

November 20, 2024

To
The Manager-Listing Department
National Stock Exchange of India Limited Exchange
Plaza, 5th Floor, Plot No. C/1, G-Block,
Bandra-Kurla Complex Bandra (E),
Mumbai - 400 051

SCRIP CODE: PRLIND

SUB: ANNOUNCEMENT UNDER REGULATION 30 OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015-EARNING CALL TRANSCRIPT

Dear Sir,

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in furtherance to our letter dated November 12, 2024 and November 18, 2024, please find enclosed herewith the Post Earnings Call Transcript with the Investors held on November 18, 2024 at 12:00 P.M. to discuss the financial performance of the Company for the Half Year ended on September 30, 2024.

This transcript along with the recording link of the earning call shall also be made available on the Company's website.

Kindly take the same on records.

Thanking you.

Yours faithfully,

For Premier Roadlines Limited

Gaurav Chakarvati
(Company Secretary & Compliance Officer)
M. No.A69115

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“Premier Roadlines Limited
H1 FY25 Earnings Conference Call”

November 18, 2024



**MANAGEMENT: MR. VIRENDER GUPTA - CHAIRMAN & MANAGING
DIRECTOR, PREMIER ROADLINES LIMITED
MR. SAMIN GUPTA – CFO & WHOLE TIME
DIRECTOR, PREMIER ROADLINES LIMITED**

Moderator: Ladies and gentlemen, good day and welcome to Premier Roadlines Limited H1 FY25 Earnings Conference Call.

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 this conference call, please signal an operator by pressing “*” and “0” on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Akhilesh Gandhi from Stellar Investor Relations Advisors. Thank you and over to you Mr. Gandhi.

Akhilesh Gandhi: Good afternoon everyone and thank you for joining us today. We have with us today the management of Premier Roadlines Limited. Mr. Virender Gupta is the Chairman & Managing Director. We also have with us Mr. Samin Gupta. He is a CFO. Both of them will be representing the Premier Roadlines on the call. The Management will be sharing the key operating and “Financial Highlights” for the half year ended on September 30th, 2024. And it will be followed by a question-and-answer session.

Please note this call may contain some of the forward-looking statements which are completely based upon the Company's beliefs, opinions and expectations as of today. These statements are not a guarantee of the Company's future performance and involve unforeseen risks and uncertainties. The Company also undertakes no obligation to update any forward-looking statement to reflect the development that occur after a statement is made.

I now hand over the conference to Mr. Virender Gupta. Thank you and over to you, sir.

Virender Gupta: Thank you. Good afternoon, everyone. My name is Virender Gupta. I thank you all for joining our Earnings Call. We hope you had an opportunity to review our “Investor Presentation”, which was uploaded to the Stock Exchange.

Today, we will be sharing key “Operating Financial Highlights” for the 6-month period ending September 30, 2024.

Before we dive into the updates, we would like to take a moment to introduce our business model for those of you who may be looking at our Company for the first time. Established in 2008, Premier Roadlines Limited is a key player that provides tailored logistics solutions in cargo handling, logistics and transportation services. We are broadly into four verticals, which are project logistics; over dimensional, overweight, contracted logistics services; general logistics.

I will broadly explain what we do in these verticals. Project logistics, handling an entire project from planning or dispatch, choosing a vehicle type, meeting daily placement targets by the customers and on a bulk basis. Over dimensional, public overweight, over dimensional cargo isn't any cargo goods sees vehicles dimensions. And they require added security, safety measures

during transport to ensure that the goods are in good condition and delivered safely. We offer facilities up to 250 tons. Contracted and integrated logistics services, we provide integrated logistics where the contract is of minimum two years. These services include vehicles ranging from 1 metric ton to 40 metric ton. General logistics, this type of service includes out-of-contract, spot bidding etc. The nature of goods in this type, service can be spares, accessories, and others on a full truck load basis including transportation to hilly terrains, challenging areas and materials related to exhibitions and other clients. We differentiate ourselves from our peers on the back of superior services, our legacy of 40 years due to which we have been managed to win a diversified clientele serving clients across India. We serve industries like renewable energy, power, oil, gas and many more.

Samin Gupta:

Good afternoon everyone. This is Samin Gupta, Director and CFO of Premier Roadlines Limited. So, I will be talking about H1 FY25 performance. The first half of the year typically faces challenges in project logistics and over-dimensional cargo transport due to monsoons and limited infrastructural project approvals and election related delays this year. As a result, we focused more on general logistics and less on ODC and project logistics during this period. A key achievement during this H1 was a first defense order and significant contracts for transportation of renewable energy products and heavy transformers. These milestones highlight our expertise and commitment to quality service which we offer to the Indian market. We also had a notable acquisition which is PRL Supply Chain Solutions as a wholly owned subsidiary. So, this will enhance our service offerings in supply chain management across international markets as well now. So, with the PRL Supply Chain Solutions, we now deliver end-to-end logistics, including ocean freight, air freight, project logistics, and warehousing and distribution. So, this acquisition will allow us to provide customized logistics solutions to meet the unique needs of our clients. So, going ahead, what Premier plans is that we will focus on building an asset-Right model, tapping into new industries, nurturing partnerships to build a stronger brand in the market, and also expanding our transport network and services.

