



WESTERN CARRIERS (INDIA) LTD.

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Date: 23rd May, 2025

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
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Scrip Code: 544258; Scrip Symbol: WCIL

ISIN: INE0CJF01024

Dear Sir/Madam,

Sub: Transcript of the earnings conference call held with Investors with reference to discussion on the Financial and Operational Performance of the Company for the fourth quarter and financial year ended March 31, 2025.

In furtherance to our earlier communication dated May 14, 2025 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 May 19, 2025 at 12:00 P.M. (IST), with regard to the discussion on the Operational and Financial Performance of the Company for the fourth quarter and financial year ended March 31, 2025.

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,

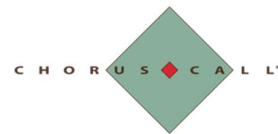
Yours faithfully,

For Western Carriers (India) Limited

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



“Western Carriers (India) Limited
Q4 and FY '25 Earnings Conference Call.”
May 19, 2025



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

MODERATOR: **MR. ARYAN SUMRA – MUFG INTIME INDIA PRIVATE
LIMITED**

Moderator: Ladies and gentlemen, good day and welcome to Western Carriers (India) Limited Q4 and FY '25 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 Mr. Aryan Sumra. Thank you and over to you, sir.

Aryan Sumra: Thank you, Amshad. Good morning, everyone. Ladies and gentlemen, I welcome you all to the Q4 and FY '25 earnings conference call for Western Carriers (India) Limited. To discuss this quarter, full year and business performance, we have from the management Mr. Kanishka Sethia, CEO, CFO, and Whole Time Director.

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

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

Kanishka Sethia: Thank you so much. Good afternoon, everyone. I am joined by two of my team members, Sapna and Ashish, on this call. First off, I would like to thank you all for joining us today on this earnings call for our company, Western Carriers (India) Limited. I truly appreciate you taking the time out on this busy Monday morning as we review our performance for the fourth quarter and for the full financial of FY '25.

As all of you know that this marks our third earnings call since listing in late September last year, and I would once again like to express my sincere gratitude for your continued trust, interest, and support in our journey so far. As all of you would appreciate and agree, FY '25 has been a year marked by resilience, execution, and consolidation. FY '25 was a year that tested the strength and resilience not only of yours but of the entire sector.

All the players from growth carriers to freight consolidators, logistics startups to infrastructure service providers, to shippers, all of us have felt the strong economic headwinds together with some regulatory uncertainties and most of all, global supply chain disruptions. As the year has progressed, most in the industry were quietly optimistic and forecasted an anticipated turning point, but that relief has really not come in yet and challenges have continued through the year in terms of the above-mentioned headwinds.

As you are all aware, politics-wise, it was a very active year with many major elections at both State and Central level. This obviously had a slowdown effect on the growth for the economy, especially from a government-spend point of view. However, despite several external headwinds, including the ongoing geopolitical disruptions and global trade uncertainties, your company has managed to deliver a stable performance, particularly given by the domestic segment, while also making meaningful progress in strategic areas that position us very well for the future.

To set the context, India's merchandise exports for FY '25 stood at US\$437.42 billion, which is growing marginally by 0.08% from US\$437.07 billion in the previous year. This flat trajectory reflects the global trade challenges we've all been witnessing, including persistent disruptions in international supply chains due to geopolitical conflicts and bottlenecks at key maritime routes.

I would like to say that, however, the economy now seems to be on a path of positive recovery. Some of the numbers bear out these facts. India's GDP expanded 6.2% in Q3 from a 7 quarter low of 5.4% in Q2. Retail inflation fell to a 6-year low of 3.3% in March. Government spending has also picked up, especially in the critical infrastructure sector as well as defense and power. Urban middle-class spending is expected to get a boost in FY26 after the IT relief offered in the union budget. But it's not all doom and gloom.

And therefore, I think, basis all of these facts, I think the industry is looking forward to a period of sustained growth as all the chips are in place, so to speak. Obviously, as the demand increases, so will the need for stronger and more robust supply chain networks Pan India, and we expect to see more investments and growth in all aspects of the supply chain, be it rail, road, air, warehousing, last mile, first mile, and value-added services.

