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Date: 21/11/2024

To, **BSE Limited,** **Phiroze Jeejeebhoy Towers,** **Dalal Street,** **Mumbai- 400001**	**To,** **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 earnings conference call held with Investors with reference to discussion on the Financial and Operational Performance of the Company for the second quarter & half year ended September 30, 2024.

In furtherance to our earlier communication dated November 11, 2024 and November 12, 2024 and pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the transcript of the Earnings Conference Call held on November 14, 2024, with regard to discussion on the Financial and Operational Performance of the Company for the second quarter and half year ended September 30, 2024.

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: 2024.11.21 17:21:41 +05'30'

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

"Western Carriers (India) Limited
Q2 and H1 FY25 Earnings Conference Call"
November 14, 2024

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

MODERATOR: **MS. PRIYANKA BHAGAT – ADFACTORS**

Moderator: Ladies and gentlemen, good day and welcome to Western Carriers (India) Limited Q2 and H1 FY25 Earnings Conference Call. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Ms. Priyanka Bhagat from Adfactors. Thank you and over to you ma'am.

Priyanka Bhagat: Good afternoon to all the participants joined on this call. A very warm welcome to our Q2 and H1 FY25 earnings conference call. To guide us through the results today, we have the senior management team of Western Carriers (India) Limited headed by Mr. Kanishka Sethia. Before we begin, I would like to state that some of the statements made in today's discussion may be forward-looking in nature. The actual results may vary as they are dependent on several external factors.

With that said, I would now hand over to Mr. Kanishka to share his comments. Thank you and over to you sir.

Kanishka Sethia: Thank you. So good afternoon, everyone and thank you all for being on our first maiden earnings call. It's my absolute pleasure to welcome all of you. First of all, I would like to give season's greetings and a belated Diwali greeting to all of you. I would like to start, since this is our maiden call post the IPO, I would like to start with a brief industry and a business overview before delving into our numbers. So, logistics and supply chain solution companies continue to be a very important and vital clock for the economic growth of our country.

Today, with the ongoing geopolitical tensions grappling several countries, the impact continues to have ripple effects across sectors, especially logistics, bringing along with it challenges and several opportunities to navigate through the web of interconnectedness. Geopolitical tensions bring about fluctuations in forex rates, fuel prices, tariffs, etc., impacting global dynamics, thus bringing about volatility in pricing for the freight industry and impacting growth and profitability.

Having said that, the Indian logistics market size was about INR21.6 trillion in FY24 and is expected to grow at a CAGR of about 10% plus to about INR35.5 trillion by FY29. During this period, container rail multimodal is expected to grow much faster at a CAGR of about 24%, which is going to be primarily led by rail infrastructure development, which is happening at a very brisk speed, and government initiatives which have been taken in this area.

Your company is well positioned to tap into this growth in the sector. I would also like to give you guys some India international trade figures. For H1, the India international trade or exports was about USD213 billion, which was a flat growth, a growth of just about 1%. The imports, on the other hand, was USD350 billion, which saw a growth of about 6%. So this is the scenario that we find ourselves in, and I will deep dive into our company numbers. But since this is our first call, first time we are doing this, I thought it would be good if I gave a small background about the company for all of you.

So as some of you might know, Western Carriers was founded in 1972, and we are one of the largest 4PL asset-light privately owned companies in this space. Western Carriers offers comprehensive end-to-end logistic services, ensuring seamless movement of goods across multiple modes of transport, including road, rail, sea, river, air. Our expertise spans both domestic and Exim Cargo, and we facilitate efficient logistics within and into India from all over.

We remain true to our service offerings, which are reflected in the long-standing relationships we hold with most of our large customers. Today as we speak, about 80% of our revenues have been generated for customers who have been doing business with us for over 3 years and beyond. I'm happy to share that because of our expertise, our deep experience, and a very large bouquet of service offerings, we have been able to steadily diversify catering to customers across all industry sectors, including metals, pharma, FMCG, etc.