I will begin now with sharing key financial numbers and operational highlights for the half year ended on 30th September, 2024. The total income of H1 2025 stood at Rs. 113 crores, marking a 17% year-on-year growth, with 47% generated from general logistics, 29% generated from contracted integrated logistics, and just 21% from project, and 3% from over-dimensional cargo this half year. With that, our EBITDA stood at Rs. 8.5 crores, up by 3% year-on-year, and our margin stood at 7.5%. Our margins declined in the H1, as typically H1 faces delays in project logistics and ODC, which has high margins due to heavy rains, limited infrastructure project approvals, and this year, delays were also caused by election as well. So, as a result, like I mentioned, we focused more on general logistics in the first 6 months, which led to lower margins compared to the last half.

Our profit after tax stood at Rs. 5.5 crores, which is up by 21% year-on-year, and our margins stood at 4.9%. We have healthy return ratios with our ROE at 18% and return capital employed at 19% in H1 2025. The debt to equity at the ratio came down to 0.05x. On the operational front,

we did 15,735 orders and served 594 customers with an average revenue per order at 71,599. The decrease in average revenue per order is attributed to the change in the revenue mix discussed earlier. With the number of customers served as declined, the increase in total number indicates the repeat business from existing customers.

So, looking to H2, we anticipate increased demand of the project logistics and over-dimensional cargo as more projects gain approval and construction activity intensifies and the economy is poised for growth. So, we are excited about the path ahead and remain committed to executing on these opportunities. And I thank you all and we open the floor for question and answer. Thank you.

Moderator: Thank you very much. We will now begin with the question and answer session. First question is from the land of Agastya Dave from CAO Capital. Please go ahead.

Agastya Dave: Sir, can you go a little bit more in detail about the prospects in H2? And in your business, is there an order book or any sort of visibility that you get? How long is that visibility for and how does next year look like as of now? So, I am talking about in terms of revenue growth, in terms of margins, profitability, and also the kind of CAPEX that you need to do. What kind of additions will you have to your fleet?

Samin Gupta: Understood, yes. So, talking about H2, so in our business typically, H1 is slightly less hectic when compared to H2. So, because we cater to industrial logistics needs and they have the yearly commitments and targets to meet, so it is always more dominant in terms of the entire revenue, in terms of the mix of H1 and H2. And what we see currently, as we are into H2 currently, what we see right now is that there is an increased demand of project logistics and over-dimensional cargo. There are heavy transformer movements happening. There are oil and gas projects which have now gained momentum and we see the movements happening on the road and we see movements happening in the companies that we work for. So, there definitely is an increase and we anticipate the same going forward in H2 that we shall be doing more of project logistics and over-dimensional cargo in this particular half of the year, which will definitely result in more profits, more margins, and will add value to the balance sheet itself. Talking about the order book, we do not work on order books. We do have a few contracts for the year that comes in contracted integrated logistics. So, that roughly is around Rs. 100 – Rs. 120 crores each year, the sort of contracts we have, which is then executed in the entire year of the financial year. And going forward, I believe that H2 would be quite good and H2 would be quite positive as the industry is just started from the slowdown, which was there due to the rains and due to the elections. And we are very much positive going ahead.

Agastya Dave: So, you were talking about around 30% growth for the entire year, full year, FY25. So, do you think in the second half, you'll be able to make up your, like, whatever temporary slowdown that we saw?

- Samin Gupta:** Absolutely. So, that's the reason why we had given that split of revenue in the H1 and H2. 35% of revenue of our given guidance was in H1, and the balance was in H2. And we are at par with the guidance given at the moment. And we believe that we're on the right track. And we can definitely reach the number that we have in mind when the financial year started.
- Agastya Dave:** So, in terms of revenue growth and margins, whatever you were expecting, things are going as per your expectations. There is no surprise for you?
- Samin Gupta:** No, there's no surprise as of now. And things are looking actually better than what we had imagined.
- Agastya Dave:** Sir, I had a second question about the CAPEX going forward. So, what kind of additions do you think you would need to make over the next, let's say, so this time it's for 2 years. So, for the next 24 months, what kind of fleet additions do you think you would require?
- Samin Gupta:** Like we mentioned in the investor PPT as well, and I'd like to clarify the same here as well. I'd like to take that opportunity. So, we would be just buying fleets, which is specialized in nature, which has a premium to be paid by the customer which has less availability to third party suppliers, and which are also costly. That's the reason why third party suppliers are not maintaining those assets and able to give the same to us. So, talking about a rough number, we do see around Rs. 10 crores of capital expenditure happening in this particular half, which could further boost our sales and also give us an opportunity to cater to demands and needs which we would have not done earlier. So, just to give you an example, so we have now an order in hand where we can move when we are planning to move 260 tons transformer, that's a 500 MVA transformer that we are planning to move. And those sorts of movements are just possible by owning the right amount of fleet and having the right assets. You cannot do that by outsourcing the same to a supplier. So, these sorts of additions will definitely add more credential to our offerings in terms of services and will add value.
- Agastya Dave:** You said Rs. 10 crores for this half. And can I assume another Rs. 10 crores next year? Is this 10 crores?
- Samin Gupta:** No. So, we will not be doing any more capital expenditure in the next financial year. As of now, what we anticipate, maybe as we come at the later half of this financial year, we decide, but as of now, this is the only capital expenditure we have in mind because we don't want to be asset heavy. In the end, we are an asset-light business model and we want to continue to be that, but just own the assets which are less available and have a premium that the customer is willing to pay.
- Agastya Dave:** Excellent, sir. Sir, one question on your working capital. Do you expect any deviations from whatever the historical levels have been? I have those numbers in front of me. So, do you expect any changes there? And second, can you talk a little bit about distances that you service? So, for

