



PILL:SEC: 23-24/82

08<sup>th</sup> February, 2024

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

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

**SCRIP CODE: 526381**

**SYMBOL: PATINTLOG**

**Dear sir,**

**Subject: Audio Recording and Transcript of Presentation on Unaudited Financial Results (Standalone) for the quarter and nine months ended December 31, 2023.**

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Pursuant to Regulation 30(6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the audio recording and transcript of the presentation made on January 19, 2024, on Unaudited Financial Results (Standalone) of the Company for the quarter and nine months ended December 31, 2023, is attached and also available on the website of the Company at [Patel india.com](http://Patel.india.com). The presentation concluded at 4:40 p.m. (IST) on February 07, 2024.

This is for your information and records.

Thanking You

**Yours faithfully,**

For **PATEL INTEGRATED LOGISTICS LIMITED**

**Avinash Paul Raj,**  
**Company Secretary cum compliance officer.**

CC to Calcutta Stock Exchange



“Patel Integrated Logistics Limited  
Q3 FY '24 Earnings Conference Call”  
February 07, 2024



**MANAGEMENT: MR. MAHESH FOGLA – EXECUTIVE DIRECTOR –  
PATEL INTEGRATED LOGISTICS LIMITED  
MR. AVINASH PAUL RAJ – COMPANY SECRETARY –  
PATEL INTEGRATED LOGISTICS LIMITED**

**MODERATOR: MR. VIKRAM SURYAVANSHI – PHILLIPCAPITAL INDIA  
PRIVATE LIMITED**

**Moderator:** Ladies and gentlemen, good day and welcome to the Q3 FY24 Earnings conference call of Patel Integrated Logistics Limited hosted by Philips Capital India Private Ltd. 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 then zero on your touch-tone phone. Please note that this conference is being recorded.

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

I now hand the conference over to Mr. Vikram Suryavanshi from Philips Capital India Private Limited. Thank you and over to you, sir.

**Vikram Suryavanshi:** Thank you, Michelle. Good afternoon and very warm welcome to everyone. Thank you for being on the call of Patel Integrated Logistics. We are happy to have the management with us here today for question-and-answer session with the investment community. Management is represented by Mr. Mahesh Fogla, Executive Director and Mr. Avinash Paul Raj, Company Secretary. Before we start with the question-and-answer session, I would like to remind you that this session will have opening comments from the management.

I will hand over the call to Mr. Mahesh Fogla for opening comments. Over to you, sir. Thank you, Vikram, and his team for organizing this call.

**Mahesh Fogla:** Thank you, Vikram, and his team for organizing this call. Very warm welcome to all present for this early call of Patel Integrated Logistics Limited. We are highly obliged for taking out your valuable time and attending this call. Now, let me explain to you the financial number for this quarter and for the nine-month-ended December '23 for the benefit of all of us.

Income from operations for the quarter, I am reading out the number for the quarter-ended 31st, 12, 2023. Income from operations, INR90,51,00,000. Other operating income, INR12,00,000. Then total growth income from operations, INR90,53,14,000. Less GST recovered, INR13,82,00,5200. Then net total income from operations is INR76,80,00,000. Other income is INR69,00,000. Total income after GST is INR77,49,00,000. I beg pardon. It's my mistake. I'm sorry. I'm again repeating. Total income is INR77,49,00,000.

Again, that the expenses are operation costs are INR6,52,00,000. Employee benefit expenses are INR3,14,00,000. Finance cost, INR57,00,000. Depreciation and amortization is INR70,00,000. Admin and other expenses are INR1,96,00,000. Giving, making the total expenses INR75,99,84,000. If you just for rounding off, it becomes INR76,00,00,000. And total income is INR77,50,00,000, rounding off. And total expenses are INR76,00,00,000, giving us the net profit before tax of INR1,50,00,000.

And profit after tax is INR1,49,19,000. After the in the Ind AS adjustment of other comprehensive income, we have a total comprehensive income for the quarter is

INR2,80,40,000. And now I will read out the number for the nine-month ended 31st, December 2023.

