



“Allcargo Logistics Q1 FY 2026 Earnings Conference Call”

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Moderator: Ladies and gentlemen, good day, and welcome to the Allcargo Logistics Q1 FY '26 Earnings Conference Call.

As a reminder, all participants' 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 "*", then "0" on your touch-tone phone. Please note that this conference is being recorded.

The Management is represented by Mr. Ravi Jakhar – Director, Strategy and Group CFO; Mr. Jan Kleine Lasthues – Chief Operating Officer, ECU Worldwide; and Mr. Stephen Dunn – Finance Director, ECU Worldwide.

I now hand the conference over to Mr. Ravi Jakhar for opening remarks. Thank you, and over to you, sir.

Ravi Jakhar: Yes. Thank you, and good afternoon to everyone. Thank you for joining in on this call. And I will take you through the financial and business highlights for the quarter, along with my colleagues Jan and Steve on the call. And happy to respond to your questions or information that you may seek.

To sum up, if you look back at the quarter gone by, we could split it into two core segments, the international supply chain business and the domestic business. On the domestic business, there are no macroeconomic challenges, the country's economy seems to be in good shape, the trade volumes have been growing well. There are a lot of emerging sectors, particularly e-commerce and quick commerce, which continue to grow well. And all of these leads to opportunities in logistics sector. And as an outcome of that, we have also seen good progress in the domestic business. Contract logistics business, if we compare prior to the previous year, we have grown our revenue by 50%. EBITDA has gone up by about 30%.

On the domestic express business:

The whole Gati turnaround has been panning out well. We have been able to now be a bit more selective on the revenue, and at the same time rationalize margins and costs, which is why we have been able to improve the EBITDA in the express business also. And as we head into the month of July and August, we also seeing the revenue momentum coming in.

So, on the express and contract logistics business:

Good performance, good momentum. And possibly, we should see more benefits coming out from an operating leverage with white space reduction the contract logistics business and with increased volumes and revenue in the express business in the coming months and quarters to follow.

On the international supply chain side:

While the company-specific initiatives have been all going okay. The macroeconomic volatility remains. The geopolitical tensions have not de-escalated, there are a little bit of concerns around the whole tariff announcement by U.S. which continue to impact the trade, which remains subdued. And that's why we have seen volumes and the overall performance being more flattish from a gross profit perspective. And then there are some impacts on the costs, which have impacted at the EBITDA level. And there's also an ocean loss of FX, which I will explain once I complete the highlights as that is a significant number for the quarter, which is impacting the reported PAT.

In terms of the near-term momentum:

We are seeing a strong rebound with almost 8% to 10% increase in volumes. However, this is not structural, I would call it more seasonal. As the holiday season demand starts picking up, this is normal for the July, August, September quarter to be stronger on volumes and the overall performance. And that is what we are seeing on a relative Q-on-Q basis.

But in terms of the overall broader recovery, trade volumes normalizing, the macroeconomics being more positive, these are things which need to be further cautiously seen over the coming months and need to see how these geopolitical events shape up. So, at this point in time, it's very difficult to make any long-term comments. The near to next three months look good. Beyond that, we will have to see in the coming couple of months.

Let me take you through some of the financial highlights on the consolidated and the segmental performance for the company for Q1 FY '26.

On the consolidated side:

Revenue for the quarter stood at Rs. 3,817 crores, which is a marginal increase of 1% over the corresponding quarter last year and a decline of marginal 3% over the previous quarter. The consolidated gross profit for this quarter stood at Rs. 856 crores, which is a growth of 8% over the corresponding quarter last year and 2% over the previous quarter. I would say that the volumes have remained flattish, and we have maintained a high yield, which is what is protecting the gross profit.

But the additional increase that we see in the gross profit is also on account of some of the local revenue that we earn in European countries, which is in euro, and euro has had a sharp appreciation in the last quarter. That of course also means that the European salaries and cost paid out also had an impact. And therefore, you will see the impact of euro inflation in both the gross profit being higher and also the staff and the G&A cost also being higher as Europe is a key region. On an overall basis, this potentially negates out.