example, this transformer that you were talking about, how far is this transportation that needs to be done? How many kilometers generally? And what's an average number for you?

Samin Gupta: Yes, so I will just take your question. So, in terms of the distance that we are serving the transformers and these heavy ODC jobs, there's no cap to it. They can be 2000 kilometers, 2200 kilometers, 2500 kilometers, or even 500 kilometers. It's not fixed as in that this will be the distance that we will be covering because the demand can be anywhere. So, talking about this transformer that we are serving, it is going from Manidideep, which is in Madhya Pradesh, to a remote area in Rajasthan for a renewable energy project. So, this is the plan for this particular transformer movement.

Agastya Dave: Understood. And sir receivables, any changes to it or current receivable patterns will continue?

Samin Gupta: On the receivable end, we are definitely working very, very hard to get that number down of debtor days. And we are focusing on quality clients, and we are focusing on clients where the number of debtors days can be reduced to say, a hundred days maximum. And the team is on the job, we are on the job, we are developing systems, we are developing mechanisms. And definitely, things do take time, but definitely that will be an area where we are focusing on and you might see a change in the near future.

Agastya Dave: Excellent sir, thank you very much for answering all the questions and all the best sir, very interesting business model you have.

Moderator: Thank you. Next question is from the line of Sanika from SR Investments. Please go ahead.

Sanika: So, can you just share the breakdown of revenue trends over the last few years?

Samin Gupta: Last few years?

Sanika: Yes, revenue trends over the last few years. Breakdown of revenue trends?

Samin Gupta: So, revenue mix right, the type of services we've done, correct?

Sanika: Yes, right.

Samin Gupta: Yes, so I will just give you a revenue mix of this H1. I am sure you have seen the same in the presentation as well. So, it was dominant of general logistics at 47% and 21% was contracted integrated logistics. So, like I said earlier in the call that we have 100-110 crores, 120 crores of contracts. 21% of the total revenue was from there. And over-dimensional cargo and project logistics was combined 32%. So, talking about the past, we don't have an outright number to give you. But just to give you an idea, in the last financial year, just 2024, we were dominant of project logistics and over-dimensional cargo. So, that would probably be 60% and general

logistics and contracted would be 40%. But before that, we don't have a number to give out at the moment.

Sanika: And also we have observed significant margin growth till financial year 2024. So, can you just explain the key drivers behind this?

Samin Gupta: Ma'am, the only key driver behind this doing more project logistics and over-dimensional cargo, that's the highly profitable business that we have and the highly profitable service type we have because that was not there in this H1. That's the reason why you see not a very fancy number on the balance sheet.

Sanika: And regarding PRL Supply Chain Solutions, why is the project logistics repeated under both the companies?

Samin Gupta: See project logistics, what we are doing, Premier Roadlines Limited, it is on domestic front. And what we plan on doing in PRL Supply Chain Solutions after acquiring in this project logistics is an international front. So, that is the reason why we mentioned one of the services in project logistics for PRL Supply Chain Solutions.

Moderator: Thank you very much. Next question is from the line of Raj from Arjav Partners, please go ahead.

Raj: I was looking for guidance for FY25?

Samin Gupta: I cannot hear you, I think your voice is echoing. You are asking for guidance of?

Raj: For FY25?

Samin Gupta: Yes, FY25, we have already given a guidance which is on a conservative side, Rs. 300 crores topline and similar PAT margins of the subsequent financial year. So, that is the guidance which has been given and we are still on track of the same.

Raj: Alright, and any outlook you would like to give for FY26?

Samin Gupta: For FY26 and going forward, I would like to give you an outlook that we will be growing at a CAGR of 30%-35% year-on-year for the next four years for sure. And if PRL Supply Chain does pretty well and if the business picks up and if the customers give us support for the international markets as well, you might see an increase on that number. But on a conservative side, year-on-year, CAGR of 30% to 35%.