Income from operation for the nine-month ended December 2023. Each income from operation INR241,18,00,000. Other operating income, INR35,00,000. Total gross income from operation INR241,54,00,000. Less GST INR36,84,00,000. Total income from operation after GST INR204,69,00,000.

Other income is INR1,43,00,000. Total income after GST INR206,30,00,000 for the nine-month ended 31st, December 2023. Again, that the expenses are operation cost is INR1,83,66,00,000. Employee benefit expenses are INR9,51,00,000. Finance cost INR1,77,00,000. Depreciation and amortization is INR2,10,00,000.

Admin and other expenses are INR5,19,00,000. Sorry, it's again repeating INR5,19,00,000. Total expenses of all these adding up is coming INR202,25,00,000. And after total income minus total expenses are INR3,87,00,000. Profit before tax is INR3,87,00,000. And after the tax, the profit is for the nine month is 387.04, means INR3,87,00,000. And other comprehensive income adding up INR56,00,000. Total comprehensive income after the tax is INR4,43,09,800. Repeating INR4,43,09,800 for the period ended 31st, December 2023. That will go to the reserve.

And just to extend that one only for the operating segment, which we voluntarily disclose under Ind AS 108 for the better transparency and disclosure norm. And we have a segment revenue for the air freight division is for the nine, for the three months, is a quarter, three months, that means the quarter ended 31st, December 2023. INR89,89,00,000

And the other is a INR73,00,000 . And before GST and after GST, next sale income from operation, as I was mentioning overall, is a INR76,81,00,000. And the segment result, that means the income minus expenses is before the final cost, is a INR2,33,00,000 from the air freight division for the quarter.

And the other is negative INR38,00,000. And after adjusting our final cost, INR56,00,000, interest income add up INR11,00,000. Profit before tax is INR1,50,00,000. Profit before tax, repeating INR1,50,00,000 for the quarter ended 31st, 12, 2023. And again, they are reprinted, and about the segment asset, our co-loading of freight division is reprinted by INR110,59,00,000. Others are INR63,36,00,000..

Total segment assets are INR173,96,00,000,. Segment liabilities are co-loading of air freight division, means our air freight division has a INR38,67,00,000. Others have a INR13,86,00,000 crores. Total capital employed is represented by segment assets minus segment liabilities. If the air freight division is INR71,91,00,000. And for others, it is a INR49,50,00,000..

Total is INR121,42,00,000 is the net worth of the company. And for the nine-month ended 31st, December 2023, the revenues for the air freight division INR239,7,00,000 crores. For the others, it's INR2,46,00,000. And just after the GST, it becomes INR204,69,00,000 crores. And the segment results, co-loading of air freight division after the before the finance cost and the interest income, INR6,37,00,000..

And after the finance cost, it become a, after the finance cost and interest income profit before tax for the nine-month ended 31st, 12, 2023, it's INR3,87,78,000. And it's the balance item, which for the quarter ended and for the nine-month ended, segment assets, liabilities, and the capital employed will remain the same. So for the sake of time, I'm not repeating that one.

And now, I'm just highlighting some financial key highlights, which may be a little repetition, just for the cost of repetition. And for the clarity of all of us, I'm just mentioning the key financial highlights for the Q3 FY24, means quarter three ended with 31st, 12, 2023. Income from operations grew by 25.6% year-on-year to INR90.51 crores as compared to INR72.04 crores in Q3 FY23, primarily driven by increasing sales volume.

Profit after tax, that is PAT, increased by 28%, to INR1.49 crores from INR1.16 crores in Q3 FY23, due to saving in the finance cost also. Key operational highlights for Q3 FY24, increase in sales volume, both quarter-on-quarter, as well as year-on-year. Quarter 3 FY24 sales volume increased to 15,115-ton, 15 ton from 13,873 ton in quarter 2 FY24, and from 13,183 ton, I'm talking about again tonnage, in Q3 FY23, same quarter of the last year.

Further, just to give you a glimpse of our financial highlights and the quarter and the review, we were able to achieve an increase in our turnover in this quarter, despite a dip in the ATF prices, which were in the first quarter was INR1,18,199 per kg, which as on 31st, decreased to INR1,06,155.