Western Carriers has always been an asset-light business. We are very focused on being predominantly asset-light, with very few of our assets in place to run our supply chain. So the only assets that we deploy are the ones which are essential for us to run our supply chain. These include some commercial vehicles, some heavy-duty equipment like container reach stackers, forklifts, etc. Our total volume of TEUs for FY24 stood at just over 2,12,000 TEUs. With a mix of both EXIM as well as domestic, I will give you our numbers for H1 as we go along in the presentation.

Going forward, we plan to expand our networks, add more customers, various industry verticals are in our focus of growth. We are at about 50 plus branches right now, and as we go ahead, we are adding more customers and more service offerings to our customers to meet their exact supply chain requirements. An important milestone that we have achieved in this quarter is that we have secured an order from Tata Steel for their Joda sponge iron plant in which we are going to be doing their entire first mile and handling operations at their site, which is an order in excess of INR40 crores.

This is going to be for both loose and bagged DRI, which is Direct Reduced Iron, which is DRI and sponge iron. This contract is a long-term contract for a duration of three years. This is in addition to the railway component of the work that we will be offering to the customers from Tata Steel for all locations, including North India, West India, and neighbouring countries like Nepal and Bhutan. This service offering and this work order further strengthens our position in the 4PL supply chain predominantly, and we look at serving more customers and adding more customers as we go ahead in this financial year as well.

Before I delve into the financials, I wanted to take a couple of minutes to give you a brief company overview. So company, like I said, we are an integrated, customized, multimodal solution provider. We work across the entire supply chain with a bespoke suite of services. Each of our services are catered to the individual customer's needs. It's not a cut and paste. So we try to create a solution which is a perfect fit for our customers.

We have a very large bouquet of experience in this sector. We have some of the most marquee customers with us out of our 1,647 odd customers in FY24. A large portion of the revenue is coming from the large customers. So we go very deep in our relationship and we try to grow with our customers. An asset-light model makes us very, very flexible in our operations. So we can upscale and downscale depending on the customer's needs. So there is not much of a problem for either the customer or for us.

And our customized solutions ensure that we are able to give the highest level of service to our customers, which ensures that our relationships become long-lasting with our customers. And this is across sectors. Just to spit ball some numbers at you from our FY24, we had more than 7 lakh square feet of warehousing space. We had 1,647 unique customers. We had revenues last year of about INR1,685 crores. We handled more than 2,12,000 containers, Pan India, and had a profit of just over INR80 crores last year.

Our promoter and founder chairman is Mr. Rajendra Sethia, who is a mechanical engineer by education, who started this business way back in the year 1972. So he has got more than 50 years of experience now. Myself, I am a Whole-Time Director and the Chief Executive, and I have been in this business from the turn of the millennium.

So I bring in about 23-24 years of experience, mostly in complex supply chain and solutions. I hold a Bachelor of Science degree from Bentley College, Massachusetts, as well as an MBA from Bentley College McCallum Graduate School of Business, also in Massachusetts.

We are both customs license holders in our own name, which gives us a full understanding of the entire exit cycle. And so, we have a senior management, which is basically completely professional, and are working in all four corners of the country. We have four zonal offices, which is Calcutta for the East, Delhi for North, Bombay for West, and Chennai for South. Each of these are headed by a Senior Vice President, and they all bring in a gamut of experience.

To give you an example, our Senior Vice President in the Delhi cluster is Mr. Ravi Kumar Bhaskar Menon. He brings in more than 30 years of experience in logistics and supply chain, having worked in large corporates like Brooke Bond and HUL before joining us. Similarly, Mr. Sankaralingam Selvam, who heads south, comes in with more than 25 years of logistics experience, and he has worked with companies like Larsen & Toubro and Vedanta. Mr. Rajiv Ranjan Kumar, who is the Vice President in project and infra for us, brings in also about 20 years of experience, having worked in companies like APJ Shipping.

So we have a very strong foundation, and a very large management profile, which helps us in taking, you know, our work forward. Going forward into the business overview, like I've already mentioned, we basically dominate the multimodal space of rail and road combination. We also do water and air transportation, but our main focus remains road and rail multimode operations. We create customized integrated solutions for our customers, depending on their requirements, and we do value-added services, starting from in-plant logistics and ending with reverse logistics and disposal.