Raj: And so can you talk more about the PRL Supply Chain Company which you acquired?

Samin Gupta: Yes, definitely.

Raj: How much of incremental sales are we expecting from that and how would be our EBITDA on that Company?

Samin Gupta: The PRL Supply Chain Solutions is an old Company which was owned by us and because Premier Roadlines Limited has a sort form of PRL and our stock code is also PRL. So, we found the name to be really complementing to the sort of services we want to enter and services we want to offer. So, we acquired this already existing Company, which is PRL Supply Chain Solutions. Like we promised also in the last concall that we might enter into freight forwarding in international markets, this is one jump and one step ahead for that. So, PRL Supply Chain is right now, we were planning to offer ocean freight, air freight, and project logistics and warehousing solutions to our already existing top-notch A category clients. So, where we have an edge above all other freight forwarding companies already existing in the market is that we do have access to these companies and we do have vendor codes to these companies. So, being a wholly owned subsidiary, the vendor code can be definitely passed onto PRL Supply Chain Solutions, which will definitely add value to us. And again, like Premier Roadlines Limited, our aim is to work with only top-notch clients and top-notch companies, marquee clients. It will be same in PRL Supply Chain Solution as well. Talking about EBITDA margins, it is very early to comment on EBITDA margins and what sort of topline we will be doing because we are just into this business right now. It is not an old business. It is not an old organization which has been doing the freight forwarding services. It is something very new. We have already hired quite experienced personnel from many big companies which are existing in India and that too had at good packages. So, we are very positive in terms of what PRL Supply Chain will be doing to and how it will be complementing the entire balance sheet of Premier Roadlines Limited.

Moderator: Thank you. Next question is from the line of Rahil Shah from Crown Capital Partners. Please go ahead.

Rahil Shah: So, first of all, why did our margins drop? EBITDA margins in quarter two, in H1, actually?

Samin Gupta: Sir like I mentioned in the speech, and also in the investor PPT, that the margins are very low on general logistics and contracted integrated logistics. They are not as high as in over-dimensional cargo and project logistics. And Premier Roadlines Limited is a Company which specializes and has an expertise in over-dimensional cargo and project logistics on a domestic front. Because these movements are not happening due to very well-known reasons of elections and heavy rains and triple monsoons, therefore, we had to focus on general logistics, which is not our core, which is definitely we do not enjoy doing that definitely because there is no expertise involved in that. There are no complications in that. And that is the reason why the companies are not willing to pay a premium for that. So, that may be the reason, and that is the reason why you see a dip in the margins in the H1. And this will be the trend going forward as well. And that's about it.

Rahil Shah: The trend going forward, as in every H1, you will see this happening?

- Samin Gupta:** Every H1, the revenue mix will be slightly lower towards the entire financial year, is what I am trying to say here.
- Rahil Shah:** And you say 30% to 35% CAGR, you are very confident of achieving for the next 4 years. Now in FY25, you're saying you will see a similar PAT as FY24, correct, which is like in the range of 5.6% or something on the conservative side. But what about going ahead? How will you try and inch this up?
- Samin Gupta:** See, we will be focusing more on project logistics and over-dimensional cargo. And since we have now started purchasing our own assets which I mentioned earlier in the call that we're doing approximately Rs. 10 crores of capital expenditure. We expect the profitability to go up by a few basis points and I cannot give you exact number, but we are very confident that we will be able to beat the earlier PAT margins by a good margin.
- Rahil Shah:** As it is progressing each year, correct?
- Samin Gupta:** Yes. If you see as a whole year basis, it will definitely be on an upward trend.
- Rahil Shah:** And yes, I believe last call you had mentioned that things will kind of look a bit off in H1. And like you mentioned, because the revenue share is always less. But the things are like looking on the upside now, correct? And going forward?
- Samin Gupta:** Yes, absolutely. Things are starting to move now. And we have good orders in hand, we have good inquiries in hand. We do have a few large projects as well, which we are currently in line with and maybe by the end of this financial year or maybe by starting of the next financial year, we might start the execution of the same. So, once that comes through, definitely it will be a big boost to the entire Company and we will be doing pretty well.
- Rahil Shah:** Large orders?
- Samin Gupta:** Sorry, I cannot give you more information on that, but definitely once we receive any order or once we are successful in doing that, we will definitely inform the exchange about it. But just to give you a general sense, we do have a good volume of inquiries and work coming in starting this September, October.
- Moderator:** Thank you. Next question is from Kush Bafna from Bafna Brothers Finance and Property Agents. Please go ahead.
- Kush Bafna:** I joined a little late, so I might have missed if this was already asked before, but I wanted to ask you on the receivables, which are around Rs. 75 crores on the balance sheet, how you're working to reduce that. And also there's a loan in advance of Rs. 6 crores, if you could throw some light on that. Thank you.