I miss it if I didn't talk about the international front. On the international front, we are beginning to see some signs of cautious optimism. The prospect of a large-scale return of container ships to the Red Sea following ceasefire by US and Houthi militia in Yemen would flood the market with shipping capacity as global TUE per mile demand would decline by about 6% if the ships could sail through the Red Sea and the Suez Canal instead of the larger route around Cape of Good Hope in Africa.

This could and would dramatically reduce ocean trades, and this would help the exim trade. However, despite the easing of shipping business, global trade still remains pretty volatile with all the tariff actions across the world led by the US administration. I don't think anyone can predict exactly what will happen in the long run and how this will pan out, but the good news is that in the interim, the dust seems to be settling rather quickly as the US continues to stretch up important trade, deals, and partnerships for the next 80 or 90 days or so.

We expect, therefore, to see a short period of volatility in demand probably through the first two quarters of this year, followed by a sustained period of growth as the dust settles. Again, like I previously said, on the domestic front, the environment has been far more favorable. The government's continued push on critical infra, especially in sectors like defense and power, has gained strong momentum.

Alongside, we've been seeing positive structural shifts such as increasing formalization of the economy, rising e-commerce penetration, and a growing shift towards multi-modal and integrated logistics solutions, which is where your company is targeting. These developments reaffirm the strong growth trajectory for the Indian logistics sector, and especially for the specialized logistics sector in which your company participates.

Western Carriers has remained at the forefront of all of this transformation. With over five decades of experience, an asset-light and scalable model, and enduring client relationships, we

continue to be the trusted logistics partner for some of India's most respected industrial houses. We take particular pride in our high customer retention. More than 80% of our revenues are contributed by clients who've been with us for over three years.

This year, we have further reinforced that legacy. Our order book remains extremely strong, and due to long-term contracts with major clients, we have greater visibility on the frame to plan, to implement, and to execute. Just to talk about the long-term growth plan and the order books, this year has marked several key mega-orders for us.

One of the biggest highlights continues to be the INR 1,089 crores four-year contract from Vedanta Limited, where we manage end-to-end supply chain for aluminum, big iron and magnesium cargo from their plant in Jharsuguda to key ports and hubs around the country. In addition to this ultra-large order, we've received several very large orders, including the INR170 crores contract from Hindustan Zinc Limited, and a three-year INR41 crores project from Tata Steel Limited.

For the benefit of time, without enumerating or going into detail, I would just like to read out some of the orders that we've managed to crack this year. So the INR41 crores from Tata Steel, about a Brahmaputra Cracker and Polymer Limited contract, which came in at about INR5.6 crores. We received an order from Tata International for about INR8 crores. We received an order for rake movement from an international entity in Bhutan called Lhaki Steels & Rolling Pvt. Ltd. for about INR23 crores.

We received an order from Vedanta for handling a material handling contract of another INR139 crores, in addition to INR1,089 for rail services. We received an order from Hindustan Zinc for INR170 crores. Recently, in the last two weeks, we received two large orders, one from Sriram Alkalies & Chemicals, which is a unit of DCM Sriram Limited, for rake, container rake, tanker rake, transportation of CSL to Vedanta. The order is valued at INR23 crores. And the last order, which we received around the 15th of May, just a few days ago, was a consolidated finished goods material handling contract from Bharat Aluminim Company, valued at another INR70 crores. So this basically is a piece of what we are doing, and how, because of the large order that we have, we remain extremely strong, our order book remains extremely strong, and due to the long-term contract with these clients, major clients, we have greater visibility on execution of these.

These long-term, high-value commitments not only validate the trust placed in us by our esteemed customers, but also ensure that our revenue visibility, enabling us to plan and invest in efficiency-boosting infrastructure with much greater confidence. FY '25, I would like to say, in many ways, was characterized, therefore, by these two contrasting trends. A robust momentum in domestic business, and persistent challenges in the EXIM environment.

On the domestic side, our volumes grew by a healthy 31%, led by strong demand, particularly for specialized containers. In response of this extremely strong demand, we procured approximately 300 further FEUs, containers aligned with the customer specifications during the year, reinforcing our commitment to customized service delivery. In contrast, EXIM volumes declined by 12%, affected by continued congestion at transshipment ports, irregular vessel

schedules, and geopolitical tensions. These issues also impacted utilization due to higher costs and limited space availability.

