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Date: August 22, 2026

To,	To,
BSE Limited, **Phiroze Jeejeebhoy Towers,** **Dalal Street,** **Mumbai- 400001**	**National Stock Exchange of India Limited** **Exchange Plaza, C-1, Block G,** **Bandra Kurla Complex,** **Bandra (E)** **Mumbai – 400 051**

Scrip Code: 544258; Scrip Symbol: WCIL

ISIN: INE0CJF01024

Dear Sir/Madam,

Sub: Transcript of the earnings conference call held with Investors with reference to discussion on the Operational and Financial Performance of the Company for the quarter ended June 30, 2026.

In furtherance to our earlier communication dated August 08, 2026 and pursuant to Regulation 30 read with the applicable provisions of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), please find enclosed herewith the transcript in respect to the Earnings Conference Call held on Monday, August 17, 2026 at 12:30 P.M. (IST), with regard to the discussion on the Operational and Financial Performance of the Company for the quarter ended June 30, 2026.

The said transcript is also hosted on the Company's website at www.western-carriers.com

We request you to kindly take the same on records.

Thanking you,

Yours faithfully,

For Western Carriers (India) Limited

SAPNA KOCHAR
Digitally signed by SAPNA KOCHAR
Date: 2026.08.22 15:05:23 +05'30'

Name: Sapna Kochar
Company Secretary & Compliance Officer
ICSI Mem. No.: A56298
Place: Kolkata, West Bengal

Enclosed: As above

“Western Carriers (India) Limited

Q1 FY27 Earnings Conference Call”

August 17, 2026

MANAGEMENT: MR. KANISHKA SETHIA – CHIEF EXECUTIVE OFFICER, CHIEF FINANCIAL OFFICER AND WHOLE TIME DIRECTOR – WESTERN CARRIERS (INDIA) LIMITED

MODERATOR: MR. PARTH AGARWAL – MUFG INTIME INDIA PRIVATE LIMITED

Moderator: Ladies and gentlemen, good day, and welcome to Western Carriers (India) Limited Q1 FY27 Earnings Conference Call, hosted by MUFG Intime. 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 star, then zero on your touch-tone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Parth Agarwal from MUFG Intime. Thank you, and over to you.

Parth Agarwal: Thank you. Good afternoon, everyone. I welcome you all to the Q1 FY27 earnings conference call for Western Carriers (India) Limited. To discuss the business performance, we have from the management Mr. Kanishka Sethia, CEO, CFO and Whole-Time Director.

Before we proceed with the call, I would like to mention that some of the statements made in today's call may be forward-looking in nature and may involve risk and assumptions. For more details, kindly refer to the investor presentation and other filings that can be found on the company's website and on the stock exchanges.

Without further ado, I would like to hand over the call to the management for their opening remarks and then we can open the floor for Q&A. Thank you, and over to you, sir.

Kanishka Sethia: Thank you. Thank you so much. Good afternoon, everyone, and welcome to the Q1 FY27 earnings call of Western Carriers (India) Limited. I hope I am completely audible.

Moderator: Yes sir, you're audible.

Kanishka Sethia: Thank you. I am joined today by my colleagues, Sapna, Surya, Jitendra, and Navin from the senior management team, and I would like to sincerely thank all of you for taking the time out to join us on this Monday morning right after the Independence Day weekend. We greatly value your continued interest, trust and engagement with the company.

During the last quarter, your company has delivered very healthy growth despite operating environment shaped by geopolitical uncertainties being strong. Your company delivered a healthy 12% growth of revenue year-on-year from INR416 crores to INR465 crores and a healthy EBITDA of INR19 crores with INR9 crores PAT, a sequential growth of 13% quarter-on-quarter.

But before delving into all of this, first let me begin by discussing slightly the broader macroeconomic and geopolitical environment before coming to our industry and then specifically back to our business performance and outlook in detail, followed by which we will have the Q&A session at the end as always.

So, as you all know, logistics remains one of the most direct reflections of economic activity. When manufacturing expands, freight volumes increase, and when trade grows, supply chains become more active. Equally, whenever global disruptions occur, whether through conflict, trade restrictions, commodity shocks or policy changes, the logistics sector usually experiences the impact almost immediately.