This shows our single-minded focus to simply drive growth, we were able to achieve an increase in our turnover in this quarter. Further, during the quarter and the review, the company successfully monetized non-core assets, and that is the Chennai land. Further, in some investments also, we sold off, executing strategic agility and resource optimization, proactively pursuing in-organic expansion through EPS acquisition remains our top priority.

We are looking for opportunity to grow both organically and inorganically, but we are not desperate also at the same time. So, if a good opportunity comes, then only we will take it. And I'm happy to inform you that we also got registered under Open Network Digital Commerce, we all know it by ONDC, to capitalize on the opportunities, rising opportunity in digital e-commerce within the country.

This step will position us at the forefront of the evolving landscape. Further, we have also our focus on now on the trade receivables, control that to monitor the quality of the trade receivables as a part of risk mitigation measures. We are very much committed in delivering value to stakeholders and in navigating market dynamics, which are very much changing every day, so that we can achieve sustainable growth and success and add value to all the stakeholders for the company, all the stakeholders of the company.

Further, just tell you, maybe a little bit of repetition, but just I want to highlight the mobile app we have launched a mobile app, which we call it Freight PILL mobile app. Our company name is Patel Integrated Logistics Limited is in the platform, we call it PILL.

That is why the mobile app name is Freight PILL mobile app, and it is an enterprise information system software, ERP, that enables users to capture operational information in various technical

situations, in various situations. Now, I would like to explain this app in a little bit. Though this is a part of our digital transformation journey, and for that, we prepared the mobile app.

The endeavour is to make all our operations paperless, and at Digital India, we are all in the path of now Digital India, we want to make our operations also totally digitalized. Just to explain a little bit further, when we received the load at the airport or at the rail, just before the flight departure, we were still now entering data manually in the pre-printed e-Way bill, and also for transfer of moment of load from one brand to another, also we were using the manual e-Way bill, airway bill, I mean to say airway bill, just to correct myself, it's not e-Way bill, the airway bill.

To address the challenge and as a part of the digital journey, we have first of all have upgraded our operational software into a Freight PILL application, which is compatible to all browsing platforms in all the brands, and it is not that it is dependent on one platform, it can be compatible to all the platforms. Further, with the mobile app, we can take the load into mobile as well as also not to depend only on that.

With the mobile app, we can take the load on mobile as well, and not to depend on the laptop or desktop for booking the load, load, or volume, in our language, the code is load, but volume or load is one and same. Further, for the age of operation, we have two mobile apps developed, one internally in the organization for moment of good, or for tracking or facing or giving any issue in the operation to totally make it paperless, and how it will help people sitting in any part of the country or anywhere, which can use this mobile app, and it will be a game changer for us.

Because we are a company which is a pan-India company, we have a network all over India, so we require a facility where people sitting anywhere can use this app and can work for them. This will definitely not only for the company, it will enhance the customer experience manifold, and we are in the process of completely stopping the manual airway bill and make our operation paperless as a part of digital journey.

And further, just to coming back to the country now, definitely, just now, the government has presented in the interim budget, our Honourable Finance Minister also mentioned about the aviation sector, and there is a lot of trust government is giving on the aviation sector. We all know there are big order plates, big order plates in form of passenger aircraft by both IndiGo and Air India.

We have also a new airline, Akasa coming very well. So we are all very positive about the growth of the sector and intent growth of our company also. Further, we are also for the non-core assets which are in the company, we are continuously talking with the people, how to monetize and how to monetize the best way.

However, we will not be again repeating, we are not desperate. So we will only go for the opportunity, which is beneficial for us, whether we go for any in-organic acquisition or we monetize our non-core assets. Another thing is that now, hopefully, we all of us, logistic company like us, which are in a company country for a long, long time, we get a level playing field as now that for a logistic startup, which were growing very fast, have a trending winter.

And we all have a level playing field, and there will not be an unnecessary dumping of the capital by a PE investor in the logistics and creating unnecessary issues for the logistic companies, which are always looking for the profitable growth. So, by this, I stop myself and request Vikram to take it forward, please.

