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Date: 27/05/2026

To,
The General Manager,
Listing Department,
National Stock Exchange of India Limited,
Exchange Plaza, Bandra Kurla Complex,
Mumbai – 400051.

COMPANY CODE: SADHAV

SUBJECT: TRANSCRIPT ON EARNINGS CONFERENCE CALL HELD ON 21ST MAY, 2026

Dear Sir/ Ma'am,

In continuance of our earlier intimation filed with NSE with respect to earning conference call and pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform you that the transcript of the Earnings Conference Call held on 21st May, 2026 in respect to audited standalone and consolidated financial results of the Company for the half year and year ended 31st March, 2026 is enclosed herewith.

The transcript of the earning conference call is uploaded on the website of the company i.e. www.sadhavshipping.com.

You are requested to kindly take the above information on record.

Yours faithfully,

For Sadhav Shipping Limited

Kamal Kant Choudhury
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“Sadhav Shipping Limited H2 & FY'26 Earnings Conference Call”

May 21, 2026



Management:

MR. VEDANT K. CHOUDHURY	WHOLE-TIME DIRECTOR AND CHIEF EXECUTIVE OFFICER
MR. NILAKANTHA SAHU	CHIEF FINANCIAL OFFICER
MR. SHYAMSUNDAR BANIK	EXECUTIVE DIRECTOR, FINANCE AND ACCOUNTS
MS. MADHURI RATHI	COMPANY SECRETARY AND COMPLIANCE OFFICER

Moderator: Good evening, everyone, and welcome to the H2 and FY '26 Earnings Conference Call of Sadhav Shipping Limited. Today, we have with us Mr. Vedant K. Choudhury, Whole-Time Director and Chief Executive Officer; Mr. Shyam Sundar Banik, Executive Director, Finance and Accounts; Mr. Nilakantha Sahu, Chief Financial Officer; Ms. Madhuri Rathi, Company Secretary and Compliance Officer.

We will begin with the opening remarks from the management, followed by an interactive Q&A session. Please note that this discussion may include forward-looking statements, which should be viewed in conjunction with the risks and uncertainties that the company faces. 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 star and then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand over the conference to Mr. Vedant K. Choudhury, Whole-Time Director and Chief Executive Officer, for opening remarks. Thank you, and over to you, sir.

Vedant Choudhury: Yeah. Good evening, everyone, and thank you for joining us today. My name is Vedant K. Choudhury. I am the Director and CEO of Sadhav Shipping Ltd. With me on this call are Mr. Banik, our Executive Director; Mr. Sahu, our Chief Financial Officer; and Ms. Rathi, our Company Secretary. This is a moment actually I've been looking forward to. This is our first full year earnings as a listed company, and it gives me great opportunity to speak directly to the people who have placed confidence in us and who want to place confidence in Sadhav.

So let me start with FY '26 and what it is exactly not. Our net profit actually grew by 25% to INR14.72 crores, and our earnings grew by -- earnings per share grew 11.5% to INR9.13. Revenue, however, was broadly flat as compared to last year at INR97.55. And I want to address that directly because it's the first thing that you guys will ask me.

FY '26 actually was not a great year or of steady-state operations. We had many challenges, and it should be taken as a year where we have been building our foundation. We commenced the large project of ONGC of Canara Pride, about INR108 crores in September last year. We came out of the Nigeria project last year itself again in September. We entered Chennai Port is a new client that we've added to our list. And all these developments, mobilization, crew development and operational setup, it takes time.

So for a fact that the full financial year in '26, you will not see the entire result, but you will see it in the '27 for whatever we have worked in this year. In short, I would like to

say the wind is actually at our back, and we are going forward. There are great initiatives from the government, which are coming forward. For example, this union budget has allocated about INR5,100 crores to the Ministry of Shipping and Waterways, which is a 48% increase from the last year.

So Sadhav is actually not open to benefit from these trends, but we are already in the position to benefit from these trends with ONGC's offshore oilfields at Paradip, at JNPA, at Chennai and every major port in our network, including the oil spill network that we are actually making. This company was built over the last 30 years, one contract, one vessel, one relationship at a time.

We listed not to cash out, but we listed to grow faster to be held accountable and to invite you to be a part of what we are doing. So like I said, FY '26 was the foundation. FY '27 is where you will start to see the building.

With that, we will hand over the floor to our people to you to take any questions.

Moderator: Thank you very much. We will now begin with the question-and-answer session. Your first question comes from the line of Jignesh from Vedarth Investment. Please go ahead.

Jignesh: Yeah. Am I audible?

Vedant Choudhury: Yes, sir, you are.

Jignesh: Yeah. So my first question was related to our balance sheet. In that fixed assets, if I can see in FY '25 was around INR202 crores which has come down to INR145 crores in March '26. So -- and we have also done preferential for buying some more vessels. So I could not understand what vessel were sold and what was added?

