“Blue Water Logistics Limited

Q1 FY27 Earnings Conference Call”

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MODERATOR: **MR. AAGAM SHAH – X-B4 ADVISORY LLP**

Moderator: Ladies and gentlemen, good day and welcome to the Blue Water Logistics Limited Q1 FY27 Earnings Conference Call, hosted by X-B4 Advisory. As a reminder, all participant lines will remain 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 the operator by pressing star then zero on your touchtone telephone. Please note that this conference is being recorded.

I will now hand the conference over to Mr. Aagam Shah from XB-4 Advisory for opening remarks. Thank you and over to you.

Aagam Shah: Thank you. Good morning everyone and welcome to the Q1 FY27 Earnings Conference Call of Blue Water Logistics Limited. Today on this call, we have with us Mr. Lalit Panda, Managing Director of Blue Water Logistics Limited and Mr. Praveen Kunder, who is the Chief Financial Officer of Blue Water Logistics Limited.

This conference call may contain few forward-looking statements about the company which are based on belief, opinions and expectations as of today. Actual results may differ. These statements are not the guarantees of future performance and involve risk and uncertainties.

With this, I now hand over the call to Mr. Lalit for his opening remarks. Over to you, sir.

Lalit Panda: Yes, thank you. Good morning everyone. Thank you for joining us for Blue Water Logistics Limited quarter 1, FY'27 Earnings Conference Call. We have made an exceptional start to FY27, building strongly on the momentum achieved during FY26 and delivering robust performance in the very first quarter.

During quarter 1 FY27, Blue Water Logistics recorded revenue from operations of INR211 crores, representing nearly 55% of the revenue achieved during the entire FY26. This performance reflects the scale at which our business is now operating, establishing a stronger base from which we expect to build further growth in the coming quarters.

We have seen a significant improvement in business volumes across our operations, with strong growth across all major segments. Ocean freight volume increased to 5,757 TEUs in quarter 1 FY27, up 264% year-on-year and 29% over quarter 4 FY26. While NVOCC volume grew to 1,313 TEUs, up 119% year-on-year and 14% subsequently.

Our air freight business also continued its strong momentum, with volumes reaching 930 tons, representing a 520% year-on-year increase and 24% growth over quarter 4 FY26. This growth has been supported by higher business from existing customers as well as the addition of new customers such as Gujarat Ambuja Cement, HFCL Limited, Mukand Steel, Toshiba and many more.

The consistent expansion of our branch network over the last few quarters has also started yielding meaningful results by strengthening our presence across key markets and generating incremental business volume. These trends clearly demonstrate that our strong performance is backed by substantial underlying volume growth and reflect how the investments made over the past few years are translating into a larger and stronger operating base.

The strong start to FY27 gives us confidence in the growth trajectory of the business. Based on the visibility we have from our existing customer relationships, growing business volumes, expanding networks and new growth initiatives, we remain confident of carrying this momentum into the upcoming quarters and delivering substantial and profitable growth during FY27 and beyond.

For the benefit of our new investors and participants joining us for the first time, I would now like to briefly introduce Blue Water Logistics and the platform we have built over the years. Since our inception in 2010, Blue Water Logistics has remained focused on building an integrated logistics platform capable of offering seamless end-to-end logistics supply solution across multiple transportation modes.

Over the years, we have consistently strengthened our capabilities, expanded our geographic footprint and diversified our service offerings, enabling us to emerge as a trusted multimodal logistics partner for customers across industries.

Today we operate through an expanding domestic branch network covering key commercial centers such as Hyderabad, Chennai, Delhi, Jaipur, Visakhapatnam, Bengaluru, Mumbai, Gandhidham, Ahmedabad and Tada Mandal, while also strengthening our international presence through Dubai and an extensive partner network spanning over 28 countries.

Our integrated service portfolio includes ocean freight, NVOCC and ISO tank container logistics, air freight, custom clearance, road transport, railway freight and other value-added logistics services, allowing customers to meet their complete supply chain requirements through a single platform.

A significant pillar of our competitive strength continues to be our growing asset base. As of quarter 1 FY27, our fleet comprises more than 1,708 ISO tank containers and over 100 container trailers, providing us with greater operational control, enhanced service reliability and the ability to efficiently cater to specialized liquid cargo as well as domestic transportation requirement.