EBITDA, excluding other income and other items from a business standpoint for the Q1 FY '26 stood at Rs. 103 crores compared to Rs. 136 crores for the same quarter last year and about Rs. 128 crores for the previous quarter. What we have seen is that from a business standpoint, we have been able to rationalize working capital. We have been able to improve our efficiency on that. And as a result of that, we have been able to reduce our debt.

Now, it is noteworthy that in rupee terms, our gross debt has come down by Rs. 107 crores compared to the previous quarter and now stands at Rs. 1,060 crores. If you account for cash lying with us as well, the net debt has actually come down also to Rs. 467 crores, which is below the previous quarter.

The reason why I say it is noteworthy is that while the business is not generating strong cash flows and at the same time, our borrowings in the Belgian subsidiary are in euro. So therefore, in euro terms, there's actually been a more substantial reduction by way of operating cash flow and working capital efficiencies. But it is primarily the currency translation, which is also showing limited reduction in the overall net debt and gross debt position, which should have otherwise been even higher. And I will come again to the FX fluctuation and what the overall trend looks like.

So now if you look at Q1 FY '26, the impact of foreign exchange loss, which is notional, is almost Rs. 83 crores for this quarter. Now to explain what exactly happens is that we have all the global operating entities are step-down subsidiaries of ECU worldwide and the other holding companies in Belgium, which account in euros. Now, they give intercompany advances and loans, which are for the purpose of working capital and general business management, which are given in U.S. dollar terms. So from an accounting standpoint, these U.S. dollar loans for the euro-USD parity on a quarter-on-quarter basis accounted for and adjusted in euros. And we see that seasonally some quarters are negative and some quarters are positive in terms of the notional Forex impact.

If you look at the long-term perspective, over the last five years, the total change in USD to euro has only been about 1.8% to 1.9%, which means that less than 0.1% on every quarter basis. However, the past quarter was exceptional on the negative side, whereby the change in single quarter was about 9%. Subsequent to the quarter, in the month of July, it almost reversed by 4%. So while euro appreciated by 9%, it then came down by 4% in July. So these are monthly and quarterly fluctuations, which are natural in nature because these are long-standing working capital advances given from the holding company to the operating companies. And the long-term impact is only created by the long-term changes in euro to USD exchange rates.

However, as a company, we also recognize that from a quarterly financial reporting perspective, these numbers do create unnecessary fluctuations in the reported earnings. And therefore, we are discussing how some of these notionals. Now these are not real losses and therefore, they are also not hedgeable at large, but how we can possibly adopt accounting practices, which can help

us eliminate the undulations from an accounting standpoint. And we will perhaps come back with some views when we report next quarter.

For this time what we have done is we have decided to increase our disclosures and make it more clear by including this notional FX loss as a separate line item, which would be loss or a profit as long as the current pattern goes. However, as I mentioned, the debt has come down because of the cash flows remaining strong by way of operating business profit and also the working capital and efficiency management.

On the international supply chain business, moving on to the segments. The LCL volume for the quarter ended June stood at about 2.14 million cubic meters, which is about a 3% growth over previous quarter. The FCL volume for the quarter stood at 168,000 TEUs, which is up 6% over the last quarter. The air volume for the quarter stood at 8.4 million kilos, which represents a growth of 5% as compared to same period last year and a seasonal decline of 14% as compared to Q4 FY '25.

Revenue for the Q1 FY '26 stood at Rs. 3,330 crores, which is similar to the corresponding quarter of last financial year and a marginal decline corresponding to the previous quarter, which primarily indicates that while volumes have been flattish, the freight rates have also been range bound as an outcome of that, the numbers have also been broadly flat. EBITDA for Q1 FY '25 to at Rs. 52 crores as compared to Rs. 87 crores in Q1 FY '25 and Rs. 80 crores in Q4 FY '25 for the international supply chain segment.