Today the global economy continues to operate against a backdrop of heightened uncertainty. Over the last few years, businesses across the world and in India have had to navigate a series of disruptions, including first the Russia-Ukraine conflict, then the geopolitical tensions across various regions, supply chain bottlenecks, inflationary pressures, and changing trade patterns. More recently, continuing instability across parts of the Middle East has created additional concerns regarding energy markets, shipping routes, and supply chain resilience.

While businesses and economies have become more adaptive than they were a few years ago, these geopolitical developments continue to influence freight movements, trade flows, transport costs, and ultimately business confidence across global markets. One of the biggest concerns arising from these developments has been the impact on global trade and energy markets.

Any disruptions in critical trade corridors affects not only immediate regions but also transportation costs, vessel availability, transit schedules, and inventory planning across the world. For logistics providers, this creates an environment that requires continuous monitoring, operational flexibility, and close coordination with customers.

: Against this backdrop, emerging markets and developing economies continue to remain the principal drivers of global growth. These economies are expected to grow approximately 3.9% to 4.2% in 2027, significantly outpacing advanced economies.

Turning to India, I am pleased to note that the economic outlook still remains highly encouraging. India continues to be among the fastest-growing major economies globally and remains a one true bright spot in the global growth landscape. India's GDP for FY27 is expected and projected at approximately 6.6%, demonstrating the strength of the domestic economy even amidst an uncertain external environment.

India's domestic demand indicators have also remained encouraging. The CPI inflation on an average quarterly is 3.93%, which remains within the broadly manageable levels. Similarly, the GST collections continue to reflect healthy economic activity.

Now, looking at our sector, the long-term outlook for the Indian logistics sector, I feel remains extremely positive. India's freight and logistics market is expected to grow from approximately USD316 billion odd in 2026 and further reach approximately USD476 billion in the next 5 years. This represents a long-term compounded annual growth rate of a robust 8.6%.

Looking at the domestic macro situation briefly, as it is important to understand the industry and the company performance now and going forward. Growth continues to be supported by strong domestic consumption, increasing private investments, improving manufacturing capabilities, government-led infrastructure spending, and a rapid expanding digital economy.

Especially for our industry, the Indian government is investing very heavily in infra to strengthen the country's trade and logistics capabilities. From the commissioning of the Vizhinjam International Seaport, India's first deep water transshipment port, to the development of the high-speed corridors such as the Delhi-Bombay and the Bangalore-Mysore expressways, the country is undergoing a rapid infrastructure transformation. These projects are expected to enhance connectivity, reduce transit times, and support economic growth. India's logistics sector is undergoing a structural transformation driven by a clear policy vision, sustained infrastructure investment, and rapid digitalization.

Landmark initiatives that I have talked about earlier such as the National Logistics Policy, the Multi Modal Logistics Park, which is part of the PM Gati Shakti Yojana, the Bharatmala Pariyojana, Sagarmala, the Dedicated Freight Corridors, the DFC, and the Logistics Efficiency Enhancement Program (LEEP), are all collectively creating a more integrated, multimodal and tech-enabled logistics ecosystem for our country.

Billions of dollars have already been invested in ports, highways, and freight corridors, and these developments are making logistics operations easier, far more efficient for the companies that move India's cargo every day. The union budget for FY27 earmarked approximately USD142 billion for infra development, representing a 9% rise from the USD131 billion allocated last year.

Additionally, the government has invested nearly USD84.5 billion in highway construction over the last 3 years, highlighting the sustained commitment to enhance the country's transport infra. India Brand Equity Foundation reported that the Credit Rating Information Services of India, (CRISIL), yearbook 2023, estimates that India will spend about USD1.64 trillion on infrastructure over the roughly seven fiscal years through 2030.

More than twice the roughly USD770 billion spent in the previous seven years. The Indian government is keen to improve the logistics efficiency, as can be seen. As part of the Multi Modal Logistics Park (MMLP) program, the Ministry of Road Transport and Highways (MoRTH), is developing 35 logistics parks each spanning more or less 100 acres. Designed with multimodal transportation connectivity, modular warehousing, container terminals near ports, these parks are expected to streamline freight movements while reducing logistics costs and transit times. As you are all well aware, your company's 42-acre Devaliya MMCT is a small but important footnote in this vision. It is based in the Saurashtra region in Gujarat and serves all major industries around it including tiles, industrial chemicals, foods and others, and is now providing services seamlessly Pan India from Saurashtra to east, northeast, south and north corners of our country. With a strong foundation and world-class infrastructure, we are providing the entire gamut of multi-modal services from here, including first mile, last mile, containerization, storage, handling, and obviously the rail movements Pan India.