Over the years, we have built enduring relationships with leading domestic corporates and multinational companies operating across sectors such as chemicals, pharmaceuticals, textiles, confectionery, engineering and industrial manufacturing. Our emphasis on service quality, operational excellence, compliance and timely execution has enabled us to build a diversified customer base with high repeat business and long-standing commercial relationships.

Our ocean freight business continues to be the cornerstone of our operations, contributing over 70% of our quarter 1 FY27 revenue. Backed by strong relationships with leading global shipping lines and steadily expanding customer base. The performance of this segment during the quarter was supported not only by the prevailing freight environment but also by healthy growth in cargo volumes, reflecting increased business activity across our customer base.

Another key highlight of the quarter has been the continued momentum in our air freight business, which contributed over 21% of our total revenue. The increasing contribution from this segment reflects the success of our strategic airline partnerships, stronger customer adoption and our ability to capitalize on growing demand for time-sensitive logistics solutions. We believe air freight can continue to play an important role in diversifying our revenue mix and supporting the next phase of growth.

Our NVOCC business continues to strengthen its position, while surface freight and railway freight, custom clearance and other integrated logistics offerings complement our end-to-end service portfolio. This diversified service mix enables us to address a wider share of our customers' logistics requirements, deepen existing relationships and create multiple avenues for substantial growth.

One of our key strengths continues to be the quality of our customer portfolio. Our clientele comprises established corporates with recurring logistics requirements and long-term business relationships. This diversified customer mix not only provides greater revenue visibility but also enables us to maintain healthy operational efficiencies, better realizations and disciplined working capital management.

Looking ahead, we are focused on expanding our international footprint across key global trade corridors, with a particular emphasis on Indonesia, Vietnam, Malaysia, Thailand and China. These markets represent fast-growing manufacturing and trade hubs that offer significant opportunities for Indian freight forwarding and integrated logistics providers. We also remain committed to strengthening our air freight business through additional airline partnerships and enhanced network connectivity.

At the same time, we are progressing with our plans to diversify into dry container logistics and project cargo, further broadening our service portfolio and creating new avenues for long-term growth. Alongside these initiatives, we will continue to expand our asset base in a disciplined manner to improve fleet utilization, enhance operational efficiencies and strengthen execution capabilities.

We also remain focused on deepening relationship with our existing customers while adding new corporate clients across diverse industry verticals, supporting sustainable growth and long-term value creation for all our stakeholders. This strong performance in quarter 1 FY27 has reinforced our confidence in the direction in which the business is progressing.

The combination of growing volumes, deeper customer relationships, an expanding international network, increasing contribution from air freight, diversification into new service areas and continued investment in our asset base provides us with multiple growth levers.

I would now like to hand over the call to our CFO, Mr. Praveen Kunder, who will now take you through the financial performance of the quarter ended 30th June 2026. Over to you, Praveen.

Praveen Kunder: Thank you, sir. Good morning, everyone. During quarter 1 FY27, the company delivered an exceptional operational and financial performance, with the revenue from operations increasing by 315.4% year-on-year to INR211.2 crores as compared to INR50.9 crores in quarter 1 of FY26.

EBITDA for the quarter stood at INR23.6 crores, reflecting a robust 259.6% year-on-year growth over the corresponding quarter last year. EBITDA margins stood at 11.2% during the quarter. Profit after tax increased by 295.9% year-on-year to INR14 crores, compared to INR3.5 crores in the same period last year. PAT margins stood at 6.6% for the quarter.

This strong performance underscores the resilience of our business and our ability to execute consistently in a dynamic market environment. Healthy demand across our logistics verticals, the expansion of our operational footprint, continued investment in our asset base and our focus on operational excellence have collectively contributed to this robust growth, positioning us well for sustained long-term success.

With that, I would like to open the floor for questions and answers.

Moderator: Thank you. Ladies and gentlemen, we will now begin the question-and-answer session. We take the first question from the line of Priyansh Miri from NGP Family Office. Please go ahead.

Priyansh Miri: Yes, thank you for the opportunity. Sir, wish you a very successful for the current ocean business. Sir, my first question is -- yes, my first question sir is on, we see a significant jump in our Q1 numbers, specifically in our ocean and air freight, right? Q1 being almost more than 50% of last FY's numbers, right? So, did we executed any large orders, sir, or also is it going to be normalized for this current FY?