On the domestic side, as I mentioned, the express business, we rationalized and the revenues declined by 7% quarter-on-quarter, which was also a bit of seasonality. And like I mentioned, we are already seeing a stronger momentum in July and it's at Rs. 357 crores for the quarter. However, despite the decline in the revenue, the cost initiative measures which we have been adopting allowed us to increase the EBITDA by 18% during the same period of corresponding quarters.

On the contract logistics business, as I mentioned earlier, we have seen a year-on-year growth in both revenue and EBITDA with revenue going up by 49% and EBITDA going up 29%. Here, we still are operating at a white space capacity, which is perhaps slightly higher than our desired levels. And therefore, I see opportunity to improve the margins by utilizing these white spaces and generating additional revenue without any incremental rental cost. And we do have some contracts which have been signed up post quarter closing, and we have good healthy pipeline as well.

So that's a broad perspective on the financial performance and the business outlook, but we will be happy to engage in the discussion. So, I would hand it over back to the moderator to open the floor for questions and answers.

Moderator: Thank you very much. We will now begin with the question and answer session. The first question is from the line of Koundinya N. from Jefferies.

Koundinya Nimmagadda: Hi, thanks for the opportunity. So my first question is on the international supply chain front, between all the currency movements, right, while it helped your gross profit, it did not help at EBITDA level. So, I mean, can you provide a bit more granularity how should we look at this gross profit to EBITDA conversion and also speak a little bit about the initiatives that you have been speaking about, I mean, where are they with aspect cost reduction measures and all? That's one.

And two, on the express distribution side, right, you did speak about some kind of recovery in 2Q. So I mean, this segment, not just for you, but for the broader industry has been a bit weak for some time now. And are you seeing any green shoots now, which are giving you, I mean, ahead of the H2 giving you some kind of optimism or that, if you can throw some more color on this, please?

Ravi Jakhar: Yes, sure. So let me start with the international supply chain business. On the International Supply Chain business, our primary operating currency is U.S. dollar, and therefore, the business largely operates in U.S. dollar. And we see consistency, when we look at the U.S. dollar numbers there's a good amount of consistency on the yield because the entire business is via the U.S. dollar internationally. And therefore, if you look at our gross profit over the last three quarters and divide it by the volume, which is the yield, it is absolutely consistent over the last three quarters taking out the FX impact, which was not reported separately in the earlier quarters.

What we see, the one which I spoke about, which is the intercompany advances, there is purely a notional impact, so I am not much concerned on that. Speaking on the actual impact, like I said, approximately, and it will be plus/minus 5% here or there, but approximately, say, 50% of the cost is on the ocean freight side, which is entirely U.S. dollar and 50% of our revenue and cost on the LCL side could be on the ground, door movements, local charges, handling at origin destination, etc. And in the FCL, ocean freight will be a slightly higher component because ocean freight could be around 65%, 70% in the FCL business because the initial part, there's no stuffing, destuffing, those operations are limited.

So now the ocean trade is in tiring U.S. dollar, which means that you are buying in U.S. dollars, we are selling in U.S. dollars. On the local charges, we are typically bought and sold in the local currencies. And conventionally what we have seen is we typically cover up the local cost from the local revenue, and we make profit on ocean freight, that is the broad framework on which principally industry operates and that's how we do the pricing as well. So from that standpoint, we do not see a real impact of fluctuations between local currencies and the U.S. dollar unless these are wild fluctuations. What I mean by wild fluctuation is we have countries like say Turkey or Argentina over the last few years, there have been wild fluctuations with the currency

depreciated significantly. And there are significant changes between receivable and payable position sometime.

