



S J LOGISTICS (INDIA) LIMITED

November 21, 2025

National Stock Exchange of India Limited

Exchange Plaza, Bandra Kurla Complex, Bandra (East),
Mumbai - 400051

Symbol: SJLOGISTIC

Subject: Outcome of Q2 & H1 FY26 Earnings Conference Call – Transcript

Ref: Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR")

Dear Sir/Madam,

In compliance with Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the transcript of the Company's Q2 & H1 FY26 Earnings Call.

The same is being made available on the website of the Company at www.sjlogistics.co.in

Kindly take the aforesaid information on record.

Thank you,

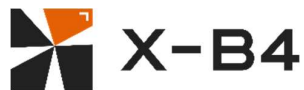
For and on behalf of
S J Logistics (India) Limited

Rajen Hasmukhlal Shah
Chairman & Managing Director
DIN: 01903150



“S J Logistics (India) Limited Q2 & H1 FY26 Earnings Conference Call”

November 18th, 2025



MANAGEMENT: **MR. RAJEN SHAH – CHAIRMAN & MANAGING
DIRECTOR, S J LOGISTICS (INDIA) LIMITED**
**MR. JEET RAJEN SHAH – DIRECTOR & CHIEF
FINANCIAL OFFICER, S J LOGISTICS (INDIA) LIMITED**
**MR. RANJAN GUPTA – FINANCE CONTROLLER,
S J LOGISTICS (INDIA) LIMITED**

MODERATOR: **MR. GAUTAM KOTHARI – X-B4 ADVISORY**



Moderator:

Ladies and gentlemen, good day and welcome to the Q2 and H1 FY26 earnings conference call of S J Logistics (India) Limited, hosted by X-B4 Advisory.

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

I now hand the conference over to Mr. Gautam Kothari from X-B4 Advisory. Thank you, and over to you.

Gautam Kothari:

Thank you. Good evening, everyone, and welcome to the Q2 and H1 FY26 Earnings Conference Call of S J Logistics (India) Limited.

Today on this call, we have with us Mr. Rajen Shah – Chairman & Managing Director, Mr. Jeet Rajen Shah – Director & CFO, and Mr. Ranjan Gupta – Finance Controller.

This conference call may contain forward-looking statements about the company, which are based on beliefs, opinions, and expectations as of today. Actual results may differ. The statements are not guarantees of future performance and involve risks and uncertainties that are difficult to predict. A detailed safe harbour statement is given on the second page of the earnings presentation of the company, which has been uploaded on the stock exchange as well as the company website. With this, I now hand over the call to Mr. Rajen Shah for his opening remarks. Over to you, sir.

Rajen Shah:

I am Rajen Hasmukhlal Shah – Chairman & Managing Director of S J Logistics (India) Limited. Good evening, everyone and welcome to the Quarter 2 and the Half Yearly 1, FY26 Earnings Call of S J Logistics (India) Limited. We hope that all of you had a chance to review our financials and investor presentation, which has been uploaded on the stock exchanges as well as on our website.

I am pleased to share that this has been another strong quarter for S J Logistics, supported by the consistent execution and operational discipline and the continued strengthening of our services, mixed across key business verticals. During the quarter on a consolidated basis, we recorded a revenue of 157.1 crores, reflecting a year-on-year growth of 26.5%. Earnings before income tax and depreciation grew by 61.4% to 28.4 crores, and profit after tax increased to 42.5% to 18.1 crores. What is particularly encouraging is the expansion of the earnings before income tax and depreciation margin by 391 basis points to 18.1%, which demonstrates the resilience of our business model, improved network efficiency and the cost control across our operations. For the first half of the year as well, we have delivered broad-based growth with the revenue of 25.8% to 282.9 crores and earning before income tax and depreciation increased to 59.6% to 50.6 crores. PAT increased to 38.1% reaching 32.4 crores.



Supported by the strong contribution from our core verticals, one of the standout achievements of the period has been exceptional performance of our NVOCC division. The business has scaled rapidly and strategically, helping us deepen our presence across the global trade corridor. NVOCC revenue increased from 2.09 crores in the first half of Financial Year '25 to 31.93 crores in the first half of the Financial Year '26, a phenomenal growth of over 1,400%. This sharp acceleration reflects the success of our expanded line of network and the traction we continue to see across the Middle East, Red Sea, Mediterranean, African, Libya, as well as Turkey and Russian sectors. Our commitment to offering a reliable, time-bound and efficient service backed by the enhanced operational control has positioned us to a preferred partner across these sectors.