So depending on what the customer needs, he can pick up from our bouquet of value-added services, and we create a customized solution for them. Having been in this business, the biggest moat that we have created is our experience. I can safely say that we have probably one of the most experienced teams in multimodal and supply chain solution, and that leads us into good steps in creating, operation benefits and creating efficiencies for our customers. So having said that, that is a brief overview that I wanted to give all of you.

I want to now come into some of the consolidated financial performance highlights for the quarter ended September 24, as well as consolidated financial performances for H1. So let's begin with that. I would like to start off by telling all of you that, for H1 FY25, the EBITDA has grown 10% year-on-year to INR716 million. Margin has improved to 8.4%. Revenue from operations have also increased slightly in FY25, being INR4,314.33 million versus INR4,258.51 million. EBITDA has also increased an increase of 7.6% to INR361.42 million compared to INR335.62 million.

EBITDA margins have also improved by 50 basis points to 8.38% compared to 7.88% in Q2 of FY24. The improvement in margins is two various factors, the most important being optimization of our operations and ensuring that we reduce redundancies like detention and damage. This has led to the PAT also growing 3.61% in Q2 of FY25 to INR189.56 million as compared to INR182.96 million in Q2 of FY24.

So if you look at the console financial performance highlights for the first half of FY25, we see that despite there being very strong headwinds, especially in the EXIM trade in our country, we have still managed to grow our operations by 3.23% to over INR854 crores compared to INR827 crores in H1 of FY24. EBITDA has grown quite handsomely by 10.15% to INR716 million in H1 FY25 as compared to INR650 million in H1 FY24. EBITDA margins, like I said, have improved 53 basis points to 8.38% from 7.86% in H1 FY24. This is led by cost optimization, like I said. PAT has grown 5.77% to INR378.56 million compared to INR357.89.

PAT margin also has shown an improvement of more than 10 basis points to 4.42% from 4.31% in H1 of FY25 as compared to the last year. The balance sheet, two salient numbers that I want to talk about are the debt-to-equity ratio for H1 FY25 stands at 0.34% and the return on equity for H1 FY25 is 6.13% while return on capital employed is about 7.36%. I want to end up before opening up for questions.

I wanted to give you some container numbers that we've been able to do. The H1 containers that we've done is 1,03,816 containers compared to 1,02,764 in H1 of last year. In absolute terms, this is a growth of over 1,000 containers and most of this growth is coming from the domestic side of the business where we've seen a large growth. EXIM business remains under a bit of a weather because the India international trade story, there has not been much growth in H1. But we are very positive and hopeful that H2, the EXIM numbers will also show growth just like we are showing in the domestic. That is my opening remarks. We are now ready to take questions.

I am joined by my team here on this call. We have Dinesh, Ashish, Sapna and Surya. They are from the operations as well as finance teams. We are ready to take questions now. Thank you.

Moderator: Thank you very much. We will now begin with the question-and-answer session. The first question is from Ankit Redekar, an individual investor. Please go ahead.

Ankit Redekar: Good afternoon, everyone. Sir, I just wanted to know the trend in demand across your key segments and regions.

Kanishka Sethia: That is a fair question. Key sectors for us, metal remains the largest component of our business since we are in a complex supply chain. And so the metal demand, now that we are in November, is starting to look good. We have a lot of demand which is coming up. And so what happens in our railway business is that normally from 1st October, in railway language, we say that the busy season has started. So usually, there is a large push in the second half for the EXIM numbers that we see every year.

So the demand is looking good in the metal side. We are also seeing strong demand arising in FMCG, industrial chemicals, as well as MSMEs. So the demand is very strong right now, sir. And region-wise, I see that the demand in East is quite large. We see demand picking up in the South cluster also for us.

Ankit Redekar: So, sir, are there any specific seasonal or industry-specific factors affecting our volume?

Kanishka Sethia: There are huge seasonal factors, sir. It is a very good question that you have asked. And so what happened was, you know, this year, the first half, we have seen two things which have come into play. You will see that the domestic loading has been affected this year due to very heavy rains, especially in North India and Gujarat in the first half. But now the demand is picking up from this month. We are seeing very good growth.