Lalit Panda: Thank you for asking the question. We have actually started lot of new offices, like we have started new branches in Mumbai, we have started Ahmedabad, we have started Indore branch and started Tada branch, Nellore branch, so there has been lot of expansions in the last six months.

So, the expansions are now showing the results. And you can see the jump in the volume of shipments that we are doing, like there is a jump of almost 30% in ocean compared to quarter 4 2026 and NVOCC also raised a good jump and air also there is a significant jump. It is all because of the expansions that we are doing. And we are pretty confident that we'll keep on the momentum.

Priyansh Miri: Okay. Sir, follow-up question, what is our current utilization of asset and if you can also guide us what should like be our capex in terms of new asset addition in current and next FY?

Lalit Panda: Yes. Look, asset utilization, we have two types of asset, one is NVOCC ISO tank containers and second is the vehicles that we are holding and using for the export containers. For ISO tank containers, the utilization is almost 83% to 84%, which is very, very high compared to the market peers, because anything above 70% is very good in terms of NVOCC container utilization. And the vehicle utilization is more than 90%. We are always in short of vehicles, so we have to take vehicles from outside also in the market.

And regarding capex, we are expanding the NVOCC container requirements as it comes, but there is no investment for those because we are not purchasing on outright, we are mostly going for a purchase lease options, which is basically like a EMI. So, we don't need to put any funds, any blockage for the containers. Only for the vehicles, it is again like we are already established in Hyderabad, Mumbai, Mundra, Delhi, Chennai for the vehicles.

For any vehicle requirements for the other cities, say Bengaluru or maybe we'll be starting some new branches, then only it will be used, but we are not certain or we are not sure how many vehicles we have to add. It will be all depending on the demand and supply.

Priyansh Miri: Okay. Understood, sir. Sir, last question. If we assume this present quarter as a base year, what should be our guidance sir, normalized guidance for next say, 1 or 2 years in terms of revenue and EBITDA?

Lalit Panda: Yes. We are looking to continue and we are looking to replicate what we did last financial year.

Priyansh Miri: Okay. Thank you. Thank you, sir, for answering my question patiently. I will join back in the queue.

Lalit Panda: Thank you.

Moderator: Thank you. We take the next question from the line of Vaibhav Lohia from CFM. Please go ahead.

Vaibhav Lohia: Hi, thanks for the opportunity. Sir firstly, congratulations on the amazing set of numbers, it's genuinely exceptional. And sir, my question is like, firstly, we saw a very massive jump in quarter 1 like the last participant mentioned. So, you said that it is a very normalized business like we are continuing the momentum as of now. So, like, can you please share what is the monthly revenue run rate as of now, like for the July month?

Lalit Panda: Thank you. Sorry, I could not clearly hear your question.

Vaibhav Lohia: Sir, what is the monthly revenue run rate as of July, like what is the revenue you are recognizing as of July around?

Lalit Panda: Praveen, can you please reply that?

Praveen Kunder: Yes, it's similar to the first quarter only, the average, it comes around 70, so it may be -- we will close at around 65, 70, 75.

Vaibhav Lohia: So, we can assume around 70 to 75, right?

Praveen Kunder: Yes, yes, exactly.

Vaibhav Lohia: Got it. And the H2 is supposed to be better than H1 like in the general scenario. So, like, can we expect the same going forward for this financial year?

Lalit Panda: No, actually what happen, in quarter 1 we didn't had much challenges geographically, but in quarter 2 like now there is little issue about the vessels and all, so that is a normal issue that everyone is facing because of the surge in exports in China. So, it will be little topsy and turvy, but we will be continuing this similar momentum going ahead.

Vaibhav Lohia: Got it. But my question was little different, like in general scenario the H2 is usually like 60% of the revenue and H1 is 40%. So, like, can we expect the same split for this financial year?

Lalit Panda: Yes, we can expect, but it's too early to comment on that. Because quarter 2 just started, it's too early for us to clearly give a reply for that.

Vaibhav Lohia: Okay, understood. And sir, secondly, we expected a little margin expansion for this financial year, but the operating profit margins have dipped a little compared to the June quarter, from 13% to 11%. So how do we see this going forward and what is the PAT margins that you would expect to achieve in this financial year and over next 2 to 3 years?