Vedant Choudhury: Okay. So in the year FY '25, '26, sir, we sold our vessel Aditri, which was in Nigeria. So we have taken that off our fixed asset schedule. And there was one more vessel Bali, which has been sold off for about INR2.5 crores approximately, which has also been taken off the fixed asset schedule. So this is as far as the balance sheet is concerned. Is there anything else that you wanted to check on this?

Jignesh: Yeah. So we have added any vessels, which will yield revenues going forward?

Vedant Choudhury: So currently, we have added some vessels or we -- there is a lot of plans to add vessels this year, but it is not reflected in FY '26.

Jignesh: Okay. So it will come in H1, all the additions?

Vedant Choudhury: Correct, correct. That is right, sir.

- Jignesh:** And in your opening remarks, you mentioned that you have built a foundation in FY '26. So how will FY '27 pan out in terms of revenues from different streams? If you can make us understand how it is going to be different going forward?
- Vedant Choudhury:** So in FY '27, we are expecting a further increase in our revenues from our offshore business. and our port business also. We are also expecting a flattened revenue from the oil spill response business because some of the contracts are going to be ending by the end of this year.
- Jignesh:** Okay. So can you elaborate more on the offshore and the port business? What is the monthly or quarterly run rate based on the projects that we have in hand?
- Vedant Choudhury:** See, currently, we are totally doing about INR8 crores to INR9 crores on a monthly basis. This is in the month of the season business. In the off-season, it will decrease by about INR4 crores per month, where we are also trying to garner more revenue through our the tug and tow and the salvage business that we are trying to set up.
- So that will also try to offset the loss of revenue that we are having during the monsoon season. So this is where I can talk about the offshore business. The port business and the oil spill response business are on a 365-day basis. They will remain close to what they are on a monthly basis.
- Jignesh:** Okay. Okay. So port will be around INR1 crores?
- Vedant Choudhury:** More than one year, INR1 crores, sir. It will be about...
- Jignesh:** On an average basis, we can add INR12 crores to INR15 crores from the port business. And from the offshore business, we can add around INR75 crores to INR80 crores, yearly?
- Vedant Choudhury:** Sir, I will -- yeah, approximately, yes. That is right, sir.
- Jignesh:** So this is based on the assets that we already have on the balance sheet?
- Vedant Choudhury:** That is right, sir.
- Jignesh:** And from the preferential that we have raised and the new business that you are entering, so what can we add from that business going forward on a steady-state basis?
- Vedant Choudhury:** So the preferential that we have raised and the new businesses that we are entering, we are trying to, first of all, get in new vessels for our port business, which we already have contracts in hand, and we are looking forward to get more contracts also in the similar business. So we will be placing orders for new boats to be made. And that is how we are growing the port business actually.

- Jignesh:** Right. And on the margin front, how big improvement are we expecting since the oil spill is going to be lower. So what can be the improvement in margins?
- Vedant Choudhury:** Sir, the margins will be protected even if oil spill is not there. And we are looking forward to improving it, in fact, slightly. But on the margin front, like if you're talking about PAT margins, it will be protected, sir.
- Jignesh:** No, on the EBITDA front.
- Vedant Choudhury:** EBITDA side, I think I will just give it to my CFO, sorry.
- Jignesh:** Yeah.
- Nilakantha Sahu:** So EBITDA will be also improving because we are trying to minimize our operational cost.
- Jignesh:** Okay. So can we expect around 30% EBITDA that we can maintain on steady-state in this?
- Nilakantha Sahu:** Yes, sir. Yeah. It is a possible percentage you are talking, and we can achieve it also.
- Jignesh:** Okay. And one more thing, I just want -- I could not understand that we have raised preferential. So in our balance sheet, the total equity, that is equity share capital and other equity, is it not reflecting that -- because it is showing INR101 crores.
- Nilakantha Sahu:** No, no, sir. It is already added in the front of the balance sheet and it is -- the detail it is the schedule of the change of the equity shareholders. That is there in the schedule.
- Jignesh:** Because last year, it was INR99.5 crores and this year, it is INR101 crores. So we have also got our profit and we have also raised the preferential. So I believe it should be higher.
- Nilakantha Sahu:** It should be higher because the loss of -- sale of Aditri, it is adjusted there. That is the reason. Still, we are on the higher side of the last year.
- Jignesh:** Okay. What is the quantum of the loss that you have adjusted?
- Nilakantha Sahu:** INR34 crores.
- Jignesh:** INR34 crores.
- Nilakantha Sahu:** Yes, sir.
- Jignesh:** For that Nigerian vessel?