And North India and Gujarat, sir, remain major, you know, origin of loading, as you would appreciate. So that is what has been there. At the same time, sir, the international supply chain has been very adversely affected due to the geopolitical situation. This has led to erratic vessel schedules. You know, there has been congestion at the transshipment port and less availability of space for exports in the port, sir.

So there has been, a huge Red Sea disruption, which has also affected some of the volumes, especially in the international trade. Now we hope that, going forward, we are seeing very good demand and the numbers coming are looking good. So we hope that the second half should be strong, sir.

Ankit Redekar: Sir, just wanted to understand, are we into the less than container load and the full container load? Are we into that business?

Kanishka Sethia: So our main focus remains in the FTL business, sir, where we do full container loads only primarily. We do offhand, very small amounts of less than container loads, but our focus remains on full container loads.

Ankit Redekar: And, sir, what are the current utilisation rates across your fleet and how have these changed over the past quarter?

Kanishka Sethia: So the utilisation rate is now picking up post the monsoon, sir. And we don't really track an exact number for the utilisation of our assets because our assets are all deployed in complex supply chains, sir. So we don't really salami slice our numbers in that way. But the utilisation of assets usually sees a much larger pickup in H2 for us always, sir.

Ankit Redekar: And, sir, can you throw some light on the pricing strategy in place to help to mitigate some inflationary pressure and to protect our margins?

Kanishka Sethia: So this is a very fair question, sir. But I want to honestly tell you, sir, that with the very large customers, we don't have too much of a pricing power that we hold on them. On the MSME customers and smaller customers, we have a larger hold on the pricing. What we try to do, sir, is that because of our expertise in meeting customer requirements and being completely focused on customer delight, we are usually able to get some premium from our customers.

Basis our long term, you know, relationship with them. And what happens is, sir, the large customers also see the benefits of having a very strong supply chain in terms of not having to spend money on secondaries like needless detention, damage, transit delays. So all of that, you know, they also look at in a big way. So we try to factor it in as much as we can and take it from there.

Ankit Redekar: And, sir, one last question. How are you managing your fuel costs given the current price fluctuation? Is there any hedging strategy or alternative energy sources?

Kanishka Sethia: So good, fair question, sir. So fuel costs, what happens? I want to tell you that most of the fuel costs of all our large contracts, most of them are on a DPVC basis. DPVC is diesel price variation cost. So if the diesel price goes up, my rates will go up. And this is part of our contracting with our customers. And if the price goes down, similarly, they get the benefit.

So now what has happened, sir, it's not been a very large issue because for several years, as you have seen, the diesel prices have been quite stable, sir. But earlier, if you remember when we had become market oriented in our fuel pricing, there were large variations. So this DPVC contract basically protects both the customer and us.

Similarly, for the rail movement, sir, we have mostly a haulage contracting with our customers. So if the haulage rate goes up by Indian railways, we do a pass through with our customers in most of the contracts. So that if there is any benefit that comes from railways, it gets passed on. And if the rate goes up, we try to pass it through to our customers. So that means we are more or less quite hedged in that, sir. Okay. Okay.

Ankit Redekar: Thank you so much, sir. This is from my side. Absolutely.

Moderator: Thank you. Next question is from the line of Sonali Shah, Individual Investor. Please go ahead.

Sonali Shah: Thank you for taking my question. Can I know the revenue breakup in domestic and export market?

Kanishka Sethia: So for the containers in domestic and I'm giving you an approximate number, ma'am. So we did approximately 39,500 containers in domestic. And in EXIM, we did approximately 65,000 containers for H1 of this year. This is a growth of about 1,200 containers from last year H1.

Sonali Shah: Okay. And so are you exposed to any foreign currency risk?

Kanishka Sethia: No, ma'am. All our contracts, almost 100% of them are in INR. And so we get paid in INR and we are not having any sort of foreign currency fluctuations at all, ma'am.

Sonali Shah: Yes. My second question is regarding the clientele base. So can you name some key clients which you have?

Kanishka Sethia: Sure, ma'am. So basis what we have disclosed in the DRHP. Our large clients include Vedanta, includes Hindalco, includes Hindustan Unilever, includes Tata Steel, includes Jindal Stainless. And we have several other customers in PSUs. We work with almost all the large PSUs. We work with most of the large FMCG companies. We work with a lot of industrial chemical companies and a lot of MSME companies as well, ma'am. So our revenue generation is across industries and across business verticals.