Despite these challenges, we are now beginning to see signs of normalization, and remain optimistic about a stronger recovery in FY26. Of course, to support our long-term contracts and improve operational agility, we undertook a massive capex this year of approximately INR70 crores. This was strategically deployed towards acquiring specialized handling equipment like container reach stackers, forklifts, some commercial vehicles, a lot of specialized containers, all of which are directly aligned with our customer requirements and backed by firm long-term orders.

It's pertinent to also look at our business sector-wise, which gives a good idea of the value drivers and challenges thereof. As you know, your company is servicing several varied sectors and verticals, Pan India.

As most of you know, the metals industry, which rents more than 60% of our businesses, has had a tough year, especially due to geopolitical situations globally impacting theirs, and in turn, our EXIM business. But with growing domestic demand, most of the impact of this has been solved. However, with geopolitical situations now streamlining to a large extent, there is hope for a period of sustained EXIM growth going forward.

The FMCG and pharma industry, which contributes around 25% to 30% of our revenue and demand, has probably a larger effect on our growth plans going forward. And this continues to navigate a challenging external environment with another quarter of muted performance. The urban markets are still experiencing sustained slowdown, but the good news is that the rural demand is slowly picking up on the back of very good rains last year.

Again, benign raw material costs for several key components have helped keep the cost of products in check, and this should help in creation of further demand. The third sector, the industrial goods and MSME sector, which contributes approximately about 20% of our revenue, is also showing green shoots of growth, and with expected good monsoons this year as well, as predicted by MET, we expect to see increased and reinvigorated demand in this cluster as well. New project launches have been challenging in terms of stretched out timelines compared to the past due to the above-mentioned challenges.

Whereas in the past, many projects were rolled out within 90 to 130 days, we are now seeing something like 120 to 150 days rolled out on many projects, and in some cases even longer. And that, I think, remains a challenge not only for us, but as the industry as a whole. I wanted to give you guys a feel of the new rail services and the new projects that we have launched or are in the process of launching as we go ahead this financial year.

So some of the work that we have done and some of the work that is in fruition are the new rail services ex-Western India that we have started for south and north of the country. We expect this to give a huge boost to the MSME business that your company has been steadily growing over the last decade. We have already started services in two destinations, one in north and one in south.

The destination in the south is Bengaluru, and the destination in north is Jaipur. We will shortly be starting our train freight services in Central India, Indore, and to another destination in north, which is Kathuwas, by the end of this month. We also recently, like I pointed out, started the first tanker rail movement from Ankleshwar to Lanjigarh for DCM Sriram, and this has been done, completed successfully, and this is expected to constantly go on increasing as the months go forward.

We also have started and done new business development ex-Goa, and this has started. We expect this business to grow in this financial as well. So you can see from some of the salient big-ticket points that I've talked about, that there's a lot of focus on growing business from Western India, which is India's largest production hub.

And this financial, we expect it fits very well with our long-term vision, and we expect a lot of focus to continue on the Western India front from our side. We are also getting very long-term commitments with large customers Pan India, with two, three large contracts and terms in the pipeline, which, with the grace of hope, we hope to be able to announce shortly. Now, having talked about the rail services and the new project launches, I would like to turn to our financial performance for the year.

Turning to our financial performance, we have maintained overall stability despite strong external events. Revenue from operations has steadily grown to INR1,726 crores, up almost 2.4% from INR1,686 crores in FY24. This reflects a very steady performance despite an extremely difficult geopolitical situation.

I would like to again point out that the domestic volumes have risen sharply by 31% year-on-year, successfully offsetting the decline in EXIM volumes at 12%. EBITDA came in at a strong INR120 crores with a margin of just south of 7%, while PAT stood at INR65 crores with a margin of 3.8%. While margins were impacted by pressures in the EXIM segment, they remained within our anticipated range, and we expect margins to improve steadily going forward. In terms of volume, domestic volumes stood at 79,840 TEUs versus 60,863 TEUs in FY24.

This, like I said, shows a 31% increase year-on-year. Meanwhile, EXIM volumes unfortunately declined to 1,33,635 TEUs from 151,637 TEUs in FY24, primarily due to the extremely difficult geopolitical situation. Looking ahead, we enter FY26 with a very strong order book, enhanced operational capacities, and renewed optimism.

We expect the momentum in domestic logistics to continue, which should buffer us up further. We also expect support from the structural ailments that the government is producing. On the EXIM front, as global shipping disruptions ease and freight routes stabilize, we are hopeful of a recovery in volumes and realization.