- Moderator:** Thank you very much, sir.
- Vikram Suryavanshi:** Thank you.
- Moderator:** Thank you. We will now begin the question-and-answer session. We will take the first question from the line of Vikram Suryavanshi from PhillipCapital India Private Limited. Please go ahead.
- Vikram Suryavanshi:** Sir, can you repeat the volume number for this quarter and last year's same quarter?
- Mahesh Fogla:** Yes, Vikram, definitely. Just give me one second. Our quarter 3 FY24 volume was 15,115 tonnage and for the immediately preceding quarter was 13,873 and same quarter of the last year it was 13,183 tonnages.
- Vikram Suryavanshi:** Okay. Got it. Yes. And I think the development about the sale of Chennai land and the proceeds, any update? Have you received the money?
- Mahesh Fogla:** Yes, Vikram, we received the money and we are keeping the money in the fixed deposit right now and we are just looking for the right use of the fund allocation of capital and we have kept it totally in the fixed deposit and bank that money. We have received the money.
- Vikram Suryavanshi:** Okay. And there was also planning to construct a new warehouse in Maharashtra. Any update?
- Mahesh Fogla:** Correct, Vikram. We are in the process now, but it is taking a time, but we are hopeful to close that matter also in the very next few months.
- Vikram Suryavanshi:** Okay. And how big that will be? Any idea or it will be single customer or multi-customer?
- Mahesh Fogla:** Right now it will be difficult to tell, Vikram, because it is a very preliminary stage. If the thing progresses well and definitely I will come and tell all of you.
- Vikram Suryavanshi:** Okay. And we are seeing good growth in terms of volume, but how is outlook going forward in terms of volume growth or pricing front? Is there any challenge or can we see improvement in the profitability or pricing along with the volume?
- Yes, there will be, as I was explaining earlier there will be a, for the eight hours, our price also depends on the ATF also because 30% to 40% cost is part of the ATF. So we are hopeful that ATF, we will be able to keep the momentum, which we are there right now and profitability definitely will not be a challenge for us because we are keeping a top focus on the profitability and about the volume also, we are expecting to keep the momentum that we are there right now.
- Vikram Suryavanshi:** Okay. So if you look at currently what we are doing around like say 5,000 plus minus one monthly basis, that we are expecting, is there the 10%, 12% growth we can expect next year?

- Mahesh Fogla:** Next year, definitely, but our first priority now to conclude this financial year, March ended, and then definitely we will take our budget and then think to internal planning, we'll do. And I think that we're looking very good actually at the economy growing and we are a major player in our area of operation and we have an ecosystem, which is pan-India basis, team is there.
- So definitely at the economy growth and we are growing, our company growth also is bound to happen.
- Vikram Suryavanshi:** And in volume, how is the breakup between international and domestic broadly?
- Management:** Yes, correct. For the volume, definitely the larger volume comes from the domestic only. And then I can talk about to you around the 15,115 for the dead quarter. In that, around the, I'm going to tell you 1,000, 2,000 is from the international and balance is from the domestic. So definitely you can talk about around less than 10% come from the international.
- Vikram Suryavanshi:** Okay. But profitability is more or less same or international we have?
- Management:** Vikram, what happened in international, profitability will be lower, but receivables will be coming faster. While in traditionally as an industry practice, domestic profitability will be higher, but the receivables take time to recover. So we have to keep a balance on both of them.
- And we have to keep a very visual eye to see that the thing don't go out of control also and be able to maintain our growth also.
- Vikram Suryavanshi:** Okay. So we'll wait for some questions, sir. And if there are no questions, I'll come back.
- Moderator:** Thank you. We'll take the questions from the line of Vikram Suryavanshi from Philip Capital India Private Limited. Please go ahead.
- Mahesh Fogla:** Yes, Vikram, before you start the question, I just want to correct myself. When you ask the international composition between the international and domestic volume, roughly the international is around the 13th or 14th percent of the total volume of the business. Not 13 percent. I'm correcting myself.
- Vikram Suryavanshi:** Okay, I got it. And how is the progress? Because I think there was a possibility of land or building monetization. Anything happening on that front or in material development you would like to share?
- Mahesh Fogla:** Yes, that is going on because another thing is that when we talk about all the property, our team is also working on with the registrar to do the regular necessary paperwork and all this one. There are a lot of, as you know, in India, there are a lot of time to take for anything to close and to regulate the paper and all that. They are already in the process of that one also. So it's going on, but it will take time and things are in. But I can tell you, we are on the job. Definitely we are on the job.
- Vikram Suryavanshi:** All right. And in terms of coming back to the businesses, which are the sectors where we are seeing good growth or which are the sectors which contribute to more revenue for us?