Samin Gupta: Yes. So, I've already thrown some light, but I don't mind sharing again. We are definitely working very hard and the entire ecosystem is aware of the fact that we need to get the debtor days down. So, after being listed and after having so many conversations with investors, this has been something that has kind of embedded in us that we need to definitely work on debtor days itself as well, as far as the entire health of our balance sheet goes. And the entire organization is definitely on the job and we are pushing ourselves to work for more better customers and kind of blacklist the customers which are not paying on time. At the same time, we can't just forego the businesses that they're offering us. So, we are very selective and choosy with the customers now. And going forward, we do expect a decrease in the debtor days and we are taking it step by step. We are conscious of the fact that the debtor days are high at the moment and we believe that 110 days and then 100 days is a good target that we have in our mind. And we will be in a good situation and a good position to do the same. And regarding loans and advances of Rs. 6 crores, honestly, I don't have that number in my mind at the moment of what exactly it is. I can definitely get back to you, and our IR team will definitely give you a mail regarding the same.

Moderator: Thank you. Next question is from the line of Kinjal from IIFL Securities. Please go ahead.

Kinjal: So, firstly, I would want to congratulate on the 16%, 17% of the growth. And also, however, we noticed a decline in margin and matrix, like average revenue per annum. I wanted to know more about it. Or maybe can you explain to me about it?

Samin Gupta: Sure, ma'am. Ma'am, we offer four service types, project logistics, over-dimensional cargo, general logistics, and contracted integrated logistics. So, contracted integrated logistics and general logistics are less in margin and they have less ticket size. So, we had done more of that in this financial year, I mean, in the H1 on this financial year. And that is the reason why you see a decline in margin than the average revenue per order and this is how the industry revolves and this is how the industry works overall every year that in the first half, there are not many big movements happening. There's just small spares, small maintenance work and small trucks that are moving on the road. And in the H2 is when these big vessels and big transformers and big items start moving on the road. So, that is the reason why you see a decline in the average revenue per order and as well as the margins.

Kinjal: What are the sustainable margins that we can expect in the future or maybe going forward?

Samin Gupta: To give you an idea about each service type and their margins, so project logistics and over-dimensional cargo, they have 12% plus margin at all times and talking about general logistics and contracted integrated logistics, there are about 12 and below 12 at all times. So, if we do more of project and over-dimensional cargo, so you can do the calculations and come out with a number that we will be doing pretty well in terms of overall. And if we do more of general logistics, definitely we will be on the lower side.

Kinjal: And what are the Company's target for the future and could you share with me the roadmap to achieve a projected 30% to 35% growth?

- Samin Gupta:** Yes, we have projected 30% to 35% CAGR growth for the next 4 or 5 years. And definitely we have good plans in terms of expanding our services. That's the reason why we have acquired PRL Supply Chain Solutions. We are focusing on untapped customers, which had earlier requirements of owning a fleet. We are focusing on high quality customers where there are high volumes and good profitability where they have large projects in hand. So, that is the future plan that we are having. And definitely we are very much confident and we are very much positive with the sort of market support we are getting after being listed and the sort of brand we already had in the past 40 years. We believe that we will be able to cash on to this goodwill and add value to the Indian logistics sector.
- Moderator:** Thank you. Next question is from the line of Saurabh Jain, an individual investor. Please go ahead.
- Saurabh Jain:** Hi, Samin. Hi, Virender ji. It has been pleasure to clear doubts in past as well with you and get a clarity about the Company. So, I had three questions, like with respect to finance cost portion. So, finance cost, like which in the May when we did the IPO, we paid short-term borrowings and we reduced it. So, proportion of that in the finance cost is like 50% is the contribution, instead of 1.7 it is reduced to 0.8. That's what I could see. And in the next half year, we should be seeing it like at a 10% or 20% of the H2 of FY24. First question was that actually?
- Samin Gupta:** Just to repeat what I've understood sir, and you were saying that the finance cost in H1 2025 was lower than H2 2024. Is that the question right sir?
- Saurabh Jain:** I just rephrase the question. So, in the H2 of FY25, we should be seeing at like 20% of the H2 of FY24, right? Ideally because the borrowings are reduced to a greater extent.
- Samin Gupta:** Yes. So, I think what you're trying to say here is that there will be reduced borrowings in H2 financial year 2025, and we might see some benefit to the profitability of the Company. Is that the question, sir?
- Saurabh Jain:** Yes, that's the question because if we see Rs. 3.4 crores is the total financial cost for FY24 and if you see proportionally 1.7 should come to H2 of the FY25 and the borrowing is hardly 5% to 10% of the earlier borrowings. So, in a similar way, that should add to the margin of H2 FY25?
- Samin Gupta:** Yes. So, the plan is that we are very cognizant of the fact that H1 of each year is very lean. Therefore, we were sitting on very low borrowings. And we did not avail much limits of the bankers. And going forward in the H2, if the need arises and if the orders are in hand, we shall be not fearing and we shall be just taking the same amount of limits from the bankers and increasing our borrowings at the same time. So, we cannot actually comment on if the finance cost will be looking say lower than FY24 H2 or will be higher or will be same. It is something that only time will tell and only the demand will tell. If the demands are high and if there are good orders in hand, we definitely won't mind taking more borrowings and putting it in the business.