The commissioning of the Northern Dedicated Freight Corridor (DFC), is expected towards the end of 2025, and this will be another significant milestone for our country's infrastructure. This promises to enhance transit speed, lower costs, and improve overall logistic efficiencies across the network, especially for players like us who are well integrated within the rail and multimodal

logistics systems. Our strategic priorities remain completely unchanged, building long-term customer relationships, leveraging technology for greater transparency and efficiency, and delivering execution excellence based on one of the top teams in the industry.

In closing, I would like to thank the entire Western Carriers for their resilience, their commitment, their stupendously hard work through a very complex year. I would also like to express my gratitude to all our stakeholders for their continued confidence and support in our journey. Thank you once again for your time, and we will now open the floor for questions.

Moderator: Thank you. We will now begin the question and answer session. The first question is from the line of Vivek Gupta from Star Investments. Please go ahead.

Vivek Gupta: Yes, so my first question was, what is the progress on the rollout of your transport management system? Like, what are the benefits have you seen so far?

Kanishka Sethia: Okay. Guptaji, on the transport management system, we've been continuously updating our software through the years. We are working on a level of new initiatives in the management system, which would give us flexibility and visibility, not only in terms of operational excellence, but also would help in improving our financials and our billing cycles further. We have done two or three data launches.

We are trying out some of the software and some of the features in the software. We hope most of it to come into fruition in the coming quarter itself. And I think, you know, by quarter 3, we should have whatever updates we want to go completely live.

This should help us not only in giving us, you know, quicker payrolls and quicker billing cycles, but also at the same time, create a large data bank of visibility not only for us, but also for our customers.

Vivek Gupta: Okay. So, how many B2B clients are currently active on your platform and how has the engagement trended?

Kanishka Sethia: So, our software, Gupta ji, is piggybacking on our client software. Our business B2B client use their own software. We piggyback on them, create the MIS and the reports based on their requirement.

We do not have a unique or a unilateral report that we create. So, based on the requirement of the customer, we create flexible reports. For example, if a customer needs a daily tracker, we send them a daily tracker. If a customer is satisfied with a weekly tracker, we send them back. Some customers, which are bulk customers, might require only a monthly report. So, based on the requirement of our customers, we have the capacity to customize the report.

And it is the duty of each staff, which is the account manager, to make sure that the customer gets the data in the format that he requires. Our motto speaks of our legacy, Gupta ji. Our motto is "Delivering Trust".

And this is what the customer needs to build the trust, is the sort of report that we create for them. It's a very flexible, fungible report. It's a very simple, idiot-proof report. Basically talking about whatever documentation, whatever data points that the customer needs. So, if it's about the location, if it's about the deliveries, if it's about the anticipated time of arrival, all of that is covered exactly to the customer's requirement.

Vivek Gupta: Okay, one last question from my side. Are you piloting any AI-based tools for capacity planning or ETA forecasting? When can we expect these to go live?

Kanishka Sethia: It's a great question, Gupta ji. We've actually been working on a couple of modules around AI. We've not had great success, to be honest with you, but we continue to work on it. I see a lot of future prospects in AI, especially for our business, when it comes to predictive models for warehousing, predictive models for supply chain management, as well as predictive models for re-logistics. So these are areas of great future hope for us, and we continue to work with our team internally and trying to see how we can customize the solution which gives us far greater data in these areas.

Vivek Gupta: Thank you.

Kanishka Sethia: Sorry, just to add, I don't have currently an exact timeline in which we will be able to pilot these AI projects, but it's something which is in our visibility, and our internal teams are working on the software side of this.

Vivek Gupta: Okay, thank you.

Kanishka Sethia: Thank you, Gupta ji. Thank you for your time.

Moderator: Thank you. The next question is from the line of Isha Murti from IM Capital. Please go ahead.

Isha Murti: Hello, sir. So, my question to you would be, like, could you provide insights into trends in network utilization over the last two quarters? Specifically, how have like, major freight corridors performed in terms of load volumes or, I can say, route efficiency and capacity utilization? So, are there any notable improvements or challenges which is being observed across specific lanes or regions?