- Nilakantha Sahu:** Yes, yes. Yeah, yeah. I can say we have saved our further loss. That is the reason.
- Jignesh:** Okay. Right. Thank you.
- Nilakantha Sahu:** Thank you.
- Moderator:** Thank you. Your next question comes from the line of Peddi Amarnath Reddy, an individual investor. Please go ahead.
- Peddi Amarnath Reddy:** Sir, good afternoon, sir.
- Vedant Choudhury:** Good afternoon, Amarnath.
- Peddi Amarnath Reddy:** Sir, first of all, I appreciate the team of Sadhav for taking this initiative of speaking to shareholders. Being an SME company, it is not mandatory, still you have taken up that initiative. Really good initiative, sir.
- Vedant Choudhury:** Thank you.
- Peddi Amarnath Reddy:** Sir, my question is first question. Actually, we -- our operating margin reduced from 30% in previous financial year to 20% in present financial year. Any reasons attributed to that particular fall in the EBITDA margin, sir?
- Vedant Choudhury:** I will ask my CFO to take this question, Amarnath.
- Nilakantha Sahu:** Okay. Sir, this is because of our delay in vessel mobilization and other assets. Because if you see our Canara Pride, it is given to ONGC in the September
- Peddi Amarnath Reddy:** September last, yes.
- Nilakantha Sahu:** Yeah. Yes, that is the main reason I can say.
- Peddi Amarnath Reddy:** Okay, sir. And sir, during Arihant conference where Sadhav team participated, it was informed by the management that our profit margin would be around 15% to 18%, whereas in January to March quarter, our profit margin is single digit, less than 10%. So other expenses actually tripled in the January to March quarter. Any particular reason for that, sir? Profit margin shall fall.
- Nilakantha Sahu:** Sir, that was -- the main reason is like because of increase in operational expenditure and some little expenditure related to vessel running only.
- Peddi Amarnath Reddy:** Other expense -- you mean to say those contributed to other expenses increase?

Nilakantha Sahu: See, I will tell you, sir, as per company schedule, like finance and depreciation and that office staff and material cost other than all the expenditure is coming under the other expenses. That is the reason.

Peddi Amarnath Reddy: Okay. So during the previous conversation with other investors, you were saying that you are targeting 30% EBITDA margin for the financial year '27.

Nilakantha Sahu: Yes, sir.

Peddi Amarnath Reddy: So how do you increase from 20% to 30%, sir? Because how do you be able to increase EBITDA margin for the coming financial year?

Vedant Choudhury: Yes. Amarnath ji, I'll take that question. So basically, we are trying to improve our operational efficiencies simply by making the vessel ready every time the client needs it. And plus, we are also implementing future-ready ERP systems, which are actually then -- which will help us streamline our procurement processes and a lot of other things and will get our cost down. So that is why our CFO with confidence can say that we have -- we can do a 30% EBITDA.

Peddi Amarnath Reddy: So you are expecting -- we can expect 30% EBITDA for the financial year '27 and going forward, sir?

Vedant Choudhury: Yes, for sure.

Peddi Amarnath Reddy: Sir, a few more questions, sir. First one, order book, can you please spell out in the presentation, there was no mention of the current order book as of 31st March 2026. Earlier, you used to share it. Any reason for not sharing it?

Vedant Choudhury: No, nothing. It just we missed out on it this time. We will share it. We'll share the order book.

Peddi Amarnath Reddy: Yeah. Can you please fill it in the -- so that everyone can hear it out, sir? I hope other investors.

Vedant Choudhury: Correct.

Peddi Amarnath Reddy: So if you have the figures...

Vedant Choudhury: Correct. As of 31st March, we have an order book of about INR400 crores.

Peddi Amarnath Reddy: Okay, sir. Execution timeline, sir? Spilled over to how many years?

Vedant Choudhury: This will be spilled over up to FY '30 or more its actually, sorry. There are more -- so there are some contracts which are seven year tenure also. That's right.

Peddi Amarnath Reddy: Okay. So in that case, sir, can you -- is there any revenue target you have set yourself for the financial year '27 and '28 in Arihant conference, it was informed INR120 crores to INR125 crores for the financial '27 and INR180 crores for financial year '28. Is that right? Or you are sticking to that?

Vedant Choudhury: So I will only mention about '27. So we are looking at about 15% to 20% increment on our current values.

Peddi Amarnath Reddy: Current. So around INR120 crores, INR115 crores to INR120 crores, right?

Vedant Choudhury: Correct. That's right.

Peddi Amarnath Reddy: So with EBITDA margin 30.

Vedant Choudhury: That's right, sir.

Peddi Amarnath Reddy: So, that translates to higher increase in the bottom line if that is the case?

Vedant Choudhury: That's right, sir.

Peddi Amarnath Reddy: Thank you. Sir, actually, if we can observe, in last year January itself, we have signed MOU with United Petro for the greenfield port in Odisha. And any progress on that, sir, after the meeting with the Chief Minister of Odisha in October 27, six months -- more than six months over?

Vedant Choudhury: That is right. It is more than -- more than a year over, actually. So, after the MOU was actually signed as a consortium between United Petro Group and Sadhav Shipping with the Government of Odisha to set up a ship repair, ship building, and a offshore supply base in Odisha. After that, we have had several rounds of discussion with the government over there. We have also formed an SPV joint venture company between the UPG group and Sadhav Shipping Ltd which is named as United Sadhav Integrated Maritime Private Limited, in which Sadhav is a 26% joint venture partner.