We expect the Devaliya MMCT to play a major role in our future prospects. However, some small issues still remain. Due to the ongoing war, ship schedules have become erratic which leads to bunching of cargo arrivals and departures. An example of this is the recent congestion at JNPT that led to a backlog of nearly 30,000 TEUs.

I will talk about the EXIM business as we go along in more detail. Now, while India's massive infrastructure push has helped bring the logistics cost down substantially and moving towards the stated goal of below 10% of GDP, experts feel that the infra alone is not enough and probably the next stage of progress will come from improving freight speeds and strengthening the multimodal integration.

For example, India's major freight corridors currently average speeds of around 60 kmph which is slightly lower than the western benchmark of around 80 kmph. ULIP, which is the Unified Logistics Interface Platform, has the potential to become the backbone the ecosystem currently lacks. Rather than importers, exporters, forwarders toggling between ICEGATE, port and terminal systems, CFS portals and forwarder updates, ULIP is designed to integrate data from all these stakeholders into a single interface. As it matures into a single transaction and visibility system, covering customs, ports, terminals, CFS and transporters under one digital layer, it would directly resolve the fragmentation problem at the root. This process simplification would deliver compounded benefits sitting on top of the further infrastructural investments that we talked about earlier.

India has already developed the physical capacity at ports, highways and rail corridors which is all largely in place. And once the process streamlining as we discussed above fructifies, the benefits will be far reaching as currently at many levels the capacity is routinely underutilized because cargo continues to lose time to these problems of documentation, queries, multi-agency clearances, and fragmented digital tracking. Reforming these processes is also far quicker and cheaper, and something on which the government is very keen and active.

Continued collaboration between the government and the industry coupled with sustained investments in integrated infra and digital innovation will be instrumental in realizing our joint vision of a Viksit Bharat 2047. While India's infra expansion is reshaping the logistics landscape, the next phase of transformation will depend less on building further new assets and more on making existing ones work together more seamlessly and more efficiently by process reforms as discussed earlier. Streamlined processes end-to-end digital visibility and strong coordination across the supply chain will determine whether these investments translate into tangible gains for businesses and moving cargo every day.

However, at the same time, larger global challenges remain, as you are all well aware of. Freight operators continue to navigate fuel price volatility, shipping disruptions, changing trade routes, and cost inflation across transportation modes. Crude oil, diesel and aviation fuel prices continue to play an important role in determining the transport economics. Any sustained rise in fuel costs can and will impact operating expenses across the logistics ecosystem.

It is also pertinent to look at the global situation currently, what with the prolonged Middle East crisis and its ramification on our nation's most important critical import which is fuel. As you can readily expect the impact looks different in road, sea and air cargo. Fuel inflation does not affect every mode in logistics in the same way. One of the most useful ways to understand the issue is to separate logistics into road, ocean and air. Each reacts differently because their operating structures are different. Road transport faces immediate pressure. This explains why fuel-linked freight contracts are becoming the norm and why transport associations move quickly to propose fuel adjustment mechanisms.

Yet road transport remains dominant despite higher costs. India's logistics network still depends heavily on trucking because road handles the first mile and last mile which is critical for delivery. Rail may move bulk cargo efficiently and without much dependence on diesel, but goods still need trucks to reach factories, warehouses, ports or customers for which the first mile and last mile is completely dependent on road.

Looking at sea freight- ocean carriers are moving quickly to pass on the costs. Shipping lines have become increasingly layered new surcharges in response to disruptions and fuel-related pressures. Carriers have rapidly introduced emergency bunker surcharges. Even inland transport linked to ports has become more expensive with export and import fuel surcharges increasing applied on Indian routes.

Air cargo faces a different challenge altogether. Unlike road transport, airlines already have a fuel surcharge linked to aviation fuel prices. But obviously the present environment has pushed cost pressures much further than normal.

So, the moot question to consider is this. Are supply chains beginning to change behavior? The larger questions for logistics is whether the rising fuel prices will eventually reshape supply chain behavior itself. At the moment, though it is still too early to clearly measure behavioral shifts such as fewer dispatches, shorter transport corridors or cargo consolidation, but companies will eventually seek ways to minimize their logistics costs.

