap of the Company, if I'm not wrong. So, could you give us a ballpark figure sir, how much do you value the land parcel that you have?
- Mahesh Fogla:** What I am trying to convey Ankur just wait for a few days, the Annual Report is coming up.
- Moderator:** We have a question from the line of Rishikesh Oza from RBO Capital.
- Rishikesh Oza:** Sir. I had a question on the land parcel that you had mentioned. Sir, could you share how many acres of land do we hold?
- Vikram Suryavanshi:** Just to clarify it only not the land is the complete building also. Some portion is barren land, some portion is building also so it is a mix of that. And as we are talking about definitely at the previous questioner also asked me about the value of that real estate, I told also it is definitely much higher than what it is reflecting in the notes of account. But just wait for a few days, the Annual Report it is coming up and we are submitting the Stock Exchange where the market value of the real estate will be reflected in that Annual Report.
- Rishikesh Oza:** And what would be the book value?
- Mahesh Fogla:** Book value as you can see is around Rs. 49.60 crore that means it is Rs. 50 crores.
- Rishikesh Oza:** Sir, would you like to provide any revenue or EBITDA margin guidance for FY24?
- Mahesh Fogla:** Yes, definitely we want to improve whatever we achieved last year. We want to give them more than that. We want to report more than the figure what we reported last year and last year we have a turn over before the GST was Rs. 320 crore so definitely we want to achieve more than that.
- Moderator:** Thank you. The next question is from the line of Vikram Suryavanshi. Please go ahead, Sir.
- Vikram Suryavanshi:** You mentioned about employee cost increase, so was there any one-time payment given to employees or it is like an increase which will be there for coming quarters?
- Mahesh Fogla:** I agree with you. It is normal. It is not the one-time amount is given to them. It will be reflected in future quarters also same cost; maybe little reduced but not very significant reduction will be there.
- Vikram Suryavanshi:** And we have seen now improvement in overall volume and all that. So, is there any improvement in the pricing what we get from airlines or how is the situation on working capital if you can highlight on that it will be helpful.



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- Mahesh Fogla:** Our working capital will definitely improve now and our company is net debt-free also. And we are also making every effort as you know rates are driven by oil prices as well as the ATF prices. In the last quarter the ATF prices were a little softer so overall the prices have come down. But again, what I'm hearing now is that the global oil prices are increasing also and ATF are also increasing so definitely our prices or our sales value will have a positive impact on this also.
- Vikram Suryavanshi:** And apart from how is the outlook on this warehousing business we have, is it like a rental income side or probably how we'll diversify in other verticals of logistics as a long-term plan for the Company.
- Mahesh Fogla:** As I was talking in my opening remark actually, we are in a serious discussion with the different parties but the binding agreement not signed so I'm not able to divulge but definitely we are in very active discussion with the things which you are talking about.
- Vikram Suryavanshi:** Particularly with the kind of growth that we're seeing on volume side, is it like a diverse growth from different industries or there are typically few industries from which we are seeing the growth?
- Mahesh Fogla:** Luckily, Vikram in our Company, we never depended on a single sector. Although we cater to e-commerce definitely, we cater to the pharma also, we cater to the perishable goods also, we cater to the document definitely so we don't want to depend on any particular sector or any particular customer. We have a long list of customer also. Basically, that is why we want to diversify ourselves from the risk perspective. We are never dependent on particular customer or any particular sector or any particular material to movement or for our revenue. We are very well diversified.
- Mahesh Fogla:** The last question is obviously we have the net debt-free, but in terms of gross debt, how much would be there?
- Mahesh Fogla:** Gross debt is hardly Rs. 20 crores and not more than that.
- Moderator:** Thank you. That was the last question for today. I now hand the conference over to Mr. Suryavanshi for any closing comments.
- Vikram Suryavanshi:** Thank you all for being call with Patel Integrated Logistics and we thank the Management for giving us an opportunity to host the call. Sir, any closing comments from your side?
- Mahesh Fogla:** I once again thank all of them who are present in the call who may not ask the question, but who are present in the call to hear from us. We again are very optimistic about our business as well as our creating value for all stakeholders. We continue to do that effort and once again, thank you all of you for attending this call. Thank you.
- Moderator:** On behalf of PhillipCapital (India) Private Limited, that concludes the conference call. Thank you for joining us and you may now disconnect your lines.