Sonali Shah: Okay. And how much revenue is contributed by your top five clients?

Kanishka Sethia: From the top five clients, ma'am, if we include all the companies, so say for example, when I say Tata Steel, I work with several of their units, right? So the five top groups, I would say, not the five top companies, would be about 70% of revenue for us.

Sonali Shah: Okay, understood. And how well we have our presence geographically?

Kanishka Sethia: So we, ma'am, what we do is we are basically spread across the country. We have about 51-52 branches in Pan India. And, you know, there is service offerings in all four zones of our country. A lot of our business generates, especially the metal business generates out of the east because that's where the, you know, the manufacturing of metals in our country is for aluminium and steel. So a lot of our revenue is generating from the east, but we have a Pan-India presence.

Sonali Shah: That was helpful. Just a last question. That in coming two three years, what will be your plan going forward and about our company's performance or the goal, if you can elaborate on that?

Kanishka Sethia: That's a great question, ma'am. So our focus is to remain asset light as we go ahead in the near future. We have a very strong market leadership in the space that we work in, which is basically multimodal, rail focus, multimodal with great value-added services for our customers. This is a business which is growing exponentially and is expected to grow exponentially for the rest of the decade as per various reports.

So we basically want to piggyback on the experience and expertise, ma'am, that we've created for so many years with so many customers and in trying to basically have a larger revenue size from the big customers that we have. And at the same time, add truly high value and big customers to RKT going forward. So I feel that given the India growth story, which the entire world is looking at and the way it is panning out, we are in a prime position to be able to participate and add value.

Sonali Shah: Okay, okay. Understood, sir. Thank you. And all the best.

Kanishka Sethia: Thank you so much, ma'am. Thank you for your question.

Moderator: Thank you. Next question is from the line of Pramod Kamar from Evergreen Capital Advisors. Please go ahead.

Pramod Kamar: Thanks for the opportunity. Sir, just one particular question. The employee headcount for the quarter, if you could help me out.

Kanishka Sethia: Our full-time employee headcount is approximately 1,350 odd, sir.

Pramod Kamar: And this number would have changed because I presume that number was somewhere around 1,400, 1,430?

Kanishka Sethia: No, sir. So, what happens is it depends on the project and the product, sir. So, depending on where we are on the project and product size, we upscale and downscale the workforce as per requirements, sir.

Pramod Kamar: Okay. So, that is why you see a drop in your employee expenses, right? Sir.

Kanishka Sethia: Yes

Pramod Kamar: I will come back in the queue.

Moderator: Thank you. Next question is from the line of Ritesh Poladia from Girik Capital. Please go ahead.

Ritesh Poladia: Yes. Thank you for the opportunity and you explained your business very well in the opening remarks. Sir, just one question. Could you comment on your working capital? You keep saying that you have an asset like business, but your working capital is about especially receivables are like four months. If I see your clients like FMCG and metals and pharma predominantly, who generally have a very lean working capital. So, why your working capital receivables are like four months?

Kanishka Sethia: So, sir, working capital cycles actually started increasing from the time of Corona, sir. We had customers before Corona who used to pay us within 15 days of dispatch and those same customers during Corona went up to 120 days post-dispatch, sir. This was, I would say, a pan-industry problem.

That number has now started dipping for the industry. Our numbers have not dipped as much primarily because we have done a lot of business additions. So, a lot of our projects, sir, which these are not plain vanilla road transport kind of contracts, most of the work that we do is complex supply chain. So, it takes a time for the entire module to work out and then to get the POs and start getting payments. So, it's basically a mix of new clients as well as some delays in customer payment cycles, sir. That's the reason.

Ritesh Poladia: Sir, I believe you cater to about 6%-7% of CONCOR Business. Will my understanding be right?

Kanishka Sethia: I don't recollect the exact percentage, sir, but I am probably their largest business associate and AP, sir. This is my gut feel.

Ritesh Poladia: Because CONCOR working capital would be very lean and you are literally like financing CONCOR.