Now we have also been -- we have been approaching the government of Odisha for the land. We have identified the land and done the preliminary surveys. The government officials have also done the preliminary surveys, and it is up to the -- basically it's with the government to give us the land. Having said that, we understand that there is quite a lot of delay from that side, which is happening. We are also exploring other locations in other states, actively exploring that.

Peddi Amarnath Reddy: So you mean to say that this project in Odisha may get cancelled also, you mean to say, sir?

Vedant Choudhury: No, no. So the project in Odisha will remain. We are looking at other states where we can have a faster deployment time.

Peddi Amarnath Reddy: Okay. So with the same tie-up of United Petro, sir?

Vedant Choudhury: Correct, correct. That's right.

Peddi Amarnath Reddy: Actually, there is a lot of buzz about Tamil Nadu port, greenfield port, for which MOU signed very recently. Our MOU signed almost 1.5 years ago. Still, I don't know why there is not much happening on the ground actually.

Vedant Choudhury: Our frustration is greater, actually.

Peddi Amarnath Reddy: Yeah. So land allocation is the main issue, what I see -- it is not yet given from the government. So any hurdles, sir, there because state and central, both same government, non-cooperation is there?

Vedant Choudhury: No, we are not facing any hurdles because of state and central the same government. It is just with the government machinery that is working the way it is. So we are in close touch with them.

Peddi Amarnath Reddy: What are the other possible locations you are looking on that?

Moderator: Sorry to interrupt.

Peddi Amarnath Reddy: Yeah. I will be on the queue, sir. I will be on the queue. Sir, can I switch one more question or should I be on the queue.

Moderator: Sir, we request you to return to the queue for further follow-up questions, please.

Peddi Amarnath Reddy: Yeah, yeah. I will be waiting in the queue. I just have one couple of final questions. I will be waiting in the queue.

Moderator: Sure, sure. Thank you. Participants, if you wish to register for a question, please press star and one. Our next question comes from the line of Abhishek from James Capital. Please go ahead.

Abhishek: Yeah, hi. Thank you for taking my question. Am I audible?

Vedant Choudhury: Yes, Abhishek. Please go ahead.

Abhishek: So just a couple of questions. One is the follow-up from the previous participant on a United Petro joint venture front. Sir, even if we get, I mean, the land allocated to us in the next three to six months, say, so what is our roadmap going forward? I mean, what

kind of investments are we looking at in that joint venture and what is the kind of return or potential opportunity size for that joint venture?

Vedant Choudhury: Okay. So Abhishek, the road map is like that. Once the land is allotted, it takes about three to six months for the DPRs to happen. And then the initial studies and everything. And by the time we get all the clearances to -- or rather the consent to establish, we can then establish. So say it will take about 18 months to start off the first job. We are looking at approximately a total of about INR5,000 crores to be put in, in phase-wise manners. And it is a large infra project. So at this point, I cannot tell you anything about the return on equity and all those metrics right now.

Abhishek: No, that is okay. I mean, I just wanted to understand, what kind of opportunity are we looking at, first say offshore drilling and then the land -- this shipbuilding part of it or ship repair part of it. So what kind of opportunity is there with this kind of a joint venture that we are looking at?

Vedant Choudhury: Yeah. So we are looking at majorly with shipbuilding and ship repair, with a added benefit of having the offshore rig repair and offshore cater to the offshore market also, both on the East Coast and the West Coast also.

Abhishek: Okay. So this offshore market, East Coast, West Coast, what is exactly our part of the deal and what is the exactly opportunity that we are looking to tap here?

Vedant Choudhury: So I understand that you want to understand about what is Sadhav's part of the deal.

Abhishek: Yeah, right, right.

Vedant Choudhury: Correct. So Sadhav is going to be the operating partner for the entire JV for all the shipbuilding projects or all the ship repair projects that is going to be taken up or even the marine spread that is required, Sadhav will be the forefront for it.

Abhishek: Okay. So any shipbuilding that will get into, henceforth will be with United Petro or we can also, set up our own facility for different kind of a shipbuilding segment or anything of that sort? How does that work?

Vedant Choudhury: There is no exclusivity that is in our agreement as of now. So shipbuilding, like I said, it is a large infra project, so not many people are with that kind of a capex plan.

Abhishek: Right, right. And we were also talking about partnering with South Korean or Japanese players in the last Arihant conference. So where are we on that front and any update on those lines?

Vedant Choudhury: So we already have them in line, but we have not got them to the limelight yet because we just want to get the land first.