Kanishka Sethia: Alright. First question, ma'am. So, operation-wise, it's been a mixed bag kind of year. One area of challenge has been for us around the Vizag Port. There's been congestion there due to increased volumes. And so that's an area of concern, not only for us, but for the trade in general. The other routes, you know, the Eastern Freight Corridor has gone live. We are seeing good reduction in transit there. The Northern Dedicated Freight Corridor, you know, is about 75%, 80% done. Last time we checked, Varnama in Baroda, the Northern Freight Corridor was working. And from Baroda to JNPT, the work is going on and going on in full swing. We expect this to be completed by December 2025 or maybe, you know, March '26. But once it does, then the North Indian customers will have a greater advantage. And, you know, this is something which is going to reduce the transit for the North Indian customers, especially for the EXIM business. So that gives us, you know, a lot of hope going forward in this.

- Isha Murti:** Okay. And my second question would be, like, what specific steps are being taken to reduce empty mile running and improve the black haul efficiency overall?
- Kanishka Sethia:** That's a wonderful question, ma'am. So the way we try to reduce empty haulage is that as our volumes are substantially large, we try to, you know, create situations of triangulation in which we try to reduce the route haulage as much as possible. So, for example, if there is a customer who is dispatching materials from Odisha and it is going to Vizag, we have a tracker internally which tells me when the rake will be coming to Vizag. And then this is the arrival there. We try to reposition, you know, containers and rake as soon as close our mission point. So the idea is reduce the cycle or the transit to reduce the empty hauls because empty hauls is a giveaway in reduction in the ability and transit. So it's something that we work on very, very closely. And this is what we try to optimize it as much as possible. The more you optimize it, the better your results or your return there.
- Isha Murti:** Okay. Got it. Thank you.
- Kanishka Sethia:** Thank you, ma'am.
- Moderator:** Thank you. The next question is from the line of Rahil from Crown Capital. Please go ahead.
- Rahil S:** Hi, sir. Good afternoon. Just one question. If you can, you know, let us know your guidance or outlook in terms of revenue growth and EBITDA margins for this year, financial year '26.
- Kanishka Sethia:** Sure. And, you know, this is the situation, you know, how we are facing geopolitical uncertainty and domestic situation with war, just having sort of subsided last week. It would be very foolhardy of me to come up with strong guidance. So I don't want to give guidance for the entire year at this time. Maybe if the situation is far more predictable, maybe in the next quarter I would like to give a guidance.
- But I would like to say that we expect this to be a stellar year since we see very good demand in the domestic business and we are seeing green shoots of growth again in our EXIM business. So if you can come back to where the EXIM delivered numbers were in the earlier years, we can consider this, we can predict this to be a stellar year for us.
- Rahil S:** Okay. But, you know, if not exact numbers, but then in terms of, you know, margins, given the promising demand and the outlook on ground, is there any scope for improvement there?
- Kanishka Sethia:** Yes, for sure, I can tell you that we expect margins to show stability in this financial year from, you know, the current delivered numbers and we hope to bring the margins slowly back towards the delivered earlier numbers, which was, you know, basically what we were able to do based on the EXIM. And so we expect the margins to improve steadily through this financial year, to be honest.
- Rahil S:** Okay, sir. Thank you and all the best.
- Kanishka Sethia:** Right, sir. Thank you, sir.

Moderator: Thank you. The next question is from the line of Gunit Singh from Counter PMS. Please go ahead.

Gunit Singh: Hi, sir. My question is regarding the CARE Ratings. So, they had issued that the issue is non-cooperating for the ratings on our short-term and long-term borrowing facilities. So, I mean, what is the reason for that?

Kanishka Sethia: So, we have already withdrawn the CARE ratings. We have the two companies, one was CARE and the other was CRISIL. CRISIL continues to be with us and our rating is a strong A-minus with them. So, that the matter with CRISIL, it has already been resorted and we have been far from them.

Gunit Singh: All right. And, sir, year-on-year in FY '25, we saw that the share of exports in our total revenues, the TEUs for exports, that has dropped year-on-year. So, I mean, looking at the current scenario of higher tariffs and trade wars, I mean, do we expect that number to go down further? Or, I mean, what kind of visibility do you have from that?

Kanishka Sethia: Fair question, sir. So, you are absolutely right, sir. Like I pointed out in my speech as well, the EXIM number has retracted approximately 12%. And I am talking all numbers in approximate, since I don't have the exact numbers in front of me. So, EXIM numbers have retracted about 12% from, I think, 1,51,000 last year to about 1,34,000 this year. This is primarily due to the extremely tough geopolitical situation worldwide. And as you would appreciate, sir, we are a derived industry. So, when my customers start exporting in large numbers, you know, my EXIM numbers will also go up.