- Mahesh Fogla:** Definitely when the festive season comes, the e-commerce give us better growth. But at the same time, being a pan-India company and we are not depending on a single sector or something like that. So we don't focus on any particular customer or the particular sector to measure and measure. And we are seeing overall growth in our volume.
- Vikram Suryavanshi:** Got it. And any chance that coming back to express business in future or will more control data on express only as a control data?
- Mahesh Fogla:** Yes, as I was mentioning, we are also in the process of not only growing organically, but we are also looking for the inorganic if something very good opportunity come up. So we are not holding out the possibility of whether it will be air or it will be a surface. If something very good opportunity come up and it is an EPS, accurately, organically, or inorganically, we will definitely want to pursue that opportunity and go ahead..
- Vikram Suryavanshi:** And last question from my side, what would be the debt and cash position currently?
- Mahesh Fogla:** Yes, we have a positive cash as we are maintaining ourselves and we are a net cash positive company and we are carrying the debt of the book around INR20-odd crores we are carrying now.
- Vikram Suryavanshi:** Gross debt?
- Mahesh Fogla:** Yes.
- Vikram Suryavanshi:** And cash would be how much?
- Mahesh Fogla:** Definitely we are in net cash figures are there. It will be -- definitely we will be more than the debt, I believe, because we are a net cash positive company. So with that money, funding is not a problem for us, touch wood. We are open for any good opportunity always.
- Vikram Suryavanshi:** Understood.
- Mahesh Fogla:** And we enjoy a good relationship with the bank also and all the stakeholders. And as I am talking to you, we have to -- we have a partly paid [tiered], which some part of the tiered were not very out of INR4crore, only around INR50 lakhs -- INR40 lakhs, sorry, I beg your pardon. Out of INR4 crores tiered, INR40 lakhs were somehow remain unpaid and something is there.
- So as a part of the compliance measure also and as a shareholder benefit also, we may come out with -- we are coming out with another [inaudible] which will also give us another fund. And we are expecting from some refund from income tax also in some part of the time. So fund will not be for the growth or for the business.
- Vikram Suryavanshi:** Okay. What would be the intention to, for rights issue?
- Mahesh Fogla:** It's more about -- not about the fund-raising exercise, it's more about the compliance measure and not for us only because when we done the last rights issue of INR4 crores, we have done a partly paid and fully paid in two tranches.



So when people actually subscribe for the partly paid and the INR40 lakhs tiered out of the total of INR4 crores tiered, less than 3%. So what happened, they remain -- now as a part of the thing, we have to get it subscribed.

For subscribing, we cannot take a very small event. So we may come out with around between INR5 crores to INR10 crores, and this time definitely it will not be as a part. It will be near to the market price. That was earlier, whatever thing is there. So it's more a very small -- very, very small [inaudible] we may have to do for that purpose. So fund, that will also come to the kitty only of the company.

**Vikram Suryavanshi:** Okay. Understood. Yes. That was helpful. Thank you.

**Moderator:** Thank you. Ladies and gentlemen, that was the last question for today. I would now like to hand the conference over to the management for closing comments. Over to you, sir.

**Vikram Suryavanshi:** Yes. Thank you a lot, Vikram, and the Chorus team for organizing this call. I hope it clarified the query. I understand there may not be any question much, but I understand people are listening. Many people are listening and after the call, they call me also. So thank all of them for hearing this call and taking out their time for attending this call.

Thank a lot again to Vikram and his team for organizing this call. Thank you.

**Moderator:** Thank you, members of the management. Thank you, sir. Ladies and gentlemen, on behalf of PhillipCapital India Private Limited, that concludes this conference. We thank you for joining us and you may now disconnect your lines. Thank you.