Kanishka Sethia: It's a different business model, sir, because CONCOR is a container train operator. And so, they get paid at the time once the RR is generated, once the bill is generated, they get paid within 24 hours. And that is across the sector. That is true for most of the container train operators. We don't get that benefit from our customers. So, we do monthly or quarterly billings on our customers and then we get paid. So, the CONCOR's payment receivables is very different from us, sir.

Ritesh Poladia: Sir, do you see that over a period of time, this can be brought under control or this will remain more or less on the same line?

Kanishka Sethia: No, for sure, this is going to improve, sir. And the improvements, not across the company, but across several sectors, we are already seeing the improvements, especially in MSME businesses. We are seeing that our payment cycles have now started dropping very quickly. And we are hopeful that in the next three or four quarters, we will be able to see a good reduction in the number of the cycles, working capital days.

Ritesh Poladia: Sir, the other question is on pricing. Given that fuel prices are very dynamic in nature and you have a project which is for monthly or say yearly kind of a duration. So, how do you manage your pricing?

Kanishka Sethia: Good question, sir. So, one of the earlier queries was on, you know, so, if you look at the business that we do, which is a combination of road and rail. So, the two components in, road, the largest component, I would say 60%-65% of the cost is fuel.

So, for all the large road-related movements, either Plain Vanilla Road or First Mile, Last Mile or Multimodal Road, that cost is hedged with a DPVC, which is the Diesel Price Variation Cost. So, if the diesel price goes up, as per the formula, our rates will go up and similarly come down if the rates come down. For the railway, the largest component is the haulage, which is mandated by Indian Railways for everyone, sir.

So, if the Indian Railway haulage goes up, say from Delhi to Bombay, that is a pass-through to the customers. Similarly, if some rebate is given by Indian Railways, like they did during Corona, when they gave a large chunk of discount on movements, that again gets passed on to the customers. So, that means we are hedged for the major components of it. The other components are basically part of our pricing and experience strategy so that we are able to figure out, what would be the component cost and drive it accordingly.

Ritesh Poladia: That's it. That's all from my side. Thank you very much, sir.

Moderator: Thank you. Next question is from the line of Diksha Jain, Individual Investor. Please go ahead.

Diksha Jain: Could you just please explain the concept of asset-light model and also highlight other companies that follow this similar strategy?

Kanishka Sethia: Very good question, Diksha Ji. I will not be in a position to comment on competition or what they do. I don't really track that too much, to be honest with you. My asset-light strategy basically, ma'am, works on the concept that we want our models to be completely flexible, basis our customers' requirements. So, the only assets that I actually own are the ones which are critical for me to run the supply chain. Anything else that I can get from the market or I can rent from the market or I can lease from the market, I take.

So, I don't get involved in owning of assets or trying to sweat my assets. So, only assets that we procure are the ones which, I cannot get into the market or, are very critical for my supply chains, which I need to have on my own control. So, those are the only assets we buy. So, that means we remain very focused on being very asset-light. And in ensuring that we are able to upscale and downscale our operations, basis our customer needs.

For example, Diksha ji, imagine I purchase 100 trucks for client X. And now I enter into a contract with him that he'll give me material for 100 trucks. And suppose there is a downturn or they have a problem, then both the principal and the vendor are in problem, right? Which can happen in any business, any sector. But being asset-light, since I have, in my example, I would have probably rented out most of the trucks, I can always, divert it to other businesses or let go of those renters. So, that way, the principal and I remain very, very flexible. That's the asset-light model that we follow.

Diksha Jain: Okay, thank you, sir. I just wanted to ask one more question. Like, could you just please provide me a breakdown of the company's vehicles, like in terms of ownership versus leasing?

Kanishka Sethia: So, my business, from my owned assets would be a fraction of my total business. Though we don't salami slice our financials in the way that you are asking. But I would say that maybe 80%, 85% of my volumes would come from non-owned assets.

Diksha Jain: And also could you outline the company's current geographic footprint?

Kanishka Sethia: Right, ma'am. So, we are a Pan-India company, ma'am. We've been around since 1972. So, this is our 52nd year of operations. We have about 50, 55 branches Pan-India. And we cover all five locations, which is north, south, east, west, and northeast. We grew out of Calcutta, but our operations are now quite well spread out across the country.