Saurabh Jain: Second question is with respect to trade receivables which are there Rs. 7.4 crores at March 24. So, do we see any provisions which we made as a provision for the doubtful debt which are more than six months, trade receivables, so bad debt in the coming six months or is there any legal cases that are initiated against any of the debtors which are outstanding as of March 2024?

Samin Gupta: No, sir, so talking about the debtors which are about 6 months, I will not take any names because I think it's only to do that. But these are two big companies which are existing in India. And these are the first two names which you might think of when you talk about any Company in the infrastructure space and very well known. And it's managed by, say, an operating system. There's no promoter. So, I am sure you've all got what I am trying to say. And we have a few projects which we had done for them in the last financial year and those projects were of Maldives. And because those projects are distressed now due to the geopolitical situation, therefore the payments are kind of stuck. They are saying that it will take some time and they might just release the same and they might just give the same, they're just waiting for some more time to get clearances and they will be paying us later. So, there is not a need of any legal case or any legal requirement to get into this because we value the sort of business they give apart from this project. So, we are patient with it, and we believe that is also spoiling our debtor days number on an average, but we are patiently waiting for them to solve this problem.

Saurabh Jain: Okay, so is that more than 25% of the debtors outstanding is on March 24?

Samin Gupta: I don't have an exact number, but probably yes. I am not too sure about that.

Saurabh Jain: So, with respect to the finance cost, which is on outstanding debt, outstanding receivables. So, ideally I see we will be incurring cost on this side, but we'll not be able to recover the cost on the debtors which are outstanding with them. Right, or do we have it in place for those things as well where we see like if you are, because of this reason, you are going to incur a cost on the short term borrowings or on the limits. So, at the same time, will you be able to recover the cost from them also?

Samin Gupta: Yes, we are very supportive in that sense that they understand that the payments have been stuck up for a long time. So, they are passing on the best possible support by giving us more volumes of business and profitable business. So, we are kind of getting compensated from there as well and it is nothing to worry about in terms of the overall health of the balance sheet.

Saurabh Jain: Okay, so general understanding the way of doing business in India, so in similar way they are also supporting us, got it.

Samin Gupta: Correct.

Saurabh Jain: So, but nothing is turning out to be, so what are the provision for doubtful debts that you made in the financial year 2023-2024? Nothing is turning out to be bad debt out of that as of now from that provisions, right? Or no cases initiated?

- Samin Gupta:** Some cases are going on, which are earlier initiated, but we have not initiated any new cases at the moment. And we do not see any bad debts happening anytime soon. We are very choosy and this has been our common practice of my father and the entire management, even before we were listed, that we choose our customers very carefully. We do not just work for anybody and everybody. We work for only selective few. We work for only customers which has an entry barrier, which we work for only customers which operate through a system and not in a promoter mindset that we will do this, we'll do that. And just doing the mouth job.
- Saurabh Jain:** Understood. And as I saw last call in May, the call was there for the earning transcript for the financial year 2024. There we saw that the sales growth will be around 30% to 35% overall. So, in the first half, as we've already seen September, October, so do you see any uptrend in that sales growth projection? It's going to outshine the projection or it's going to get the same level what we see as of now?
- Samin Gupta:** So, for this financial year, we have already given a guidance of Rs. 300 crores conservatively. And I would stick to the same guidance, but things are looking very positive. Things are looking very good. And we see a few large projects coming in hand. So, once that comes through, definitely then there'll be no bar to the growth Premier Roadlines Limited can do.
- Moderator:** Thank you very much. Next question is from the line of Amit Agarwal, an individual investor. Please go ahead.
- Amit Agarwal:** I have some questions. One about PRL Supply Chain, which you acquired. So, how about it? And what's the clear path? Second, you said your new orders are bucketed. Can you put more light what kind of asset you acquired? So, what would it value? And third is any good customer acquisition you have done in this half H1?
- Samin Gupta:** Understood sir. So, I will answer your question one by one. And the first question that you asked was PRL Supply Chain Solutions. So, like I mentioned earlier on the call as well, PRL Supply Chain Solutions, we are very much positive and we will be doing international markets and we will be catering to international markets. We've already hired top notch individuals from this industry who are having good experience in this market and having good customer connections as well. We will be utilizing the customer connects of Premier Roadlines Limited, where we are already registered with top notch and marquee clients as a vendor. And we will be passing on the same vendor code to PRL Supply Chain Solutions and that might see a good jump and a good cushion to start with. So, PRL Supply Chain Solutions, we are definitely positive about it, but we do want to give it some own time to have its proper foundation done and proper feet settled in this particular industry and then we will be in a better position to give you guidance about what that particular subsidy we will also be doing in terms of topline and bottom line. The second thing that you asked me about the asset that we are planning to purchase, so we are planning to purchase these Volvo pullers. So, they are the top-notch pullers and Volvo assets available in this market. So, these are high-capacity pullers. So, these are not the trucks that you see on the road, which you see on delivery. These are proper pullers which are capable of