Lalit Panda: Look, this financial year we are very confident that we can repeat the numbers we have given last year. The jump and growth what we have given last year, we are very confident that the PAT and everything will be similar way. And going forward we are definitely thinking better and bigger.

Vaibhav Lohia: Sir, can you quantify if you don't mind, like in percentage terms, like goal to be like what is the aspiration or like what is the guidance for the PAT percentage for this financial year and next financial year as well?

Lalit Panda: Yes, this financial year it is what we are looking to continue the same momentum what we have given last year. And if you ask me exactly, then maybe quarter -- end of quarter 2 or end of quarter 3 will be the right time to give you a exact guidance.

Vaibhav Lohia: Okay, understood. And thirdly, sir, one more thing is there, what is the average debtors days as of now? Because we are expanding a lot and logistics is a working capital heavy business. So -- and I understand that the cash flow is difficult to positive as of now, but what is the average debtors day as of now?

Praveen Kunder: Yes, as of now it is up to 75 to 90 days. Okay, average debtors.

Vaibhav Lohia: Okay, so it has reduced a bit compared to the previous quarters from 90 days to...?

Praveen Kunder: Yes, up to 90 days, we provide up to 90 days credit.

Vaibhav Lohia: Okay. Thank you for the answering my questions and all the best for the future.

Lalit Panda: Thank you.

Moderator: Thank you. We take the next question from the line of Darshil Jhaveri from Crown Capital. Please go ahead.

Darshil Jhaveri: Hello. Thank you so much, sir. Firstly, congratulations on a really great set of results, sir. Sir, I wanted to know that our Q1 has gone very well, you are saying that the growth momentum will continue. Actually in Q1 we have seen 50% of last year's revenue.

So, can we do better than last year, meaning average run rate around INR70 crores to INR75 crores, right? We can go by the end of Q4 around INR300 crores a quarter, because the momentum is really strong sir in our hand and H2 is always better, so what would be your comment on that, sir?

Lalit Panda: Thank you, thank you for asking the question. See, future we cannot predict, but of course the quarter 1 is very good and we are looking to continue the momentum. We have started many new branches and internationally also we are expanding. So maybe we can continue the same momentum what you are seeing now. But definitely we are going to achieve our target of giving the same results, same growth what we have given last year -- last financial year.

Darshil Jhaveri: Okay, fair enough, sir. And sir, with regard to margin, so in our business how is it like? Because 6.5% you have achieved such a huge growth compared to last year, yet the margins are similar. So how can you expand your margins? I mean, if you do more air freight, NVOCC, will that improve your margins or how, sir? Meaning, if the margin trajectory has to go up, then what will drive it, sir?

Lalit Panda: Look, we're a growing company right now, okay? We are starting many new branches. We cannot expect new branches to give us profits from the day one or from day one start growing exponentially. Also, the international branches that we are starting, it will take some time for them to start growing the business and start generating profit out of the business.

So, the expansion that we are doing right now, there is lot of investments, lot of energy going into that expqansions. For this, the profit ratio that you have right now is continuing similar to ours. But once this expansion is done, we will reach a limit, then you will see the jump in the profit also in future.

Darshil Jhaveri: Okay, fair enough, sir. So, sir, what will be our target, in terms of this branch expansion, in terms of number, what will be the capex exactly how many will be there, right? The new branches that are being opened, I am assuming that they will also take a year or two to mature, but if you can tell us how many new branches there are and how much capex has been spent till now and going forward, what is our plan for capex in terms of branches, if you can give this information, Sir.

Lalit Panda: See, now we have expanded almost everywhere in India. There are a few places left, like right now we are not in Kerala, we are in Karnataka, of course in Bengaluru, but not on the other side, like not in Mangaluru, not present in Goa and not present in Kolkata. Maybe in future we will open all these offices, then our India growth will be as per branches geographically India growth will be done as per the opening of branches. In that we only have to grow in business.

But yes, Internationally, right now we are just in Dubai. Our target is to start with Indonesia, Malaysia, Thailand, Vietnam, China and all. So that's the next target: international growth. And about capex now

We're opening an office and capturing the business available there, at whatever rates are available. We can't say how much capex will be spent there. The business we are getting there and the strength of the market there, we have to keep working on the capex by watching accordingly.