- Abhishek:** Okay. Sure. And electric tug part of the business, I guess we were also looking to get into long-term contract with the government. Yeah, anything on that front?
- Vedant Choudhury:** So there are a quite a few, I would say, Mumbai Port and Kolkata Port and I think Chennai Port also has come out with electric tug tenders. We do not believe that -- or rather we are of the firm belief that the capex for the electric boat is too high as of today. Unless it comes down, the expected charter rate on the annuity basis for 15 years is not making commercial sense. So that is why we are not participating in them.
- Abhishek:** Okay, sir. That helps. I guess this is all I have at the moment. Thank you for answering.
- Moderator:** Thank you. Your next question comes from the line of Saket Kapoor from Kapoor Company. Please go ahead. Mr. Kapoor, your line is unmuted. Please proceed with your question.
- Vedant Choudhury:** Mr. Kapoor?
- Moderator:** Mr. Kapoor, if you have muted the line from your end, we request you to unmute and please proceed with your question. As there is no response from the line of current participant, we will move on to our next question. Our next follow-up question comes from the line of Jignesh from Vedarth Investment. Please go ahead.
- Jignesh:** Yeah. So sir, broadly, if I want to understand that we have raised the preferential to deploy in some vessels. But since we have incurred a loss in that African ship, so our deployment will be much lower in the new vessels because we are not able to see any growth in revenues in next one year?
- Vedant Choudhury:** So I'll just explain you. So the raising of preferential was for -- not only for buying new vessels, but also for repayment of our high-cost loans. So we have done that to whatever we have promised. And so up to approximately INR5 crores to INR6 crores, we have already repaid in March 2026; which actually really eases our monthly outgo as well. So this is one of the other factors that I think you missed out on or we missed on telling you actually.
- Jignesh:** Yeah. No. But if we see the kind of this government inputs that we are getting for this sector, we are just trying to grow by -- from INR97 crores, we are telling INR115 crores to INR120 crores. So I think being such a big opportunity, we should have ambition to grow much faster and must be ready with a lot of vessels and -- with a lot of capital for tying a lot of vessels. So what is strategy on this front?
- Vedant Choudhury:** Okay. So I'll just briefly talk to you about on the offshore supply vessels market scenario. As of today, because -- not only because of the Gulf crisis, but before the

Gulf crisis also, the asset pricings were for all across were very high. And the Gulf crisis has just because of the Gulf has even risen further.

So we -- as a company, we find that the -- because the market pricing is very high for assets as of today, we do not want to get caught in a high asset value and then get stuck in it because when we buy an asset, we have to buy it for the next 10 to 15 years at least. Our belief is to buy low and then stick with it actually.

So that is where we are -- otherwise, it's not going to make sense for buying at a high price actually. So we are trying to build our war chest for the next cycle, which is going to go down whenever it goes down.

Jignesh: So maybe -- so if the market looks like the pricing will remain high for six to 12 months, so we will delay our plans for buying new vessels?

Vedant Choudhury: We will delay our plan unless there is a confirmed contract against the -- that we have and it makes commercial sense, then only we should buy. Otherwise, it doesn't make sense, right?

Jignesh: Sir, please, I am not aware what kind of loss that you made in the vessel. Can you give some history, what was the contract like and why we had to sell this at a loss broadly related to this transaction?

Vedant Choudhury: Okay. I think regarding the figures, I'll give it to my CFO, well I'll just tell you the history. . We bought this vessel in January 2023. She was bought at a very low value and almost like a scrap plus some premium price. And she was in West Africa that time. We had then transported her to Nigeria, and then we started to refabrication It was a dead ship. So we got her running, and it took some time.

In Nigeria, we had to face lot of issues operationally. We went over budget also in our working. And finally, in March of last year, we could operationalize her. We used her for one contract. And then we then had to be standing for some time. Then in, I think, June of last year, we got a Chevron contract, obviously, through the local parties. We performed that contract, and then we sold it off to a party -- a counterparty who is based on Nigeria itself.

We faced a lot of issues operationally over there to -- unlike in India, the way we work, it's not there. So -- and the statutory issues also in terms of the local governance and everything. So we had to actually -- we wanted to get out of the place as soon as possible. So that is why my CFO has said that it is good that we got out as soon as possible. So I'll give it to him to give you the figures if required.

- Nilakantha Sahu:** So our original cost up to March 25, it was about INR76 crores, and it was sold 4.5 million, which was about INR40 crores, so we got loss of INR36 crores. Okay. So other vessel, we got profit about INR2 crores, to net of INR34 crores that is considering the March '26. That is the breakup, sir.
- Jignesh:** Sir, request you going forward, please share all this details upfront with all the investors because I don't think this was reflected anywhere during the Arihant call also that we are having issues in all this, the balance sheet and the growth going forward, so it does not reflect in a good way from the management side.
- Vedant Choudhury:** Okay. Noted, sir.
- Jignesh:** Okay. Thank you.
- Moderator:** Thank you. Your next question comes from the line of Akash Sharma, an individual investor. Please go ahead.
- Akash Sharma:** Yeah, hi, sir. Thank you for the opportunity. I have a few questions. My first question is that during our FY '26, we secured multiple contracts from Chennai Port or Paradip Port and something like that. So what is the cumulative value of these contracts and expected revenue contribution from them?
- Vedant Choudhury:** So hi, Akash. So we basically secured the Chennai port contract was for about INR8.5 crores. The Paradip contract, I don't have the figures with me. I can get back to you Akash, but yeah, that is one thing. And then the JNPT contract recently, which we got was about INR17.5 crores.
- Akash Sharma:** Okay, sir. So post everything, what would be our outstanding order book right now?
- Vedant Choudhury:** As of 31st March, it is about INR400 crores.
- Akash Sharma:** Okay, INR400 crores. Okay. And sir, what would be the average tenure of executing these orders?
- Vedant Choudhury:** So they range between three years to seven years. Some actually one of the contracts are up to 10 years also. So yeah, that is how it is. Each client has a different contract duration.
- Akash Sharma:** Okay, okay. Got it, sir. And I just want to know that what is the current fleet size and average fleet age across offshore?
- Vedant Choudhury:** So across offshore, we -- our fleet age would be -- so if you take Anusha inside, it could be about 17 years in the offshore side of it. In the port services and oilfield response, it will be about 6.5 years, seven years right now, yeah.