The change may already be visible in some areas. In export supply chain, for example, we are working very closely with our clients in increasingly rethinking shipment planning, shifting dispatch cycles and consolidating cargo to improve transport economics. For non-urgent cargo, companies may gradually begin asking a larger question. Does every shipment need to move by road in the same way it always has? Which brings us to the most pertinent question for your company, a leader in multimodal. And that question is that could higher fuel prices push and accelerate India towards multimodal logistics?

For years, India has discussed reducing logistics cost by increasing rail and multimodal transport. The argument is simple. Road transport offers flexibility, but rail can move large cargo volumes at lower cost on suitable corridors. The challenge has always been practicality. Road transport remains dominant because businesses value speed, flexibility and last mile connectivity. Bulk rail movements remain cheaper in principle, but capacity limitations, handling complexity and first mile and last mile requirements continue to limit adoption. But these issues are now being handled both at the government as well as at the client levels and I firmly believe that discussions may now be shifting from theory towards execution, particularly on dedicated freight corridors serving long haul cargo which is a total game changer in terms of speed of execution. For bulk and non-time-sensitive shipments, a hybrid road and rail approach is increasingly making more economic sense and your company remains well poised to reap the benefits of this move having been one of the pioneers in the same.

The economics are becoming harder to ignore. Higher diesel prices are not simply increasing freight bills. They are forcing logistics companies, freight forwarders and cargo owners to ask difficult questions about efficiency, pricing and network design. What once felt like a short-term cost increase is beginning to look more and more like a structural rethink of how goods move across India. And here needless to say, your company remains at the Vanguard of this move towards more multimodal riding on more than five decades of experience in the multimodal supply chain and a clear leadership in the same.

Now, let's deep dive into your company's numbers and performance for Q1.

Starting with container volumes during the quarter, let me first read out the numbers and then deep dive into the same. Let me first give you a comparative container numbers year-on-year, that is Q1 FY26-'27 as opposed to Q1 FY25-'26.

And first looking at the domestic numbers, we delivered in quarter one of this year 23,909 as opposed to 17,498 domestic TEUs which is an absolute growth of 6,411 TEUs and a remarkable growth of 37% year-on-year. Looking at the EXIM numbers, we delivered 34,352 compared to 33,286 which is an absolute growth of 1,066, a more muted growth of 3.2%. Adding the two together, we delivered 58,261 containers compared to 57,084 last year, an absolute growth of 7,477, and a total growth combining domestic and EXIM of near 15%, which is quite remarkable.

If we look at the numbers comparing sequentially, that is quarter four of last year with quarter first of this year, quarter four as all of you know remains a dominantly large quarter in the logistics industry, but I am happy to say that we have actually beaten our Q4 numbers in total in Q1, which is extremely remarkable. We delivered in total 58,261 containers like I said, as opposed to 57,754 in quarter four FY26.

This is the first time that we have recorded this, this is remarkable for us. In absolute terms though it's a small increase of just 500 TEUs, but to have Q1 numbers bigger than Q4, you know, heralds a good sign for us. So, those are the comparative container numbers. We are seeing very good demand in the domestic stream, as is obvious from the numbers above, both in the DSO as well as the specialized containers.

And seeing the growth in the specialized containers, your company has placed order for a further 150 specialized 40 feet containers during this financial year as per the client requirements. We have already gotten delivery of the first 50 and the next 100 are scheduled for delivery in this quarter.

: Strong domestic growth is making out of business, the numbers are starting to reflect in our total business. Our total domestic versus EXIM numbers are now trending more or less 40 to 60, which earlier till about a year or 6 quarters ago was 30% domestic and 70% EXIM is now almost 40% domestic riding on the growth that we have been doing quarter-on-quarter on our domestic business.

Even EXIM, we have managed to grow year-on-year, though EXIM market remains under stress as you all know. Exporters are facing another round of freight escalation, shipping freight especially to the critical U.S. and European markets have gone up 3 to 4 times in the last couple of months.

In some routes for example the freights now are almost USD9,000 a TEU compared to USD3,000 a TEU, you know, a couple of months earlier. Main issue is timely availability of vessels rather than shortage of vessels. Congestion at ports has disrupted vessel schedules affecting availability of vessels for booking.