Another defining milestone for us has been the commencement of our direct vessel operation. The financials is not a part of this half-yearly because we have started very recently, operation under S J Logisol Shipping LLC, Dubai, with the launch of our maiden voyage under the Swiss Express Service, connecting Kandla, Jebel Ali, Jeddah, Alexandria and from Alexandria onwards to the Russian, Turkish and Libyan ports.

We have taken a significant step forward in becoming a more integrated global logistics solution provider, moving from freight forwarding, NVOCC, to the vessel operations which gives us a far greater control over the routine, scheduling and space management and enhancing the overall reliability we can offer to our clients. This forward integration opens new growth opportunities for us across the high-potential trade lands and strengthens our relevance within the global maritime ecosystem. We believe this initiative will play a central role in shaping the S J Logistics and the group companies to the next phase of the expansion. The project cargo division continues to grow strongly with the increased movement of the infrastructure project across the South American as well as the African continent, supported by specialised handling, capabilities and the strong execution expertise.

Now, allow me to briefly take you through the industrial developments we witnessed during the second quarter. In this environment of global turbulence, our performance at the S J Logistics (India) Limited has remained robust and disciplined. Even as the broader industry experienced a slowdown in several lanes, our well-diversified business model allowed us to stay resilient. Our portfolio is balanced across ocean freight forwarding, NVOCC services and the recently started vessel operations. We continue to build a strong presence in the project cargo, a segment that benefits from the long-cycle investment and is relatively insulated from the short-term fluctuation in the global rate. Geographically, too, our footprint has acted as a buffer. Our strategic focus on the Middle East as well as to the Mediterranean Sea, which continues to demonstrate a steady industrial and infrastructure activity, has helped us offset the softness in the other global markets. Combined with our assets light model, which gives us operational agility and protects us from the heavy fixed cost burdens. These factors have enabled us to navigate a challenging quarter while still sustaining growth momentum.

As we look ahead, our focus remains on scaling our multi-modal capabilities, expanding across the strategic geographic and investing in technology-driven efficiency that supports margin improvement and service differentiation. With a balanced profile, strong financial discipline and



a growing global presence, we are confident of sustaining our momentum through the remainder of the financial year 2026 and continuing to create long-term value for our stakeholders. With that, I will now hand over to Director and CFO, Mr. Jeet Shah to present the financial and operational highlights for the quarter.

Jeet Shah:

Thank you and good evening, everyone. I hope everyone is doing fine. Let me now present the financial performance highlights of S J Logistics for the 2nd Quarter and the Half Year ended of Financial Year 26.

In Quarter 2 of Financial Year '26, the company's consolidated revenue stood at 157.1 crores, representing a strong year-on-year increase of 26.5%. EBITDA for the quarter was 28.4 crores, up by 61.4% year on year, with the EBITDA margin expanding by 391 basis points to 18.1%. Profit after tax came in at 18.1 crores, reflecting a 42.5% growth over the previous year, while the PAT margin improved by 130 basis points to 11.5%. This performance underscores our ability to sustain operational discipline and drive profitability despite industry-wide volatility. For the first half of Financial Year '26 as well, we have delivered broad-based and resilient growth.

Consolidated revenue increased by 25.8% to Rs. 282.9 crores, supported by momentum across our core service lines. EBITDA grew 59.6% to Rs. 50.6 crores, with margins expanding by 379 basis points to 17.9%. This demonstrates a strong operating leverage. Profit after tax for the half-yearly stood at Rs. 32.4 crores, recording 38.1% growth year-on-year, with PAT margin improving to 11.4%. This consistent performance across both quarters highlights the strength of our diversified business model and the effectiveness of our execution framework.

Growth in the first half of the financial year 2026 was broad-based across our service lines. Ocean Cargo remained the backbone of our business, generating Rs. 243.5 crores, up by 12.8% from Rs. 215.9 crores in the first half of the Financial Year '24-25, with healthy traction across yarn, commodity and project cargo categories. The NVOCC division delivered exceptional growth, scaling from Rs. 2.1 crores to Rs. 31.9 crores in the first half year-on-year comparison, demonstrating the success of our expansion strategy in this vertical. The Air Cargo division registered revenues of Rs. 7.5 crores in the first half of the Financial Year '26. Together, these segments highlight the strength of our diversified portfolio and our ability to capture growth across multiple logistic platforms.