- Akash Sharma:** Seven-year, sir. And sir, what is the period post which we change the fleet?
- Vedant Choudhury:** So we typically tend to change the fleet after 25 years, but there have been recent DG circulars, which are asking us to basically, the government is asking the owners to renew the fleet at a younger age, say, about 20 years right now.
- Akash Sharma:** Okay. And sir, the fleets that we usually purchase are the new ones or are they second-hand?
- Vedant Choudhury:** So depending on the segment that we are operating in, in offshore, we buy second hand simply because the capital required for a new one is way too much. For port services and for oilfield response, we buy or rather we tend to build new ones.
- Akash Sharma:** Okay. I just wanted to understand because we are renewing our fleet for post every 25 years and what we have are second hand, so just the efficiency of those fleets because rusting might happen at that point of time. So that's right. Okay. And sir, just my last question would be that our current pipeline, so can you throw some light on that?
- Vedant Choudhury:** Okay. So in terms of order book, yeah, we have the OEC contracts, which are for Sadhav Anusha and Canara Pride, which will run up to February or rather FY '30, sorry, '28 and FY '29, sorry. We have the other orders, which are up to FY '31. In the pipeline, we have in terms of the JNPT contract, which we need to perform, which we've just recently won, we are already performing contract already. We have to mobilize two more vessels to JNPT.
- And then another two more follow-up order, which we have just received. So totally of four vessels which will go to JNPT right now. We have Saroja Blessing, which is with us. We are performing individual rather spot tow jobs for her. So that is a very lucrative market that we are trying to tap on right now. Yes. And then we have the contract from a defence company in India. So that will start in sometime in September, October.
- Akash Sharma:** Okay, sir. Okay. That helps. Thank you so much.
- Moderator:** Thank you. Participants, if you wish to register for a question, please press star and then one. Your next question comes from the line of Diya from Sapphire Capital. Please go ahead.
- Diya:** Sir, am I audible?
- Vedant Choudhury:** Yes, Diya. Please go ahead.
- Diya:** Sir, can you please explain again why our EBITDA margins fell in this year?

- Vedant Choudhury:** I will just give it to my CFO again.
- Nilakantha Sahu:** Yeah. Hello. Please come again.
- Diya:** Sir, can you please explain why our EBITDA margins fell this year?
- Nilakantha Sahu:** This is because of higher operational expenditure due to delay in mobilization of the vessels.
- Diya:** Okay, sir. And the INR17 crores order is for the JNPA?
- Nilakantha Sahu:** Yeah. CEO will explain.
- Vedant Choudhury:** Yeah. Diya, so the INR17.5 crores order that we have from JNPA that is yet to be performed. So we will be giving orders to our boat building company, which will then do the boat building.
- Diya:** Okay, sir. Understood. Thank you.
- Vedant Choudhury:** Thank you, Diya.
- Moderator:** Thank you. Your next question comes from the line of Arvind Singh from Manthan Capital. Please go ahead.
- Arvind Singh:** Hello. Am I audible?
- Vedant Choudhury:** Yes, Arvind. Please go ahead.
- Arvind Singh:** Okay, sir. So my question is on the broader cycle. Like our peers, not neck to neck peers, but like Great Eastern Shipping , Seamec are expanding their vessel fleet. And on the other hand, you are talking about that you are not expanding the fleet because the prices have risen. But don't you think this is a multiyear cycle where government is pushing the oil exploration in the onshore/offshore facilities. So just wanted to know your thought process on this.
- Vedant Choudhury:** So yes, so that's a good question. So I'm not sure if Great Eastern or even Seamec is -
- rather Seamec is not my direct competitor because they're in different segment in the offshore. But Great Eastern, yes, I can take that question or even for that matter, ABS Marine. At present, they are not looking at expanding. I'm not sure if they are expanding or not.
- The other question that you had is the order book from -- or rather because the government is looking at ramping up exploration and production. To this, I would say that we have been waiting for tenders to come out of oil and gas companies for our services, which are actually only trickling. It is not the way it used to come.