Now, the prospect of large-scale return of container ships to the Red Sea, which is expected now, maybe in the next 1, 2 months, would have a huge effect. You know, it's a 6% decline in the TEU per mile, if you go through that route, instead of circumnavigating all of Africa and using Cape of Good Hope, what the shipping lines have to do now. That means this could dramatically reduce ocean trade for EXIM trade, which would be a strong positive, you know, for us. We expect the volumes to go up substantially if this happens.

But it's a wait and watch. As you know, the situation in the Middle East remains quite dynamic. So, it would be very hard for me to predict if it will happen tomorrow or maybe take some time. But I'm very, very confident that in the short term to medium term, this is something that's going to happen. I'm going to give a good impetus to our EXIM numbers. I don't see, the second part of your question, I don't see EXIM numbers reducing any further. I think we've reached the bottom. And the only way up is for the EXIM numbers to improve from here.

Gunit Singh: All right, so got it. And so we saw a 30% jump in the domestic numbers. So, I mean, given that there would be a better visibility for the domestic business. I mean, what kind of market scenario do we see in this and what kind of visibility do we have? Can we expect the same kind of growth in FY '26?

Kanishka Sethia: Well, I cannot say if we have the same kind of growth because this was a stellar year of growth. We grew 31% in domestic from 60,800 containers to about 80,000 containers in this financial year. But yes, I'm very confident that we'll have a very strong growth in domestic primarily

based on the utilization of specialized containers for several of our customers, we are stitching up several large projects in this space as well. So we are fairly very confident that we'll have a stellar year in domestic business. We don't see many headwinds in that.

Gunit Singh: All right, sir. And what were the main drivers of growth in the domestic business? If you can mention the top two, three drivers of growth.

Kanishka Sethia: Fair enough, sir. So one of them was the utilization of specialized containers. I think we procured about 300 FEUs, which is 40-foot containers, for specialized movement. This was used primarily in the steel industry for several customers. And this was a business which saw very strong demand, especially in the second half of last financial. This is something that we expect to grow further.

Other domestic movements have also increased for aluminum, for MSME, and for industrials. So this is something that has been growing. And this year, we see, like I mentioned earlier in my presentation, that one of the new rail services or new areas of rail services for the MSME has been from west to south and north. We were so far mostly testing for the MSME business from west to east. So now with new geography that we've opened up already in south and Bengaluru in south, Jaipur in north, and shortly in the next couple of weeks, we are starting central India with Indore. And so these areas, we expect the domestic business to be extremely strong.

And also, this year started for the first time in a big way, the tanker rake project movement for the DCM Shriram Group, which is moving from west to east. So from Ankleshwar to Lanjigarh, we've already done the test runs, very successfully completed it earlier this month. And we expect this business to incrementally grow through the year.

Gunit Singh: All right, so got it. So do we have any procurement plans of these specialized containers or any capex plans for FY '26? And if you can enlist that.

Kanishka Sethia: So, sir, to be honest, we are seeing lots of demand, and we are getting long-term commitments. Now, all of that are enumerated over the last year with the large orders that we have gotten. The INR1,089 crore Vedanta order, I think, is the largest supply chain order in the country. And seeing the long-term commitment from our large customers pan India, and the two, three large projects and contracts and quotations, we feel that it is the last, you know, it's a good time to actually increase our capex.

So last year, I think, was the largest capex we've ever done in our history. We closed in on approximately INR70 crores of capex last year. And my intention this year is to increase it further. We are intending to do a capex of approximately INR100 crores in this financial, sir, based on the strong demand that we are seeing. And this will be, you know, spread across the year. And this will again be the largest capex in the history of our company, sir.

Gunit Singh: All right, sir. Got it. Thank you very much. Wish you all the best.

Moderator: Thank you. The next question comes from the line of Rajeev Agarwal from Sterling Capital. Please go ahead.