Now, looking at the segmental performance for the half-year, Ocean Freight remained the largest contributor, with total Ocean Cargo revenue rising to Rs. 243.5 crores, reflecting a 12.8% year-on-year growth. Within this, yarn and yarn commodities delivered revenue of Rs. 106.62 crores, recording a steady 0.63% growth. ODC, tyre and project cargo continued to be the key drivers, contributing Rs. 126.6 crores, supported by a strong 40% growth during this period. Other commodities contributed Rs. 10.26 crores in the first half of the Financial Year '26. This performance underscores the momentum in our project cargo vertical and the heavy diversification with our Ocean Freight portfolio. The NVOCC division delivered exceptional performance, generating Rs. 31.93 crores in the first half of the Financial Year '26 and recording



a remarkable 1427% growth, driven by strong traction across our Gulf and North African operations. Project Cargo continued to be a key driver of profitability during the period, supported by structured, high-margin assignments and healthy execution momentum. The groundwork that we laid in asset-light expansion, compliance and partner integration is starting to yield meaningful outcomes, reflected both in our performance and in the growing trust of our global customer base.

As we move ahead, we remain committed to disciplined growth, responsible execution and transparent communication. We thank all our shareholders, partners and employees for their continued support. With that, we open the floor for questions now.

Moderator: Thank you. Ladies and gentlemen, we will now begin the question-and-answer session. We take the first question from the line of Raman KV from Sequent Investments.

Raman KV: I am fairly new to the company, so I just want to understand what was the main driver for growth in ODC, tyre and Project Cargo during the quarter?

Rajen Shah: Because the tyre as well as the ODC cargo, definitely we are expert in handling this particular segment. And you must have seen the past results also and you must have seen the notification which time to time we are giving on the exchange also. The volume, what we are doing, year to year we are increasing the volume. So, it is giving us a good return, basically.

Raman KV: So, basically, these were driven by a healthy demand of ODC and tyre?

Rajen Shah: Yes, definitely. Globally, if you see that, and especially the African continent as well as the South American continent, there is an even demand. See, when we talk about the project, we are mainly into the earth-moving equipment as well as to the transmission tower project. So, transmission tower project demand has actually gone up in the Latin American sector as well as into the African sector, which helps in increasing our business also, because our participation in this particular segment is already there from last many years now. It's more than a decade now. So, the basic USP about the clearance of the cargo at the destination and taking the delivery from the destination to the internal part of the continent, that is our expertise, which we are exploring from last many years now, and that has given an advantage to us. So that particular segment, we have been able to increase our participation.

Raman KV: Just a follow-up on the initial comment, which you made that the project cargo is really insulated to fluctuation of global freight prices. Can you explain how is it insulated?

Rajen Shah: If you see the African continent as well as to the Latin American continent, there are many countries for which the electrification is still not up to the mark. So still, it is going to take another two to three decades to come to the level on which we are. If you go back in 1970s, the situation was, which was there in India, the same situation is still there in many parts of the Latin American as well as to the African continents. So, there is ample scope where the transmission tower project is going to be there and continued participation will be there from Indian



manufacturers as well as from the Chinese manufacturers. But in the recent past, in last one decade, the Indian manufacturer participation has gone up. So that is helping us.

Raman KV:

Understood, sir. My last question is with respect to NVOCC business. Can you explain the business of how is it different from your ocean cargo business and is there a margin difference also?