carrying loads up to 500 metric tons on a plain road. So, this is the type of puller we are purchasing and also we are purchasing hydraulic axles from TII. So, this is a German brand and it is TII SCHEUERLE brand. It is based in Bawal here in Gurgaon, near Gurgaon and they provide these top notch hydraulic axles which kind of make these heavy transportation movements very safe, very reliable, and the customer is also paying a premium for the same. So, like I mentioned earlier in the call that we are planning to move a 260-ton transformer or 500-MVA from one place to the other. So, these sort of equipment will be facilitating to do these sort of movements. So, these are very high quality and these require a lot of expertise to operate. At the same time, we are maintaining and we are acquiring a big team to manage these assets. And also marketing tell to the customers so that the customers are also aware that there's a good player like Premier Roadlines Limited, which is listed and which is giving good value to the Indian logistics industry is having these assets. Also on the second part, we are working for many big customers which have ESG norms and which have ESG requirements. So, going forward, EV vehicles and LNG and CNG vehicles is something that is the need of the hour. And I am happy to announce also that we have already ordered two EV vehicles on a trial basis. So, these are two small capacity, only 1-ton capacity EV vehicles, which we want to give to one of our esteemed clients. And I would not like to take a name of that client because it is confidential and I have signed some agreements with them, but it is a top notch client and it was a huge task to get into their vendor base. They had a requirement of ESG and they had a requirement of EV vehicles and we successfully committed and we successfully executed the same. And we have ordered two Tata ACE EVs for them for their particular in warehouse movements. Talking about your third question, any notable clients that we have had over the past few months, we have had the best quality clients we could have thought of after getting an IPO. So, before this, we were having, say, to give a rating of any client, I would say 8 on 10 clients. But right now, with the sort of hunger we are having for growth, the sort of visibility we are having after the IPO and the sort of trust we have built over the past few years, we are able to get the best of the best clients in this industry and they are respecting us. They are giving us an opportunity to meet and they are giving us an opportunity to execute large projects as well. So, once we get in large projects from a very good organization, which we recently acquired, we will definitely be mentioning that on the Stock Exchange.

Amit Agarwal: Another question. You are saying you will do around 300 crore plus right?

Samin Gupta: Yes sir.

Amit Agarwal: So, in the first half you did 100 crore and second half you are planning your project around 100-200 crore right?

Samin Gupta: Correct sir. So, we did 113 crores in the first half.

Amit Agarwal: If you have anything figure in mind that what would be the revenue share of project cargo mix and what will be the normal trucking business?

- Samin Gupta:** Sir, in H2, it is more of over-dimensional cargo and project logistics and the revenue mix will be definitely dominant in the H2. We have given this guidance on a very conservative basis and we had already discussed while giving the guidance that 35% of the revenue will be coming in the H1 and 65% will be coming in the H2. And we stick to the same and we definitely plan on working more ahead and going more ahead of that particular guidance.
- Amit Agarwal:** My question is not that, my question is that in H2, suppose we are doing 200 crores, how much will be the project and ODC and how much will be the other business?
- Samin Gupta:** Yes, so like I mentioned sir, project and ODC will be dominant. I don't have an exact number, but it will be definitely more than 60%. 60%-65% will definitely be over-dimensional cargo and project logistics combined together in H2.
- Amit Agarwal:** And what do you think about the margin of both the business as of now?
- Samin Gupta:** So, over-dimensional cargo and project logistics has a margin of (+12%). Since we will be having our own fleet on the road and we already have some more fleet which has already been on the road after the September end. So, we expect the margins to even go higher. But to just give you a sense of it, (+12%) is the margin for project and ODC combined.
- Moderator:** Thank you. Next question is from the line of Agastya Dave from CAO Capital, please go ahead.
- Agastya Dave:** Thank you very much for giving me another opportunity and thank you for patiently answering questions. There are so many repetitions here that you are very nice explaining everything. So, I don't have a question, I have a small suggestion. Sir, going forward, if at all possible, can you please report the numbers on a quarterly basis? Even if you give like a very small, like abridged form of P&L, like revenues, EBITDA and PAT, even that would be very useful. Six months is too long a time. Things are changing. You are a very new Company, so it will just add to the understanding. Because it's just six months is too long, I think it's a horrible rule that SEBI has come out with. You don't need to do audited results, just some basic reporting and just some basic commentary on how Q3 went. That's it. I won't even suggest a concall. If everything is going as per plan, you can just write that as per our expectation, as per our guidance, things are going as per plan. And this is what we did in Q3. If we can move to that quarterly, a basic reporting every quarter, that would be a great help to the investors. I think everyone would appreciate it. So, it's a small suggestion, sir, if at all possible kindly consider that.
- Samin Gupta:** I definitely agree with the suggestion that you're giving, sir. And I value your input in this. And as an investor, I can understand the sort of waiting that you have to do to understand what the Company is doing. And for the investors who do not have access to directly meeting us or directly having a commentary from our side through official channels through our IR, it is even more difficult. I highly value your suggestion, sir, but there are some challenges that we go through. And since we are a very newly listed Company, I understand it's both ways that the investor is also having some..