At large, 99% of the business, these fluctuations do not impact much. This volatility, like I mentioned what we saw in euro to dollar was a bit exceptional in nature coming in one quarter at about 8.5%, 9% compared to 2% over five years. So this resulted in slightly higher local revenue and slightly higher local costs as well. And just to give you a ballpark estimate, you can make out from our geographic presence and the volume distribution, we have been sharing GP numbers by region as well. You could broadly make out Europe is a slightly higher cost continent so one could estimate anywhere between 20%, I would say, plus/minus a few percentage points could be the cost of staff in Europe and corresponding G&A numbers could be similar.

Which means that a 9% impact could basically create a 1.8% overall impact on the SG&A cost, which is why you see some of the inflation in the SG&A cost also, that's one part or the entire part. But you see a similar uptick in the GP also. So this kind of negates out. So on a net basis, I do not see an impact because of the euro-USD change at large because you would have seen a positive impact on GP and a negative impact on the SG&A. That's the broad view on the currency impact.

Now in terms of the cost itself, apart from this, the impact of euro versus USD or euro versus INR, which is a reporting currency here, other things have been, there have been some one-off payments. You also provided for doubtful debts, which we have kind of discontinued some of the non-core businesses, which we felt had higher risk and some of these amounts are pertaining to the business. We feel that there could be similar provisions in the next quarter as well on the doubtful debt. But from Q1 CY '26, which is Jan to March or the calendar year, Jan to March '26, we believe that with a complete exit from some of these non-core businesses which are there in some of these countries, the core business has basically very strong collections, very strong visibility and everything. So, we should see a negligible provision for a doubtful debt, that's the outlook.

In terms of the business aspect on the international supply chain, like I mentioned, we are seeing the festive green shoots at this point in time, we are seeing the momentum, volumes seem to be 8% to 10% up at this point in time, sequentially month-on-month, if I look at the June versus July roughly. So those things are there, but we cannot count upon them as a long-term momentum, because we need to see how the overall trade environment settles post all the ongoing geopolitical concerns and the economic trade sanction concerns.

In terms of the initiatives, there was the second part of your question, if I recall, where the impact of the initiatives on the cost reduction and all. So on the outsourcing bit, I would say, on the operational side we are slightly behind. We were expecting to conclude, say, about 30 to 40 roles in the quarter gone by. But you had some change in plan moving into a different location and possibly that will be delayed by two quarters. And the financial outsourcing, the first phase is

on track, and that should be implemented in the coming quarter. The first phase should lead to an impact of about \$1.5 million on an annualized recurring savings basis. So that is something is on track. The operational part which should have also led to a similar amount is kind of delayed by two quarters, that should have been done in this quarter ending but has partly been pushed back closer to the year-end quarter, the December end quarter.

In terms of the other initiatives, they are going well in terms of our automation. We have been able to build rate management tools, a lot of AI projects that we are working on. So in terms of bringing in operational efficiency to drive productivity, those things are working fine. So that's a bit of an international chain. If you have any short quick question, I can take that up, otherwise I will move to the express business where you asked some questions.

Koundinya Nimmagadda: Yes. If you can quantify the one-off payments that you incurred on the other expenses with respect to the receivable or the provisions, so if you can provide a quick color on this.

Ravi Jakhar: Yes. Approximately, I would say, \$1.5 million of third-party provisions, roughly about \$700,000 of intercompany receivable positions squared off net impact. And approximately, \$1.5 million to \$1.7 million of variable payouts, which was not provided considering the financial performance. But then we felt that given the competitive outlook and the performance of the company, we decided to give a part of the variable performance bonus, etc., which is amounting to about \$1.6 million to \$1.7 million. These are the three numbers. So totaling about \$2.2 million on the provision side and about \$1.6 million, \$1.7 million additional of the variable payouts, which are not accounted for. That's the broad impact.

Otherwise, like I mentioned, the volumes remain steady. The yields remained steady and the SG&A costs have been largely rangebound barring these exceptions. And the intent now from here on is how we can expand the volumes. Now in the festive season, of course, it will happen. But on a long-term sustained basis, we need some support from the metronomic environment recovery. And then we are very focused on weaning in our SG&A also that the entire incremental GP can flow towards the bottom line.