Rajen Shah:

I will tell you one thing. If you go to the Google, you can definitely find out what is the difference between NVOCC and the ocean freight. But still, since you asked me, I will just explain to you. The NVOCC operation and the ocean freight operation, when we talk about the forwarding ocean freight operations, the ownership of the container and the container on the vessel which we load belongs to the main line operation. That is, if you see MSC containers or a MAERSK or CMA CGM, where the ownership of the container or the possession of the container precisely is with the shipping line. And we load the containers; we book the container on behalf of the exporters from India as well as the importers from India as a consignee. So, we load the container on a mainline vessel. Mainliner, basically, they operate within the continent and across the continent. If you see the continent like containers going to the Latin America or the Africa or the Australia or the European sectors, you will find that mainline operators are only operating those continents. And this is basically a forwarding ocean freight division. Coming back to the NVOCC division, where we have our own containers, you can have the container in a three-way. You can have a lease container, you can have your own container, and you can also purchase to lease containers. As of now, we have asset-less operations, basically. Only very few percentages of the container belong to us. Otherwise, all containers are on lease. It's asset-less model, basically. And there are few containers on a purchase-to-lease also. So, what happens in that case, you are having the possession of the containers and you want to operate between, Gulf, Upper Gulf, Middle East, Mediterranean. Then you have to take the slots on the vessel on which we will put our containers. And with the help of our agent across this global market or across this Mediterranean and other destinations, they will off-load the container and they will send it back to the containers, basically. So, these are the two different activities. And the first activity, where we are working only as a forwarder, and the other is where we have the possession of the container, we supply to the exporters, and we take their material and we send it on the vessel on which we took the slots. So, this is the basic difference.

Raman KV:

Understood sir. Thank you. I will join back the queue.

Rajen Shah:

Thank you.

Moderator:

Thank you. We take the next question from the line of CA Nupur Kogta from NIPL. Please go ahead.

Nupur Kogta:

Thank you for the opportunity. I have a few questions. First is, we have seen an increase of over 43 crores in our loans and advances, long-term loans and advances. So, can you please explain the nature of these advances, like how much is related to securing long-term carrier commitments



or vessel charter contracts or NVOCC slot agreements, and is it recurring or a one-time arrangement?

Rajen Shah:

When we talk about the security, it has gone up mainly because of the charter of the vessels, basically. When you have a charter agreement with the vessel operation, you have to have a deposit with them. So, it differs from owner to owner or the vessel to vessel. So, this increase in the security deposit is mainly because of the security deposit which we gave for the vessel operations. And that too, we are going to have four vessel operations. We have started with one operation. By the end of this month, we are going to have a second vessel also in our hands. And by the end of December, we will have all the four vessels in our hands, which will help us in strengthening our operations because we don't have to go to the vessel operator for the slot. Since we have our own vessel, we are also controlling the cargo. We have our own containers also. So, you can understand that we are controlling everything, the position from where we have started. So, basically, this all-security deposit, the main portion is the security deposit for the vessel chartering. And in future, when we give back the vessel, then definitely this security is going to come back to us.

Nupur Kogta:

My second question is regarding the chartered vessel operations only. What are our operating economics? What fixed commitments or bunker calls require upfront advances and how much top-line and EBITDA margins can we see from this segment, and is it expected that our working capital intensity could be increased in the next two to four quarters?

Rajen Shah:

Are you from the shipping line?

Nupur Kogta:

No, sir. I am a chartered accountant.

Rajen Shah:

I am also a chartered accountant. So, I will tell you how it operates, basically. See what happens. We are targeting a certain Mediterranean destination along with the Middle East. I am talking about the Middle East destinations, the Gulf, upper Gulf sectors. We are not going to operate on a longer route. See what happens, our vessel is going to go from Kandla. We are going to have a service vessel. We are not going to have an ad-hoc call. That's the reason we are giving the service. So, it will be a consistent service which we are going to give to our customers from Kandla. What we have done we have started with the smaller vessels. We are not deploying 1,500 TEUs or 1,100 TEUs. We are deploying only 1,100 TEUs. And technically, if you see the heavy cargo, we can load around 700 TEUs on a vessel. So, we are going to take our cargo from Kandla. The next call will be Jebel Ali, then Jeddah and Alexandria. So, from Alexandria and Jeddah, we have made an arrangement with the operators which operate in that segment. The cargo will be going to the ports of Sudan, Aqaba, many other sectors, Barbara, and Latakia. And at the same time, the cargo which will go to Alexandria, we will give the service to the Novorossiysk, that is Russia, as well as to Turkey, Mersin, Istanbul, Gemlik, Kumport and the cargo will be going to Libya also. Libya is a gateway for almost all the Middle East countries. And many of those countries are sanctioned except Libya. Libya is not a sanctioned country. So, the cargo usually goes to Libya. It's a gateway for the other Middle East countries. So, we are doing this NVOCC operation from last one year now, and we know how much cargo is moving,



what are the cargoes which are moving there. So, Libya is the Misurata and the Benghazi, these are the two ports there. So, basically, we are going to move to Jeddah as well as to Alexandria. From Alexandria, our vessel will be coming back to Kandla. So, this will be our entire route of operations. And from there, from Jeddah and as well as from Alexandria, we have made an arrangements with the other vessel operators, where we have a swap of dead freight slots arrangements.