Continued use of longer Cape of Good Hope routes adds additional 15 days to voyages to the U.S. East Coast further impacting vessel turnaround times. At the same time festive season demand which peaks in quarter two every year, has further intensified the problem and pushed the freight rates up. This added to the war risk surcharge, additional transport surcharge, etcetera. have increased freight costs many fold.

All of this impacts our EXIM numbers growth as we are a derived industry, as you know. However, I remain extremely optimistic about our EXIM business going forward. War has to end sometime and I am not brave enough to guess when, but when it does we expect a huge jump in our EXIM volumes as well which on top of our domestic numbers portends very well for our growth in the coming quarters and years.

Now, looking at the numbers, I am pleased to share that despite very tough macroeconomic environment and continued uncertainties across large parts of the global logistics ecosystem, the company delivered a robust operating performance during Q1 FY27, reflective in the large year-on-year growth in container throughput as well as the quarter-on-quarter growth in profits despite continued EXIM side disturbances.

Revenue from operations for the quarter stood at INR465 crores compared to INR416 crores in the same period last year, reflecting a robust growth of over 12%. The performance was supported by healthy customer activity across our key business segments, especially in the domestic stream, relentless focus on execution and our ability to leverage the diversified nature of our service offering.

More importantly, we continue to remain focused on building sustainable revenue streams while maintaining service quality and operational discipline. As I have always maintained for us the emphasis is not merely on growing the topline, but on ensuring that the growth is both profitable and long term in nature, and I am happy to inform that we have achieved this with a quarter-on-quarter growth in profit of 13% despite continued global headwinds.

EBITDA for the quarter stood at INR19 crores, while the EBITDA margin stood at a healthy 4.1%. Profitability during the quarter continued to reflect a combination of operational efficiencies and the evolving industry environment. While external factors such as fuel costs, freight dynamics and competitive intensity continues to influence margins across the sector, our focus remains firmly on improving operational efficiencies and creating a stronger earnings profile over the long term.

PAT for the quarter stood at INR9 crores approximately compared to INR8 crores in quarter four of FY26, which registers a healthy sequential growth of approximately 13% quarter-on-quarter. PAT margins have also improved from 1.7% to 1.9% in the preceding quarter, and this reflects an expansion of a healthy 20 basis points.

This improvement underscores the benefits of our continued focus on operational efficiencies, disciplined execution and a profitable business mix despite the evolving market environment. We remain encouraged by the underlying momentum in the business and continue to see opportunities for both revenue growth and margin improvement as market conditions continue to evolve.

Over the last few years, we have consistently invested in capabilities that strengthen our competitive positioning and improve our ability to serve our customers. Be it specialized vehicles, advanced container equipment or multi-modal infrastructure, our investments have been directed towards building a resilient and scalable operating model.

This asset-light but asset-right approach continues to differentiate us in the market, allowing us to maintain operational flexibility while ensuring high service reliability across increasingly complex supply chains. As a result of the investments made in the past, our fleet in specialized containers today remains one of the largest in the private sector in the logistics space.

These assets not only strengthen our service offerings, but also allow us to participate in higher-value logistics opportunities where our operational expertise becomes a key differentiator. Looking ahead, our capital allocation strategy remains both disciplined and customer-driven.

For FY27, we continue to evaluate growth opportunities across myriad specialized equipments, container assets, multi-modal infra and tech-led solutions. We currently envisage a capex program of approximately INR100 crores during the financial, although the timing and the scale of investments will remain deeply linked to the customer commitments and the volume visibility, and also specifically to the prevailing market conditions.

As we move through FY27, our focus will remain on balancing growth investments with prudent financial management, while continuing to create long-term value for our customers and shareholders.

Before I conclude, I would like to sincerely thank our customers, our employees, our partners, our lenders, our shareholders and all our stakeholders for their continued confidence and support. Looking ahead, we remain extremely confident about the future and I hope that you will continue to be part of our journey.

Against this backdrop, our focus remains firmly on operational excellence and technology-led transformation. At Western Carriers, we increasingly view tech not as a support function, but as a core enabler. And for me, for right now, thank you so much, and I look forward to hearing from all of you with your questions now.

Moderator: The first question is from the line of Keshav Garg from Counter Cyclical PMS. Please go ahead.