So on that note, in the interest of time, I will move to the express business, your question on the green shoots visibility. Like I mentioned, yes, we do see green shoots in the express business with the month of July volume is looking good, and we believe the momentum to continue through the festive season. I would also say that from an industry standpoint, actually last few months have actually been quite good. We have seen double-digit growth in the industry at large.

Though for us, last quarter we did not see revenue growth. We saw a growth in focused customers, but we also let go a few customers, and that's how you see the profit profile improving. I would also say that we potentially also, if you look at the last two, three quarters at large, we would have potentially lost some market share. But now we are in the positive direction with the new team we joined about four, five months back, completely the team has settled in well and is now working with some momentum.

So I would say that industrial, honestly, do not see any challenges, industry has been growing well. We had been struggling on the revenue growth side and focusing on cost optimization. Now I would say I am confident the cost optimization is done well, which is why you see the EBITDA grows despite revenues declining. And we clearly see momentum on both the volumes and the rates. And we have also been able to bring in marginal price increase as well, which also helps in improving the yields and profitability. So that's the broad outlook on the express business.

Koundinya Nimmagadda: Thanks for the elaborate answer, just one last thing, do you have any specific comments on the gross profit or gross margin side in the express business that seems to have taken a hit?

Ravi Jakhar: So I would say that your gross profit on the express business side should potentially be sitting at a higher number from here. But we saw deductions to be slightly above our estimate levels. And these deductions typically pertain to a few quarters behind because the claims come in later and then we kind of settle them in. So, I would say, deduction to some extent what we believe would be controlled, and multiple steps have been taken, which should lead to maybe 0.3% to 0.5% kind of potential impact.

Beyond that, there will also be an impact of the improved operations in terms of the volume goes up and the cost of mid-mile ability to run the trucks for high kilometers per month, a lot of those operational parameters are typically linked to volume. As we are able to scale up volume, we should be able to bring down the operating costs. So from an ideal operating perspective, we are operating clearly below where we should be.

If you look at our operating gross margin, it is sitting under 25% for this quarter. While we believe that in an ideal situation it would be more close to 30%. So there's definitely the opportunity for us to continue to improve on the gross margin in the percentage terms on the domestic business. In the international business, percentages do not make sense because freight is largely a pass-through cost. And there, I would always recommend to look at yield, which is gross profit divided by volume.

Koundinya Nimmagadda: Sure, great. Thanks for the answers. All the best.

Moderator: Thank you. The next question is from the line of Vikram Suryavanshi from PhillipCapital. Please go ahead.

Vikram Suryavanshi: Just two questions. One is that, with this tariff, how do you see reorientation of trade or early signs from the customer side in terms of volume impact in a particular region, if you can highlight to some extent? And secondly, in terms of ECU360 app, I just wanted to understand, out of total volume, how much would be our like door-to-door kind of volume? And is there any scope further to really capture the share of customers' whole end-to-end logistic from say a point to delivery for us?

Ravi Jakhar: Yes. So as I understand, your question is around the impact of the tariffs and the increased penetration and the outlook for door-to-door through the ECU360 platform. So let me invite my colleague, Jan Kleine, to come in and share his views and add on to the comment. Jan, you want to share your views on what's happening with the whole tariff environment and then also on the door deliveries and the potential with ECU360?

Jan Lasthues: Sure. Absolutely. Well, I think in general, well, we all see how volatile the market is at the moment. And I think it's quite hard to predict how tariffs develop in the coming months. You all see, we have now pretty high tariffs, especially on the markets from and to the US. Well, India just has been hit hard by double increased tariffs but as well other reasons of the world, right? The EU has been hit by 15%, China with stronger tariffs. And as well, if you look at China now, the decision has been delayed again. So everybody was expecting that there will be a trade deal or at least a decision on the China tariffs between U.S. and China just now this week, but that's all delayed again.