And coming back to your top line and the bottom line, definitely, you can understand. See, when we take a slot from the other vessel operator and when we have our own vessels, so getting a space on the vessel is not a major thing. Because see, you have two types of cargo on a vessel, one is a COC, and one is the SOC. When we talk about COC means the container is owned by the vessel owner or the charterer. When you don't have to own the vessel, but when you have a position of the vessel, when you are a charterer, the space availability is with us only. So, whenever there is a shortfall, we go to the market and we sell SOC. That is a slot. We give it to the slot operators. Today, we are buying slots on other vessels. In the same way, we will be giving the slot rate to the other NVOCC operators. So, basically, we are targeting that 80 to 90% of the cargo is generated out of the forwarding as well as the NVOCC division. So, we need not depend much on the slot operation, and we have done our homework quite well. So, that is what we are targeting. So, that will definitely give an advantage as far as top line and the bottom line is concerned. So, the exact figure will come to know in next one quarter because we are almost towards the end of November now. And we got one vessel in the second week of November, and the one more vessel is coming by the end of this month. So, exact operations will come to know, but the full operations and the full top line and the bottom-line effect will come in the next financial year.

Nupur Kogta:

Also, we can see our long-term borrowings increasing. So, is it related to this surge in advances and CAPEX for our equipment additions or vessel operations?

Rajen Shah:

No. See, the long-term borrowings are increasing. If you see that we have given an announcement today morning only. We have given the clarification because this question was coming from many investors. It is mainly a lease finance that is as per the accounting standard because we have around 3,000 containers (inaudible) 3,000 containers on a lease rental. So, as per the accounting standard, you are a chartered accountant. So, asset side as well as the liability side, we have to show that. Otherwise, there is no increase as far as long-term borrowings are concerned. We will also require a working capital so that we are talking to our bankers also and shortly, we will have additional working capital facilities from our bankers also. So, because for this entire operation, we will require working capital.

Nupur Kogta:

Also, any guidance on the top line and bottom line?

Moderator:

I would request you to please join the queue for follow-up questions.

Nupur Kogta:

Yes, sure. Thank you so much, sir.



Moderator:

Thank you. We take the next question from the line of Deepak Poddar from Sapphire Capital. Please go ahead.

Deepak Poddar:

So, I just wanted to take this forward on vessel chartering. Can you throw some light? You mentioned we plan to have four vessels by December '25, and also, you mentioned about the security deposit. So, is the security deposit is the only cost? Do we have to pay? What sort of lease increase might we have on this chartered vessel, and what sort of revenue potential this vessel can have when the full impact will come in next year? So, some indication on those lines would be very helpful.

Rajen Shah:

I will just tell you, the NVOCC operation, if you have seen that, we have increased from 2 crores to 31 crores in the first half. So, to support this NVOCC, because if we would have got this space, what we would have required, if we would have got the slot, then this 31 crores could have been more than 50 crores. So, what happens in our case, when we have our own vessel, the area where we have our own expertise and the segment and the destination, which I already told you in my previous answer. So, we are going to operate in this segment only. And we are going to operate the four vessels by say end of December. So, definitely, it is going to add on to our top line, what we are doing as of now. We personally feel that, even in my last discussion investor meet, I told you that I want to put the business around 70% to 80% on auto mode. So, when you operate the vessel, along with the own containers and with your own forwarding division, it gives a very strong position in the market. So, because what happens, here you have the cargo control, you have the containers control and you also have the space control. So, it will definitely help in increasing our top line. What we are targeting out of our total top line, we are targeting that vessel operation next year should give around 30% to 40% of our top line. And it will also help because we are, what we are doing, we are keeping a different profit centre rate. Vessel operation, how much we are going to earn, NVOCC as well as the forwarding. So, all these three segments it's the same activity, but it's three different profit centres. So, all the three particulars are going to contribute, and definitely it's going to give an advantage as far as the bottom line is also concerned.