- Rajeev Agarwal:** Thank you for the opportunity. I wanted just one data-keeping question. Please share me this quarterly volumes of domestic and EXIM for this quarter and corresponding last quarter?
- Moderator:** Yes, sir. You're audible. Just a second.
- Kanishka Sethia:** Sir, can you just repeat? You wanted the quarter-wise volume, right?
- Rajeev Agarwal:** Quarterly volumes for this quarter for domestic and EXIM as compared to corresponding quarter last year?
- Kanishka Sethia:** Sure, sir. So, I have the quarterly volumes for this year, sir. Unfortunately, I don't have the break-up from last year. But I can give you the Q4 volumes for this year, sir. Just give me one second. So, the Q4 volumes for this year, sir, is 19,824 domestic and 35,532 for EXIM. Q4 23 is 15,078 for domestic and 38,853 for EXIM.
- Rajeev Agarwal:** Okay. Thank you.
- Moderator:** Thank you. The next question is from the line of Amit Agicha from HG Hawa. Please go ahead.
- Amit Agicha:** Yes, good afternoon, sir. Thank you for the opportunity, sir. Sir, most of my questions have been answered. So, like, just I want to know the IPO raised amount was INR492 crores like is that completely utilized or some is left for using capex?
- Kanishka Sethia:** Sir, we have not utilized all of it, sir. We have utilized a substantial portion of it, sir. And till date we have about INR156 crores still with us, which will go into the capex that I was talking about. Part of it will go into the capex. So, about INR156 crores is still with us, sir. Out of the INR400 crores raised in primary, sir.
- Amit Agicha:** Thank you for the information, sir. And, sir, a different question, sir. Like, any one key insight, like which we have discovered in the past three years, which is very unique, you must have understood for the business of this company?
- Kanishka Sethia:** I can't follow you, sir. Can you please repeat?
- Amit Agicha:** Yes, sir. Any key insight which you must have discovered in the past three years, which is very unique to our business?
- Kanishka Sethia:** That's a great question, sir. So, one of the key insights has been that given the difficult EXIM situation in the last couple of years, we've been working very hard in trying to grow our business domestically. And we've found that customers have become more and more inclined towards multimodal logistics, especially after the COVID times. And people are more and more focused on finding solutions or solution providers like us who can do the entire supply chain work.
- I would say 5 years, 7 years, 10 years ago, people were doing logistics in a fragmented way. They had a railway freight forwarder, a road transporter, a CHA, etc. But now that the consolidated 3PL, 4PL kind of opportunity that people are seeing benefit of, it's been a real revelation for us.

And we see that going forward also, multimodal logistics solution is something which will incrementally keep growing as we go forward, sir. If I remember correctly a lot of research reports have pointed out that the growth from multimodal logistics is supposed to be very, very steep going forward also, sir. And it is an area of great opportunity. So, according to the I Lattice report, multimodal, that is the space that we work in that is the rail and road market in India, was valued at about 1,714 billion in FY24. And this is projected to grow to 4667 billion by FY29. That means we are expecting a CAGR of 22%.

And if your company, which is the largest in the space can remain dedicated and focus on the opportunity, you can see the kind of opportunity which remains in front of us. And the government projects like the Dedicated Freight Corridor, the multimodal logistics park, the Gati Shakti Yojana, these are all perfectly aligned with what we are doing, sir. So, I am expecting that once the international political turbulence sort of subsides we should be in for a very strong right going forward, sir.

Amit Agicha: Thank you for the elaborate answers. I really appreciate the answer and all the best for the future. Thank you.

Kanishka Sethia: Thank you so much, sir. Thank you.

Moderator: Thank you. The next question is from the line of Mamita Agrawal from ABS Investments. Please go ahead.

Mamita Agrawal: Yes, hi. Thank you for the opportunity. Sir, my first question is, what specific elements of operational expenditure contribute most to the margin pressure and these are expected to persist in the coming quarters?

Kanishka Sethia: So, ma'am, the major operational expenditure for us, if you look at it in two parts. For the rail business, it's always the rail freight. And for the road business, it's always or the road component of the business is diesel. I'm happy to say that for the road component, which is the first mile and the last mile, diesel prices have remained more or less flat-lined for the last year or so. So, there's not been much of a pressure in increasing that. And rail freight also has remained more or less stable over the last year. And so we don't expect it to really in the short run, change dramatically from here. So, the operational costs of these two components are more or less fixed in the short term.

Mamita Agrawal: Okay, great. So, my second question is what cost realization or efficiency improvement initiative are we taking to protect our margins?

Kanishka Sethia: Ma'am, I'm not able to follow you. Can you repeat that?

Mamita Agrawal: Hello. Am I audible now?

Kanishka Sethia: Yes, you're audible, ma'am. Can you repeat that?