So, this shows how volatile the market is. I think at the moment, well, we see the volatility sometimes helps us also in terms of growth, right? If there is a deadline coming soon for new tariffs to come into the picture, there's always a high spike to push volumes into the U.S., which then always helps us to gain a bit more business as well to have higher yields because the people have a short-term, very strong demand which then, well, at the end, helps us to sell the capacity at a higher price.

But at long term, we see, on all the markets globally, the volumes are a bit down, right? So this is really the uncertainty. And not knowing what's going to be in one month or in two months with tariffs, for sure, that's not helping the global trade. And we with our international business are really dependent on the global trade. So this is really a bit unpredictable, I think. Well, we are, at the moment, navigating quite well in that market. It helps us at least at the moment to keep the yields up. And I think it will also, at least till end of the year, if not longer, help us to keep the yields on a higher level.

But again, right, it's still quite unpredictable. And volumes well, market volumes are down. I think with our way of navigating in that market, we have goods. And our aim for sure to grow further because, well, we have not the largest market share so growth is possible and that's our clear aim, growth take more market share. But overall market development, quite unpredictable at the moment volume's a little bit down.

Vikram Suryavanshi: Okay. Got it. So thanks for giving clarity in terms of volume. But there was also a concern for the industry or investors that the brand may ask for supply thing also to be some kind of tariff hike. What chance is there that out of what tariff hike is happening how much will be borne by the brand, how much will be from the supplier, and some basically on supply chain. So, are we seeing some negotiation happening on that front where they are really asking it would be some kind of burden as a supply chain partner?

- Jan Lasthues:** Can you repeat that, because it was really hard to understand.
- Vikram Suryavanshi:** Okay. So whatever tariff increase is happening, are the brands asking to bear some of that tariff burden to supply chain partners also to manage the inflation?
- Jan Lasthues:** Yes.
- Moderator:** Thank you. The next question is from the line of Vikram Suryavanshi from PhillipCapital. Please go ahead.
- Vikram Suryavanshi:** Now I hope this is better. There are some network issues. So probably, I think I am audible now.
- Ravi Jakhar:** Yes, Vikram, we can hear you. So Jan, Vikram was primarily asking about, is there expectations from the supply chain companies, the logistics partners from the companies to be a part of the tariff hit.
- So from my perspective, let me share my views, and Jan can add to that. So basically, when there's increase in cost, whether it's cost on account of raw material or cost on account of freight or cost on account of tariffs such as the current environment, naturally, everybody is trying to mitigate the costs and negotiations may happen. However, where we sit in the supply chain is we are kind of a platform that brings capacities together. And as an LCL consolidator primarily, we create efficiencies. So what it means is that in an environment like this, it also creates an opportunity for people to be more cognizant of utilization and try and load more LCL cargo rather than half utilized boxes. So from that perspective, there is efficiency and that's what keeps us more relevant.
- Secondly, our profitability is largely an outcome again of the efficiency. And therefore, it is not a vanilla markup on the cost. And therefore, no we do not see as such any significant pressure. We engage with forwarders at large who, of course, are working with the brands and companies facing the tariff hikes. But I think to some extent, as the tariff hike happens in those like, let's say, there are certain sectors on which there's cargo going from Brazil to U.S. and that has kind of stopped, that lower demand automatically adjust the freight rates.
- So the freight rate, which is basically a buying cost for us comes down, and therefore, we are any which way is keeping the same margin, able to pass on a lower cost to the customer as well. So, to a large extent, we are not impacted by any additional negotiation. And as you see, over the last three quarters, I was just mentioning, we have remained absolutely consistent on the yield, which is U.S. dollars that we make on every cubic meter or USD that we make on every TEU. That's broadly my perspective. Jan, do you want to add to that?
- Jan Lasthues:** Yes, I think what is important to understand as well. So these tariffs always are hitting only one trade lane, right? So if we are talking new tariffs, China to the U.S., so, well, this is one trade line which will be hit by it. But let's say China to Europe is still running well, China into Asia is