Deepak Poddar:

So, that's pretty clear. You mentioned that 30%-40% of revenue that this segment can help you. And what sort of margin improvement can we envisage because of this, not because you have control in the entire value chain, right? The space and the cargo control is there.

Rajen Shah:

See, when we started increasing our NVOCC operation along with the forwarding activity, you have seen that our PAT has increased up to 11.4%. So, we are targeting definitely more than that. First, we are just thinking about the last quarter of this financial year. The next financial year will be definitely much more better than what we will achieve in this March. So, what we are targeting, we are going step by step. I may sound very conservative, but it is not conservative. We always believe in delivering more than what we are projecting. So, that will help us, all my investors, that creates the confidence. So, we are not conservative, not at all. But at the same time, we know where to grow, how to grow and what time to grow. So, we see the geopolitical conditions, we see the cargo outflow from India, cargo inflow in India. So, all these studies we do very periodically, very disciplined, and very systematically. When it comes to the bottom



line, definitely, it is going to give us an added advantage over and above what we are achieving today. That much I can definitely tell you. Next year, the full year, it will be definitely much more. We have set targets in our mind. So, that will definitely help us. This particular activity will help us in achieving the targets.

Deepak Poddar:

Fair point. And about this year, I mean, so next year, maybe we can discuss later. But what about this year? What sort of outlook we have for this year in terms of margins and in terms of...

Rajen Shah:

Definitely, if you recollect in last my investor meet, I told that our PAT was around 9%. So, first half, we went up to 11.5%. What we are targeting in our last two quarters, that is October to December and Jan to March, it definitely, historically, it is better than the first two quarters. So, what we have achieved in first two quarters, our contribution on top line as well as to the bottom line is going to go up. If you see in a percentage-wise, we are going to target around 35% growth in top line and definitely, we want to have around 12.5% to 12% on PAT.

Deepak Poddar:

So, for the entire year, you are talking.

Rajen Shah:

So, it will be averaged out, because we have achieved 11.5% and we have achieved around 26%. So, when I talk about the average out, it will be between 30% to 35%. And when I talk about the PAT, it will definitely be more than 12% to 12.5%.

Deepak Poddar:

So, ideally, your second half PAT margin should be in the range of 13% to have that average of...

Rajen Shah:

Yes. We are targeting more than that. So, let's hope for the best. And this shipping operation will definitely give an advantage.

Deepak Poddar:

Fair. I think you are doing a great job, sir. I mean, would like to wish you all the best.

Rajen Shah:

Thank you. So, we expect your support.

Deepak Poddar:

Thank you so much.

Moderator:

Thank you. We take the next question from the line of Dinesh Kulkarni from Finsight. Please go ahead.

Dinesh Kulkarni:

Thank you, sir. And I think a really great set of numbers in such an uncertain environment. So, my question is, as you mentioned, we were targeting for very high growth this year, which sounds quite fair. But I think we had an investor meet a few months ago and then there is some kind of miscommunication there. We thought of higher growth. Once we had the Q1 numbers, we said like 30% to 40% growth. Then in the investor meet, we said 25% to 30%. Now we are seeing (+35%). So, I mean, like, how should we as an investor see and understand, visualize the long-term growth? What is a normalized long-term growth which you can think of?



Rajen Shah:

Deepak ji, in the first place, see, I can tell you only one thing. You must see the past performance. So, past performance itself will give you the clear picture what we have delivered in past 3 years. If you go and check the figures, you can see the growth. So, see, when we talked about 30% to 35%, and when we spoke about the 25% to 30%, it was based on the geopolitical condition. See, because you have to understand, we are into the service industry. Despite all the odds in the market, if you compare with our competitors with due respect to everyone, you can see their growth and you can see our growth. So, because we have diversified activities, at the same time, we always take that as a challenge and try to find out what are the areas where we can definitely increase our volumes of the containers, at the same time, increase our top line as well as the bottom line. So, there is no confusion, basically. In the service industry, you cannot specifically say, no, you are going to only 25% or 30%. If you see that we already achieved 26% growth, which was not there in first half year of last year. And if you compare the previous year of that, it was not even the 15% also. So, that growth is definitely going to be there. So, 26% we have achieved in first half and now we are talking about 35%. So, average will be definitely more than 30% to 35%. And repeatedly, I was mentioning in my All Investor Meet that we are focusing more on PAT now. So, where our debtors aging comes down, as well as we don't disrupt too much on our top line, and at the same time, we increase our PAT. So, that is what we do our homework very well. So, we have periodical meetings with our all the top managements in the marketing, as well as we take the filler from the market, which are the areas we should focus, what are the services we should introduce, where we should focus more to get the forwarding business, where we should focus more to get the investment in the business and also the operations which we started. So, I am giving you the figure fairly, and we always overperformed than what we have committed. So, that you can definitely vouch it and you can also check from the past performance.