Keshav Garg: Sir, thank you for your opening comments. And sir, we do understand that there is a war going on and container rates have gone up and there is a disruption in EXIM trade. Sir, but so does our customers. So, the question is that why are we unable to take up a price hike or is it that we have entered into some kind of a fixed price contract with our customers due to which basically we are unable to increase our rates and consequently we are facing the margin pressure?

Kanishka Sethia: Sir, it's a very good question. Actually, it's a bit more complex, sir. So, what happens in complex supply chain is, yes, you're right. Most of our contracts are long term, we have four-year, three-year long-term contracts. So, they have some sort of flexibility built into them, but they are more or less stable in their business outlook. But what happens is, when you have these broader macroeconomic situations, what it does is it disrupts the smooth running of your supply chain.

For example, I'm giving you one example, say for geopolitical reasons, as the vessel arrivals and vessel departures cycle, they sort of get top heavy or bottom heavy. So, what happens is if your numbers, your movements are slightly non-cyclical, there is shortage of vessels at some point. So that creates congestion at ports, which leads to disrupted vessel schedules which affects the entire supply chain from the ports to the railway haulage, to the first mile, to the last mile.

At some point you have less cargo to manage your supply chain and at others you have cargo which gets clubbed in. All of this leads to your margin hit. So that becomes a problem for us because as the realization gets affected because of this, because as your numbers are not linear, your supply chain also remains a bit disrupted. So, this is where our margin sort of takes a hit. Both at the front end, which is for EXIM as well as for the out end that is the export numbers as well.

But as more and more time passes, you will see even in our numbers that the profitability is improving, the EBITDA is improving, because we are all learning to live with these disruptions. Will these disruptions ease out soon? Your guess is as good as mine, but I feel that we are moving closer to the end of these issues. And once you see the supply chains ease out, especially in terms of sea freights going down, your EXIM numbers which have remained muted for almost four to five quarters should bounce back very strongly, that's my gut feel.

And that will have a very major effect on us. We've already controlled, sir, what we can, which is the domestic side of the business. We've grown sequentially at quarter-on-quarter and very strong double digits. In fact, what I was saying in quarter one this year, we have actually grown almost 37% year-on-year compared to our quarter one numbers last year.

We've done and we've managed and controlled what we can, and we have tried to create as much efficiencies in our EXIM business so that we have managed to finish the year a net positive and which is quite remarkable given the situation currently. So, we are very positive sir, that going forward we should be able to not only improve our revenues from operations but also our profitability. So, it's a slightly longer take on your question, sir.

Keshav Garg: So basically Mr. Sethia, you see now this is a new normal, whether it's an Iran war or before that the tariffs due to which again there was a container shortage and so on. So, if tomorrow China invades Taiwan, then again there will be something. Now the point being that this is nothing new, this something or the other keeps on happening. We are basically insulating our customers on the EXIM side from whatever volatility is there.

Basically, that's not a good business model that basically the risk is on me, the customer regardless of any war or any container freight turbulence the customer pays what he was paying, and we take all the hit and we wait for the macros and the world peace to return. So, I mean it's not a really one off. These things will keep on happening. are we really waiting for a few quarters of world peace wherein we will clock some good numbers I don't see this a world peace, this turbulence and whatever is happening since the past few quarters.

Kanishka Sethia: No sir, it's a fair question, but I tend to disagree. I don't think we've been waiting at all, sir. Year on year, we've grown almost 13%-14% despite all of this war. In fact, our quarter one numbers are the largest quarter one numbers that we've ever delivered. So, we've actually pivoted and done what we can, that's what I was trying to say. Since the war is something which is not in my control.

What the company has done is, we've focused on growing our domestic revenue streams, which now which earlier was less than 30% is now over 40%, and that has helped us grow not only our revenues but also improved our margins though not as much as I would like to, but it has improved our margin profile from 1.7% to 1.9% quarter-on-quarter which is a 20 basis point increase, and I am fairly confident that for the remaining rest of the year as well, I am looking at a very strong growth both in top line and bottom line ceteris paribus sir.

So, I don't think that we have been waiting or we are really dependent on that. We have pivoted very strongly on our domestic side of the business which is being held by our large MMCT project at Devaliya in Saurashtra, and that is a large, big ticket container terminal that we run. And we are running it exclusively with Container Corporation, and we are getting good numbers out of it. We are getting good numbers out of our other clients for the domestic stream.