running well. So for us, it's quite important when there are new tariffs is not hitting the global trade, it's hitting the trade to the U.S., sure the U.S. is one of the biggest trading partners of many, many countries. But I think it's important to keep in mind, and that's a clear advantage on us as ECU, Allcargo that we are a global trading or forwarding or transport company, logistics companies. So we are trading with all and all countries. So that means if one trade lane is a bit weaker, all the others are still remaining, and we still can grow and we are growing on other trade lanes and also make good money there. So this is quite important, right? If we talk about tariffs, is hitting everything coming to the U.S., but the rest of the world is still trading at a normal pattern.

Vikram Suryavanshi: Understood. And just a last question about our advantage of ECU360 App and how much we can garner door to door service and take a more wallet share from the customer?

Jan Lasthues: Yes. So I think with ECU360, I think we developed something quite unique in the environment, especially in the environment of being a neutral partner for many of the other logistics companies. With ECU360, with a push of a button, you can get the pricing from door to door all over the world. And so I think this is something where we gained already a lot of business, but our plan is even to gain more business. So that's why we extended it now, not only for our core LCL business, so the less container load, but now we also extended it on the FCL business, so the full container load. So we are expecting another big push there to grow our FCL volume significantly by having this offer on ECU360. So making quotations easier from door to door, so not only earning on the sea freight part, so on the port-to-port, but really earning additional GP on the first leg and last leg and all the value-added services around.

But ECU360 6 is really helping us to get there because it makes, for our customers, very easy to get a quotation and as well to give us a transport order for those goods. So I think it's a clear advantage. And well, I am now, well, more than 25 years in this industry and I know a lot of companies who tried to develop something similar to have a fully online quotation tool, not only quotation tool but also the whole interaction with customers digitalized. And I think we with ECU really make a step forward with this. This is really a great tool which can deliver a lot of extra revenue, and now have this extended to full container loads will make a difference.

Vikram Suryavanshi: Okay. Got it. And how is the listing process expected for this post-restructuring time line, if you can share, if it is revised?

Ravi Jakhar: What's that, on the listing of the --

Vikram Suryavanshi: Demerger, yes.

Ravi Jakhar: Yes, yes. So basically, we have our hearing today, this is the final hearing which was scheduled. However, we believe that NCLT has been significantly occupied, and we should now get a hearing date next month. And we expect that in that hearing or maybe in September or latest

October, we expect the matter to conclude then the demerger can be get effective. And then it may take a couple of months for the listing process to follow.

Vikram Suryavanshi: Got it. Thanks for the update. All the best, sir.

Moderator: Thank you. As there are no further questions from the participants, I now hand the conference over to Mr. Ravi Jakhar for closing comments. Please go ahead.

Ladies and gentlemen, the line for the management is disconnected, please hold while we reconnect them again.

Ladies and gentlemen, thank you for being on hold. The line for the management is now reconnected. Thank you, and over to you, sir.

Ravi Jakhar: Yes. Thank you for your patience and staying back. Unfortunately, line got disconnected. But I would like to thank you again for joining us on the call. And we will keep you posted about all the developments on a monthly and a quarterly basis. We believe in best disclosures to make our investors and analysts more aware about our business and understanding as well. I would encourage everyone to come back with questions to our Investor Relations team with your suggestions with any more information or data that you believe might be helpful in better understanding of the company. Over the last few years, we have always tried to incorporate as much details as possible and therefore we encourage you to come back with your suggestions on how you can understand the business better. And we will keep you posted about how the business is going and also on the corporate action developments such as the demerger. Thank you once again for joining the call. Thank you.

Moderator: Thank you very much. On behalf of Allcargo Logistics, that concludes this conference. Thank you for joining us. And you may now disconnect your lines.