- Agastya Dave:** I understand, sir. It is that I am not insisting upon it. It's just a small suggestion, sir. And it's a very selfish suggestion from the investor community. I know you guys will have, you will have certain bottlenecks. But if you can consider it, sir, it would be greatly appreciated by everyone. Other than that, sir, thank you again for holding the conference call and explaining everything so wonderfully. All the best, sir. Thank you.
- Moderator:** Thank you. Next question is from the line of Raj from Arjav Partners, please go ahead.
- Raj:** I just skip the part on the sales breakup side in H1. After the total sales in H1, how much percentage of the total sales we did in H1?
- Samin Gupta:** So, 35% of the total financial year sales is in H1 and 65% of the total financial year sales is in the H2.
- Raj:** And for this kind of CAPEX which we are doing, so how much is the payback period?
- Samin Gupta:** So, we are yet to calculate the same, but we anticipate that 2 to 3 years will be a good amount of time. By me saying that we are yet to calculate because it is something very special and it is something very, it has a special application. So, keeping in mind the best use case and maximum productivity, two to three years is the best period that we anticipate the payback to be.
- Raj:** And sir you have also said you are expecting a large order from a client. So, how much is the timeframe in which we are expecting this order, if we get it?
- Samin Gupta:** So, probably by this financial year end or maybe 1st Quarter of next financial year.
- Raj:** All right. And will it be equal to our current order book or so?
- Samin Gupta:** Probably more than that, sir.
- Moderator:** Thank you. The next question is from the line of Amit Agarwal, individual investor. Please go ahead.
- Amit Agarwal:** I have a similar request like Mr. Dave had done. Can you please announce quarterly results will be great help.
- Samin Gupta:** Yes, sir. So, your point well noted, sir. I was trying to give an explanation to the earlier participant as well. So, what happens is, sir, each financial year and each quarter ending or each half year ending, we have to close our books. But there are multiple vehicles in transit and as per the taxation norms and as per the norms of our auditors, we have to close the books only for the consignments which have delivered and which the customer has acknowledged the POD and taken the POD. So, this is a very long process, and this is a very long cycle to identify which has been delivered, which has not been delivered. And there are sometimes one PO and multiple

vehicles. So, if that multiple vehicle and out of that multiple vehicles, even one vehicle is not delivered, that particular PO is not eligible to submit the bill. So, that PO itself is a big number. So, this is a very big sort of, I would say tedious task to continue to do that. So, every financial year and every half yearly result that you'll be submitting, there will be a good amount of spillover to the next financial year as well because many POs, so what we call as club billing. So, for example, say a big Company gives us an order or a project. So, that involves say for 50 vehicles and out of the 50 vehicles, even one vehicle is not delivered on time and even if one vehicle is not delivered to 30th September, for example, then that entire bill of 50 vehicles has to be submitted after that vehicle delivers. So, identifying those vehicles and identifying these challenges and then submitting the bill is sometimes a huge process. We are definitely working on it, sir. And we are a Company which would definitely want to keep investors well-informed on time and we would want investors to know more about us in short intervals. Definitely it is on the cards. We will not commit here, but you might see an announcement from us coming if we decide to switch to quarterly starting from the next quarter, But definitely we are mindful of the positives of quarterly reporting.

Amit Agarwal: I think you are quite young and real self so I think you can evolve and I think you can do something.

Samin Gupta: Sir, it does not make any difference if we are young, it is the customer which has to decide.

Amit Agarwal: Try to do that. This will be better for everyone.

Samin Gupta: Yes sir, we are trying our level best.

Amit Agarwal: It is a demand from the industry community. So, we should consider it.

Samin Gupta: I definitely respect the demand and we will work on it sir.

Moderator: Thank you. As there are no further questions, I will now hand the conference over to Mr. Virender Gupta for closing comments.

Virender Gupta: Hello everybody. And thank you for all being part of our conference call and for actively participating in the call. We appreciate your support and trust in us. We hope we have been able to address most of your queries. In case of further queries, you may reach out to our Investor Relation Advisor, Stellar Investor Relations. Thank you, have a good day.

Moderator: Thank you very much. On behalf of Premier Roadlines Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines. Thank you.