And what I was saying was that I am very hopeful that if the EXIM situation sort of eases out, we'll be able to see a compounded growth on top of what we are already doing. I mean, we are already growing 13% year on year. It's not that we've been not doing much, to be honest.

Keshav Garg: So, sir, I'm totally with you. I appreciate the volume growth that you have been doing. But the point is that it is not profitable enough. I mean if we look at our working capital days, it has doubled since FY22 from 58 days to 120 days. Today our debtor days is 142 days. Our return on equity is less than 5%. So, there is basically no point, if you look at our past six-year cumulative operating cash flow, it is minus INR43 crores.

So if you think about it, we are basically subsidizing our customers, essentially. Because if the volumes are growing, we are serving more customers, but if there is no increase in cash flow, the working capital keeps on increasing, so essentially, we are subsidizing them, our customers. So, it is not really a profitable business. And my basic question is that, do we need to wait for world peace or until world peace arrives, why aren't we asking for a price hike with our customers?

Because you see these factors are the same for everybody. It is not that a company specific, that Western Carriers' costs have gone up whereas everybody else's costs are the same. Costs have gone up for everybody. So why aren't we asking our customers to give us a price hike?

Kanishka Sethia: Sir, this is a wrong assumption that there is a discussion on price hike or we are subsidizing our customers. Coming to what you are saying about working capital, actually our working capital days have reduced from 120 in the last quarter to about 111 in this quarter, which is a 9 days reduction. Similarly, our debtor days, has gone down from 139 to 135. Our cash flows are net positive. It was INR9.2 crores in Q4 is about almost INR13 crores in the Q1.

So, all of the numbers are actually improving. And we are a derived industry, sir. We cannot subsidize our customers. My customers are extremely large blue-chip companies. So, I really don't have that kind of wherewithal to subsidize them. But what we can do is streamline and make our operations more profitable. That is what we have done.

That's what we've achieved over the last 90 days. And that's what we are hopeful of doing. We're not really sitting and waiting for the war and global peace, etcetera. We've pivoted our businesses and streamlined our supply chains to the best that we can. And we are seeing results of it. We remain profitable, and we remain committed to increasing both our top line and bottom line for all our investors.

I think we've done a hell of a good job in the first quarter given the situation, 12%-13% growth in top line and bottom line. And we are committed to try to do even better going forward, sir. So, I think we are sitting on a great opportunity, not only in the domestic, but also in Exim.

I mean, what I'm trying to say again and again, is once the situation stabilizes or improves, you should see the numbers even improving further. That's what my hope is. And even without it, our numbers are quite good. They're not bad by any stretch of the imagination. And I hope to keep on improving on all the metrics. Thank you.

Moderator: The next question is from the line of Kaustav Bubna from Kamana Holdings. Please go ahead.

Kaustav Bubna: Yes, hi. So, I'd just like to say that to the previous analyst's point a suggestion is not to assume that this war will get over in a few months or in a few quarters and plan for the longer term where there could hypothetically be a scenario where the war goes on for three to five years, at least plan for the worst.

Because what I'm seeing is that, and I'd love your view on this, I obviously have questions attached to this, is that you're the cash base you had of INR200 crores is now depleting, because your working capital cycle is getting stretched, your debtor days is increasing every year.

So, my question is, why is your debtor days not easing out? Why can't you use this bad market conditions to actually go to your customers and at least get some money back from them while the market conditions are bad, which is obviously impacting the true potential of growth and profitability. Why can't we at least use this market to improve the working capital and improve our cash? Because I'm assuming that your capex will still stay elevated.

So, another question is also what will your capex be this year? And irrespective of what your capex is, if your working capital keeps deteriorating your leverage will have to go up if the market conditions remain this way. So, I'm concerned that if you hope that these market conditions improve, they never do.

Your borrowings will eventually go from INR200 crores to INR1,000 crores with a blink of an eye. So, what's your view on this? What will your capex be this year? Why can't you collect money from your customers to improve your debtor days? Those are my questions.

Kanishka Sethia: Thank you, Kaustav. Thank you for your call. Thank you for joining. I'd like to point out a few things. Actually, our working capital days like I said has reduced almost 8%-9% in the quarter from 120 in the last quarter to 111 in this quarter. Similarly, our debtor days, trade receivables have reduced from 139 to about 135. Hence improvements is visible in the payment cycles. We have been working very hard on this internally as well as with our customers in trying to improve this further, which I had promised. And we are pushing very hard on this.