Dinesh Kulkarni:

That really sounds great, sir. Thanks for the confidence. So, sounds great and I am assuming you are adding a few more vessels, maybe in this second half.

Rajen Shah:

Yes, definitely. Our plan is to have four vessels by end of December.

Dinesh Kulkarni:

So, can you just give us some long-term path here, like maybe next 2-3 years, not very long, but in the midterm, how do we see this vessel addition, how much additional kind of, is there any asset turnover or revenue they will bring in?

Rajen Shah:

I think I already answered this. I already answered this in my previous answer. I already told that it is going to definitely help us as far as the top line is concerned and the bottom line is concerned.

Dinesh Kulkarni:

But it will be an addition to what we have, I mean, .

Rajen Shah:

Definitely. When we target turnaround of say, next year, I am targeting, suppose another 35% to 40% growth next year from this financial year. So, how I am going to get it? We are not going to depend only on one activity. When we started growing, our focus was mainly on the project cargo, but that doesn't mean that we are not going and we are not focusing on project cargo. We



are definitely increasing. Even if you see that our 40% growth is there in project cargo, but at the same time, we have to have different verticals in the same activity. We are not going to diversify. We are going to have the verticals, different verticals in the shipping only. So, that each vertical should help us in getting that kind of top line as well as the bottom line, instead of depending only on the forwarding. That we have done fantastically. To be very honest with you.

Dinesh Kulkarni: I can see this. Thank you, sir. I am just asking, sir, are we looking for any acquisition in our space here in terms of any small company?

Rajen Shah: I don't think we should talk all that on a public platform as of now. That's the internal message, and once it is done, you will be informed. Don't worry.

Dinesh Kulkarni: That sounds really great. Thank you.

Rajen Shah: Don't take me otherwise, but you can understand.

Dinesh Kulkarni: No, I understand perfectly fine. Thank you very much. All the best.

Rajen Shah: Thank you.

Moderator: Thank you. We take the next question from the line of Sidharth Chandrasekar from S JN Securities. Please go ahead.

Sidharth Chandrasekar: In our NVOCC segment, what kind of containers we are actually having? We are buying some leased containers, so those are dry containers or like open rack?

Rajen Shah: No. As of now, we are only dry containers and definitely since we have started this vessel operation, shortly we will be going out to have the special equipment also. That includes the open top as well as the flat racks also.

Sidharth Chandrasekar: So, now it's all dry, so, how do you see this? For example, you have these yarn and yarn commodities, all those things under your ocean cargo. So, if a customer approaches for a shipment, if your container is available, so you want to go ahead and book it under NVOCC, right?

Rajen Shah: Correct. Absolutely right. See, our major focus is on that only. We are going to our own customers, our own containers and vessel operation. See, basically, I will tell you what happens. How we are consolidating our position. You have a lot of vessel owners in the market. They give the vessel on charter. We have also taken a vessel on a charter. Once I take a charter vessel, there are many places in the market, and there are many shipping lines. They take on daily hire charges and then they start selling the slot to different NVOCCs. So, we are one of them before we started this vessel operation. For an NVOCC, they target a lot of clearing agents as well as the forwarding agent to get the cargo. And forwarding agent, it comes, they target the customers. In our case, we have the forwarding, we have our own customers, we have our own containers, and now we have started with vessel operation. So, you can understand we are consolidating our



position. We have not bought the bigger vessel. We are operating, see, because my team was saying, 'okay', we will go with 1,500. I said, no, we will bring the two vessels fortnightly but on a small scale. So, that is what exactly we are doing. So, you are catering your service twice a month and at the same time, you are covering all these destinations which I discussed.