So we are waiting and watching this because I don't know if you have read today's ET infra, ONGC is actually looking at outsourcing the entire work of marine logistics and shore based to a single party. So that will also put a question mark on the current tendering system that they have.

So we are not -- even like we are not sure if ONGC will come out with any kind of tenders. So number one, we'll not do a speculative purchase or rather a large speculative purchase of that kind of an asset size. And it has to be backed by a contract. So unless we have a contract, we'll not go ahead and buy a vessel.

Arvind Singh: Okay. Okay. Great to hear, sir. And sir, one more broader terms, like what will be the major growth phase for the company, like we are saying that we are not acquiring the vessels in next five to six years, what's the company's growth plan?

Vedant Choudhury: Correct. So I am expecting the order book to increase from -- for the five to six years of growth plan, we are expecting a sizable increase in the order book from oil and gas revenues. We are looking at expanding our service line or other service bouquet in the port services to get into tugs, especially green tugs. But with the current kind of capex model, it's not workable for us.

We are also looking at getting into creating a large oil spill response organization, which will cater to most of the marine efficiencies that happen in India. So we are working on all three fronts, other more fronts also. The major growth also will come from the shipbuilding side where we have partnered with UPG. So we already have a joint venture in place, and we are looking forward to something happening from there.

Arvind Singh: Okay. And sir, just one follow-up question. What -- and exactly what we are doing in the shipbuilding, like sorry to per my ignorance, but just wanted to know your thought process. What's the company's plan on shipbuilding?

Vedant Choudhury: Yeah. So for shipbuilding, we have partnered with a company called UPG Group. They are based out of Singapore and Malaysia. They have -- we have a JV with them where we are 24% partners -- 26% partners with them. We have an MOU with the government of Odisha to create a shipyard, ship repair and an oil offshore service base -- offshore supply base. We have also identified the land over there, and we are waiting for the government approvals to allocate for them to allocate the land.

Arvind Singh: And what kind of capex we are planning to do in this venture?

Vedant Choudhury: This venture, we are looking at about INR5,000 crores in a phase-wise manner.

Arvind Singh: Okay. So can you give me any tentative timeline, like what?

Vedant Choudhury: So at present, I'm not sure if I can give a time line. But from the date of allocation of land, we are looking at about 18 months, we can start the first operations.

Arvind Singh: And sir, one last question on the margin front, we are a little bit disappointed with the margins. So do you think that in the FY '27, we can see a significant improvement in the margins?

Vedant Choudhury: I am not sure if I can say significant improvement, but we'll see some improvement in the margin.

Arvind Singh: Okay. Okay, sir. Great to hear. Thank you and all the best for future.

Vedant Choudhury: Thank you, Arvind.

Moderator: Thank you. Your next follow-up question comes from the line of Peddi Amarnath Reddy, an individual investor. Please go ahead.

Peddi Amarnath Reddy: Sir, hi, sir, again. Sir, actually we have some partnership or tie-up with Kongsberg Maritime Services, if I am not wrong, out of Norway, which is a pioneer in shipbuilding, ship repair. And also we have sister company Sadhav Offshore. So why can't we make use of these two partners for the shipbuilding which is being given very high thrust from the Government of India right now?

Vedant Choudhury: Okay. So, Amarnath ji, the partnership with Kongsberg Maritime is for a particular kind of equipment, which is on Coast Guard and Navy ships. And that is, again, with the related party, which is Sadhav Offshore Engineering. So it is not with Sadhav Shipping first of all. So secondly, Kongsberg is not into shipyard building, but they do give a lot of OEM representations and the parts and equipment for shipyards.

But not per se that they are interested in shipbuilding. They do a lot of design work and give a lot of equipment, but I'm not sure if they are interested in shipbuilding. They have a very good equity and a brand image in India also. And we have -- we also have very good equation with them.

Peddi Amarnath Reddy: So do you have any plans to make use of the technology that Kongsberg possesses and Sadhav Offshore has?

Vedant Choudhury: If our shipyard business or any other business demands it and if the Kongsberg equipment or their technology is the best fit for it, we will definitely go ahead, sir.

Peddi Amarnath Reddy: Sir, and one more question related to our interest on the borrowings. Our rate of interest on the borrowings is almost around 12% to 15% average, whereas our competitor ABS Marine borrowings rate of interest is around 8% to 10%. Can you please highlight the reason why, you know, there is such a difference between the rate of borrowing?