It has also, the debt remains pretty much stable. In fact, our debt has not gone up, it remains stable. And so, I don't think that we are looking at increasing our debt from INR200 odd crores to INR1,000 crores like you said. In fact, our debt my team tells me, has reduced from March end from 217 to about 197. So, it's actually almost a 10% reduction in debt that we have done. And despite adding new businesses, new customers, which is fairly visible in the numbers, 13%-14% growth, we have actually not increased our debt, which means the payment cycles have improved.

We have not increased our working capital days which has actually reduced close to 10%. So, we are doing what we can, Kaustav, to ensure that we remain highly profitable and the only time our debt will go to a INR1,000 crores, that is five times of what it is now, is if we manage to grow maybe ten times of where we are now. But I don't see that being much of an issue here, where we are. We've done a lot of work internally as well as with our customers in getting our receivables in cycle. And we are seeing the benefit of that.

A lot of money which was in the pipeline has started coming in, especially from our SME side and SME cycle which has improved. And those numbers are reflecting. We remain firmly confident that what we are doing is going to be long-term beneficial. You can see that in the shareholding as well, as promoters increased our shareholding. And so, I would do that only if I feel comfortable and confident. So, I feel that we've turned the corner.

I am not really worried too much about the war or its recurring theme like was pointed out earlier as well. But we've pivoted hard into businesses which are not dependent on EXIM. That is basically looked at domestic, we've looked at specialized service offerings in domestic. We've gotten good traction for our specialized containers. We now are one of the dominant forces in it. Our DSO business is now almost 40% of our top line, which was I think two or three years ago it was less than 25%.

So, we've managed to grow the domestic business, we remain focused on growing the domestic business and piggybacking on our large MMCTP In Devaliya we are also working on a couple of large projects otherwise and other places that I'll talk about maybe in the next quarter, it's still under fruition. But we are very focused on, taking the impetus for growth from the domestic business and growing it with more and more specialized and complex supply chain and taking it forward.

And I'd also like to point out that much of this domestic growth has come from our customers, who are also our export customers, our EXIM customers. So, they have also helped us grow our domestic business. So, we've been able to mine our existing customers and at the same time, add new customers. So, I firmly believe that the situation in terms of our financials is actually quite robust and strong.

And I feel that they reflect on our numbers, the profitability is increasing, the top line is increasing and at the same time our debt has actually reduced. So, I think we are in the right direction. I hope that answers part of your question, Kaustav. And I'm happy to connect after the call as always.

Moderator: The next question is from the line of Suhani Singh from ROS Capital. Please go ahead.

Suhani Singh: Hello. So, I just had a few questions. The company has been making investments in various assets and equipment. So, what return thresholds guide these investments decisions, and over what time frame do you expect these investments to become earnings accretive?

Kanishka Sethia: It's a fair question ma'am. So, we look at capex in two ways. The first and foremost is not only from a return's perspective ma'am. Our first criterion for doing a capex is to ensure that we are able to run the supply chains for our customers. So, any critical equipment or asset that we need to run a supply chain, we have to do the capex because if we fail a supply chain for our customer, he is looking at maybe millions of dollars of revenue loss in a single day. So, we cannot do that. So, the capex depends on ensuring that our supply chains remain robust.

At the same time, whatever capex we do, is basically done for assets and equipment's which are not readily sorted or available in the market. And so, we look at our assets giving us good returns. There is no benchmark number for the return, but I'd say a healthy double-digit return is what we expect from all our assets, be it specialized containers, heavy duty equipments, commercial vehicles which are mostly specialized. So, we look at a highly profitable allocation of our capex mark.

And we've now been doing this very, very risk-free kind of capex planning for a long time, and so we've been quite successful in running this man. So, we are very confident actually in the capex that we are doing. None of it is taking very large risks.

Moderator: Thank you. Ladies and gentlemen, we take that as the last question for the day. Now, I would like to hand the conference over to Mr. Parth Agarwal for closing comments.

Parth Agarwal: I would like to thank the management for taking the time out, and to all the participants for their questions. If you have any further queries, feel free to contact us. We are MUFG Intime Investor Relations Advisors to Western Carriers (India) Limited. Thank you.

Moderator: On behalf of MUFG Intime, that concludes this conference. Thank you for joining us and you may now disconnect your lines.