Sidharth Chandrasekar: So, all that it is that you are doing is basically a kind of backward integration, not necessarily you are going to a different customer segment.

Rajen Shah: Yes. So, basically, it is a forward integration because we started from forwarding, the next activity is the NVOCC and then vessel operations.

Sidharth Chandrasekar: So, the customer segment remains the same, who are you booking under...?

Rajen Shah: Not in all the cases but definitely we are targeting more than 70% to 80% of our own customers. So, it cannot be a thumb rule that all the customers will belong to us, not like that. Sometimes we take the cargo from outside also. Sometimes suppose if the vessel is light, only 85% occupancy and if I get the slots to sell and if I have a space, then I will sell the slots also because our main objective is to make 100% utilization of the vessel space. But normally the homework which we have done, we are going to have more than 85% to 90% our own customers, our own containers and our vessel operations.

Sidharth Chandrasekar: That's helpful. The other one is the new services that you are starting, the shipping service. So, what sort of capital requirement is it? So, you mentioned that you might need to pass some amount as a deposit for the shipping company, if I am not wrong, because you are getting it as a lease asset, right?

Rajen Shah: You are not properly audible. Can you please repeat, please, if you don't mind?

Sidharth Chandrasekar: So, what I was asking is, so the new shipping lines that you are taking. So, those are a lease asset, you might need to park some deposits to them. So, what kind of capital requirement that you need on the front?

Rajen Shah: See, basically, when we have the vessel operations, we are not dealing with a shipping line. We have our own self-assessed shipping line. So, there will be an existing customer with whom we have the arrangements of the credit period. We have to extend that credit period. Suppose if there is a one-time customer and loading the container on my vessel, then it will be cash and carry. We don't extend a credit to the new customers. So, definitely, we have the credit policy laid down accordingly.

Sidharth Chandrasekar: No, sir. What I was asking is, the shipping line that you are taking, like you are buying the ships or like you are leasing out?

Rajen Shah: No. We are not buying the ships. We are taking on the lease.



Sidharth Chandrasekar: That's what I am asking. So, is there any deposit amount that you need to park with the owner of the ship, any quantum or is it a full...?

Rajen Shah: That I already discussed that we have to park with the security deposit, which we already did.

Sidharth Chandrasekar: Now, you pointed out that there are some more vessels you are looking into. So, four, I think four vessels.

Rajen Shah: See, what happens, I will tell you, when you entered into a chartered agreement, so the vessel owner will definitely give you a laycan of the delivery of the vessel. So, normally, the chartered agreement is always on an advanced stage. So, they have to discharge the cargo, which is already there on the vessel. And once the cargo is discharged, they will give us the laycan period as well as the destination where they are going to give us the delivery. Suppose if the cargo is for the Bandar Abbas, and if we don't want to take the delivery at Bandar Abbas, it is on us where we take the delivery. It can be either Jebel Ali. So, all the four vessels, we are taking the delivery at Jebel Ali or at the Nhava Sheva, that is, Nhava Sheva or Kandla, that is in India. So, you have to bring the empty vessel to this particular destination. So, there is a voyage period which is involved in that. But four vessels are already, we have signed the chartered contract and we are going to get the vessels by end of December, before that.

Moderator: Thank you. Ladies and gentlemen, due to time constraint, we take that as the last question and we conclude the question-and-answer session. I now hand the conference over to Mr. Rajen Shah for his closing comments.

Rajen Shah: Thank you all for joining today's earnings con-call. We hope we have been able to address your questions satisfactorily. Should you have any additional queries or the requirement for further information about the company, please feel free to reach out to our investor relationship team at X-B4 Advisory. Thank you once again and we wish you all the good health and safety.

And one more thing I just wanted to make, because we are getting a lot of questions, which we are not supposed to answer you, because as per the SEBI guidelines also. So, request all of you to send the questions or the mail which is within the SEBI rule. So, this is my personal request. So, there are many questions which are coming which we are not supposed to tell you, or there is a lot of information which you can easily get on the public platform. So, if you want that information, it should come from our end; we are free to give please. So, try to understand our restrictions also. It is not that we don't want to give you an answer or not like that, but we have to follow the SEBI guidelines, and we can go according to that only. Thank you very much. Thank you.

Moderator: Thank you. On behalf of S J Logistics India Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.