- Vedant Choudhury:** I will just ask my CFO to talk about it.
- Nilakantha Sahu:** Sir, see, last year we had taken some unsecured loan where it was --we were thinking is higher side. That is the reason we went for the preferential and we repaid that also. So this '26, '27, there will not be high-cost loan is there. And it will be drastically come down our finance cost also.
- Peddi Amarnath Reddy:** Sir, present average rate of interest on our borrowings, can you please specify a figure?
Average rate of interest?
- Nilakantha Sahu:** Yeah. Before unsecured loan, it is 9% to 9.5%.
- Peddi Amarnath Reddy:** Okay. Sir, before pardon?
- Nilakantha Sahu:** Unsecured loan, which is already repaid in the out of the preferential?
- Peddi Amarnath Reddy:** Okay. So, now it came down to single digit?
- Nilakanth Sahu:** Yeah, yeah.
- Peddi Amarnath Reddy:** Okay. Okay. Sir, one more question to Vedant sir. Sir, actually you are telling that 15% to 20% revenue increase with 30% EBITDA margin for the financial year '27. Any -- do you want to give us some visibility on the financial year '28 and '29 with so much thrust on shipping side from the Government of India? Any targets you have set internally from the management side that we want to grow to a certain stage?
- Vedant Choudhury:** Not yet. No, those targets are not set yet. As of now, I cannot even say anything about FY '28. So we can only talk about FY '27 today.
- Peddi Amarnath Reddy:** So we have the order book of INR400 crores, which is spilled over to almost five years, and you are targeting 20% revenue increase, that means at least INR120 crores in the financial '27, sir. So any short-term orders you are expecting, which will be finished and booked in the same financial year?
- Vedant Choudhury:** No. So the order book for INR400 crores is spread over the next seven years actually. So it's not that INR400 crores divided by five. So we can look at some of the contracts getting over this year, getting some contracts this year. So on a mixed way, we are looking at an increase of 15% to 20%.
- Peddi Amarnath Reddy:** Okay. Right now we have Canara Pride and Sadhav Anusha, both are fetching almost INR5 crores per month, if I am not wrong, sir, both put together. Is that right?
- Vedant Choudhury:** That is right. That is right.

Peddi Amarnath Reddy: So that INR5 crores will happen only in one half of the year, right, sir? The other half of the year, it will be reduced rather due to season.

Vedant Choudhury: Negative, negative. So we are looking at only for Anusha the revenues will not be there during the monsoon period, those four months.

Peddi Amarnath Reddy: Okay. Canara Pride will continue for entire 12 months?

Vedant Choudhury: Correct. That is right.

Peddi Amarnath Reddy: Okay, sir. Okay. So that is it from my side, sir.

Vedant Choudhury: Thank you.

Moderator: Thank you. We have our next question coming from the line of Saket Kapoor from Kapoor Company. Please go ahead.

Saket Kapoor: Hello.

Moderator: Yeah, Saket sir. Please go ahead.

Saket Kapoor: Yeah. Hope I am audible, sir?

Vedant Choudhury: Yes, Saket. Please go ahead.

Saket Kapoor: Yeah. Namaskar, sir. Sir, firstly with the asset sale that we have done for this half, how will this impact the revenue going ahead and if you could just give us some color how the remaining -- the current year, ensuing year is shaping up in terms of these volatile times?

Vedant Choudhury: Correct. So with the asset sale that has happened, we've lost about INR30 crores to INR40 crores of a revenue per annum. Having said that, there are also a lot of costs associated which are not normally accounted for. So we are a little happier on that side. Regarding the -- I didn't quite get your next question, Saket. Please can you repeat?

Saket Kapoor: Next question was taking into account the current environment, especially with the geopolitical setup. How are you seeing our revenue profile for the company now with shaping up for this ensuing current year? If you could just give us some more color on the same, sir?

Vedant Choudhury: Okay. Great. So thankfully, we are looking at all our -- the revenue projections that we have given are the confirmed revenue projections in terms of the contracts are confirmed. We have -- so that is where we can be confident on giving you that projection. There will be a constant stress on the cost side of it because of the

geopolitical angle, where we are seeing that the fuel and every other expenditure is getting increased.

Thankfully, again, most or rather 99% of our contracts are where the charterer has to give the fuel, the client has to give the fuel. So we are not directly impacted that way. Yes. But then the other associated costs are getting impacted. So we are also looking at how to mitigate those. Yeah. And then we are also -- the new businesses that are supposed to come in are getting delayed because of this geopolitical crisis actually.

Saket Kapoor: Okay. And then, sir, in terms of fleet addition, any steps for asset addition we are contemplating going ahead or how is that aspect?

Vedant Choudhury: Okay. Like I said before, unless we have a confirmed contract, we are not going to add in a vessel, not on a contemplative way that we'll be buying. We are -- for smaller assets, yes, we are doing -- we will be placing orders as per what contracts we have or what we are expecting to have. But for larger assets like OSVs or other assets where the value is much higher, we will get the confirmed contract and then only we will buy the asset. That is the philosophy that we have.

Saket Kapoor: Okay, right, sir. Thank you, sir, and all the best.

Vedant Choudhury: Thank you, sir. Thank you.

Moderator: Thank you. This concludes our question-and-answer session and the conference call for today. Thank you, everyone, for joining us. On behalf of Sadhav Shipping Limited, we conclude this conference. Thank you, everyone, and you have a great day ahead.

Vedant Choudhury: Thank you.

Nilakantha Sahu: Thank you.