Mamita Agrawal: Sure. So, my question is what cost realization or efficiency improvement initiative are we taking to protect our margins?

Kanishka Sethia: So, for improving our realization, ma'am, what is important is that we run an extremely tight and strong supply chain. Our goal is always like I pointed out earlier, to reduce empty hauls. Our goal is always to reduce the turnaround time of our assets. And our goal is always to create a very streamlined supply chain, where we are not increasing our cost of operation and at the same time improving our efficiencies.

This could be either in terms of asset utilization or smarter man management. For example, if you are able to do two jobs instead of one, since we work in an entire supply chain, if you take care of two jobs instead of having two people, I can pay you better salary, but at the same time save the cost of an increased manpower. So, our idea always is to give the growth opportunity to our team as well as streamline our operations as much as possible, because that's where the margins improve.

Mamita Agrawal: Okay. Sir, one more question. Like our other income increased significantly to INR4.8 crores from INR1.5 crores year-on-year. So, what contribute to this growth like was it treasury gains, incentives or some other one-offs?

Kanishka Sethia: So, this is basically the IPO money, ma'am, which is in the bank. So, it's under FD as per the norms and that is what we are working on. So, like currently I pointed out previously, we have got INR156 crores still lying with us from the IPO money, which we have not used and that's all lying with banks and so we have an FD on that. That's what the other income is, ma'am.

Mamita Agrawal: Okay. And, sir, given the margin pressure, so how is our receivable cycle trending, what is our current working capital needs and are we taking any steps to reduce it?

Kanishka Sethia: We are taking lots of steps, ma'am. The working capital cycle has been long. It's primarily because we've added substantial new businesses that I enumerated earlier and so the payment cycle becomes long whenever we launch new projects. As I said the new project launches, I also pointed out in our presentation has been a challenging time because of the stretched out timelines compared to the past, where in the past we rolled out projects successfully in 90 to 120 days. We are now seeing something like 120 to 150-day rollout on many projects and some are even longer and this is industry-wide, it is not only for us and I think this remains a challenge, but this is something which now we are seeing signs of reduction back to where we are. So, we are hoping that our working capital cycle should start streamlining quite effectively in this year.

Mamita Agrawal: Okay. Sir, just one last question. So, do you anticipate the EBITDA and PAT margin recovery in Q1, FY26?

Kanishka Sethia: Absolutely, ma'am. We expect margins to improve steadily in this financial year and we expect overall improvement not only in EBITDA, but also in the PAT numbers and we expect our working capital cycle also to substantially improve in FY26. As a lot of these projects have gone from launch to implementation, we expect the payment cycle to improve dramatically. So, we expect margins to be much better and going towards where we were earlier.

Mamita Agrawal: Okay. Sir, are we expecting this improvement because of pricing cost control or some volume push like if you can give some clarity on this also?

- Kanishka Sethia:** So, the per unit margins remain the same, ma'am. But you are absolutely right that the further the volumes are and the better the efficiencies are, the margins will improve. Say, for example, let me give you an example of a forklift say if the current volume is 3,000 containers, then I am doing 100 trips of the forklift. Now, if it increases from 3,000 to say, 3,300 that means there is a 10% increase in the throughput of the asset, but my asset costs remain the same. So that means that should give me an incremental increase in my margin. You do this over operations, over assets, over location, and that is where the margin starts improving. So, the idea is not only to sweat your assets, but to plan your logistics supply chain in such a way that you get the best result out of what you are doing with the focus always remaining on customer delight. If I am able to solve my customer's problem and give him a benefit, that incremental benefit to me always accrues.
- Mamita Agrawal:** Okay. That's great. Thank you so much, sir.
- Kanishka Sethia:** Thank you, ma'am. Thank you for your question.
- Moderator:** Thank you. Ladies and gentlemen, we will take that as the last question. I would now like to hand the conference over to Mr. Aryan Sumra for closing comments.
- Aryan Sumra:** I would like to thank the management for taking the time out for today's conference call and also I would like to thank the participants for joining the call. If you have any further queries, please feel free to contact us. We are MUFG Intime India Private Limited, Investor Relations Advisors for Western Carriers (India) Limited. Thank you so much.
- Moderator:** Thank you. On behalf of Western Carriers (India) Limited, that concludes this conference. Thank you for joining us and you may now disconnect your lines.