We have four zonal offices, Calcutta, Delhi, Bombay, and Chennai, which control the four zones. So, all the zones report to their zonal offices, and all the zonal offices report to the head office. So, that's the structure that we've created.

Diksha Jain: Thank you so much, sir. That's it from my side.

Moderator: Thank you very much. Next question is from the line of Sana an individual investor. Please go ahead.

Sana: Good afternoon, and thank you for the opportunity. So, my first question is, as we have seen that the borrowings have almost doubled in the last two years. So, what is the reason for the borrowings being doubled?

Kanishka Sethia: Yes, ma'am. So, you're basically, I think you're asking why the borrowings have doubled, right?

Sana: Yes, for the past two years.

Kanishka Sethia: So, ma'am, there are basically two major reasons for that. One is that we have done a capex of around INR67 crores, INR68 crores in the last two years in buying specialized containers that are not available in the market, which are customized for our customers. So, the capex is about INR67 crores, INR68 crores.

And the second is increase in payment terms of clients, which is basically new clients which have come in. And those payment cycles have increased. For these two reasons, our borrowings have gone up to take care of our working capital.

Sana: And, sir, another question is, how is the company placed to repay its borrowing like current and long term as well?

Kanishka Sethia: So, that's a good question, ma'am. Majority of the borrowings, around INR225 odd crores, are related to working capital. Balance are against purchase of assets such as vehicles and containers. Such assets, basically the capex that we have done, are generating enough cash flows for us to repay their EMIs. Hence there is not much stress on the company's books in repayment of either of its debt. We also cleared out a large chunk of our working capital borrowings from our IPO proceeds. We paid out INR163.5 crores of outstanding borrowings from our IPO proceeds.

Sana: That's it. Thank you so much, sir. And that's it from my side.

Moderator: Thank you very much. Next question is from the line of Bhaskar Prajapath, Individual Investor. Please go ahead.

Bhaskar Prajapath: Thank you, sir, for giving me opportunity. First, congratulations for successful IPO. And now it is 30% down from IPO price. And I always curse myself for WCIL. Now, my first question is, what is the current book value of WCIL?

Kanishka Sethia: Sir, I don't know what the share price is today, to be honest with you.

Bhaskar Prajapath: 120.

Kanishka Sethia: So that's what it is, sir.

Bhaskar Prajapath: Exact 30% down and I always curse myself for it. That why I applied for WCIL.

Kanishka Sethia: I'm sorry to hear that, sir.

Bhaskar Prajapath: It's 120 current price and I always curses myself. Then why I applied for WCIL IPO.

Kanishka Sethia: It's basically, if you will see, we got listed on 24th of September. And from 27th of September, the markets have corrected drastically. I think more than 10% in the main NIFTY. And more than 0.5 trillion of investor wealth has been eroded. So I think we are part of that. It has not anything to do with our company specifically, sir. So I cannot really comment anything further on that. Because anyway, the promoters are...

Bhaskar Prajapath: It's a problem that mostly companies are down in a downfall side. They are down from the peak side of that side. And we are down from our IPO price, our cost price.

Kanishka Sethia: Absolutely, sir. But it is mostly a market situation. Your company specifically hasn't done anything to really erode our own confidence in our company or our growth story. So that's all I can say, sir.

Moderator: Thank you very much. We'll take that as the last question. I'll now hand the conference over to the management for closing comments.

Kanishka Sethia: So first of all, I'd like to thank all our clients, all our partners. I would like to specifically thank my Western Carriers team who have been stars with us, who have really helped us reach the size and scale that we have. And I would also like to thank all our stakeholders. It is your commitment and trust that enables us to pursue our vision of being a steadfast partner in enhancing operational efficiencies, enduring quality, and to lead in shaping a sustainable and prosperous future for our customers and the world.

We remain excited about the journey ahead and look forward to building value together by keeping one sole focus, which is customer delight. We feel that if we do our part of the bargain, God will take care of the rest and hoping for better times going forward, I would like to say thank you to all of you for your time.

Moderator: Thank you very much. On behalf of Western Carriers (India) Limited, that concludes this conference. Thank you for joining us and you may now disconnect your lines. Thank you.