Darshil Jhaveri: Okay, fair enough, sir. And Sir, last question from my side, have you got any benefit or any hindrance due to this war situation, I mean because your supply chain has been completely disrupted globally, can it have any impact according to you, I mean positive or negative, whatever it is there, sir?

Lalit Panda: See, war is in a confined space. Majorly it is in Hormuz. Hormuz affected countries are very few, like, of course there is Iran, there is Iraq, then there is part of UAE, part of Saudi. But the better thing is that even after the Strait of Hormuz is closed, the other side, the opposite side of UAE and the other side of Saudi Arabia, is open. So, more or less, the war has not had much effect on exports or imports volumes. There is a slight dip in volume, no doubt about that, but the war has not had much impact.

Darshil Jhaveri: Okay, fair enough, sir. Thank you so much, sir. All the best.

Lalit Panda: Thank you.

Moderator: Thank you. We take the next question from the line of Sarang Joglekar from Vimana Capital. Please go ahead.

Sarang Joglekar: Yes, hi. Hello.

Moderator: Yes, Sarang, please go ahead.

Sarang Joglekar: Yes, so my question was on the working capital. In the past three years, working capital has significantly increased -- I see debtor days have gone from 70 to...

Moderator: I do apologize to interrupt you, Sarang, but your audio is a bit low. Could you please use your handset and proceed with your question?

Sarang Joglekar: Yes. Just a second. Yes, am I audible now?

Moderator: Yes, this is better. Yes, sir.

Sarang Joglekar: Yes. So wanted to understand on the working capital, it has increased from 70 to 134 days. So, what is your target on that and do you expect it to go down because that is affecting your operating cash flows? So, some color on that.

Lalit Panda: If you compare quarter 4 results, our turnover for quarter 4 was INR138 crores and the debtors were around INR141 crores. So, we are taking a 90 days credit period for the entire business. So, it was hardly a INR3 crores jump in the 90 days limit. And the quarter 4 payments are almost getting cleared, it's almost clear. So, we don't have any much backlogs. If you are seeing there is something beyond 90 days, it is hardly some few crores, not more than that.

Sarang Joglekar: Got it. Thank you.

Moderator: Thank you. We take the next question from the line of Subhanu Bangal from 3 Head Capital. Please go ahead.

Subhanu Bangal: Yes, hope I'm audible, sir. Good morning.

Lalit Panda: Good morning.

Subhanu Bangal: Sir, I'm very new in this business. I want to understand some basic business understanding, like as you mentioned, given that we're currently in a growth phase, it's not appropriate to provide guidance on our margins. However, if the mix of which of the 4 types of services we offer increases, will increase our margins? That's the first question.

Lalit Panda: Look, we are not dependent on any one type of service. We are participating in almost every possible service in the shipping industry, Our growth isn't coming from any one particular service. We're growing in air, ocean, NVOCC, surface transport, and even in the agency space and we are also growing in overseas as well. It's not like we'll grow if a particular segment grows. It's a complete mix of everything.

Subhanu Bangal: If you could provide your revenue mix for this quarter, that would be great. What was the revenue mix for this quarter?

Lalit Panda: Praveen.

Praveen Kunder: Revenue is -- one second. Ocean freight we have done 70%, NVOCC 4.6%, surface and rail freight we have done 3.51%, air freight 21% and CHC business 0.4%.

Subhanu Bangal: Sir, can you repeat one more time?

Praveen Kunder: Ocean freight, it's 70%. And NVOCC is 4.6%, surface and rail freight 3.5%, air freight 21% and CHC business 0.4%.

Subhanu Bangal: Got it. Thank you, sir. Best of luck.

Praveen Kunder: Okay.

Moderator: Thank you. We take the next question from the line of Harshit Panday from Bluestar Capital. Please go ahead.

Harshit Panday: Am I audible, sir?

Lalit Panda: Yes, yes, please.

Harshit Panday: Yes. First of all, congratulations for good set of numbers. Sir, I want to understand as in Q1 only we have done INR200 crores, okay? And a full year guidance is of INR800 crores. So, can we expect that we will beat our guidance for this year?

Lalit Panda: Look, our first target or the top priority is to continuing what we are doing from last year. So already -- quarter 4 already we announced that we are looking to continue the samemomentum. We have given more than 90% growth last year. So, we are looking ahead for the same growth this year also.

Harshit Panday: Okay, sir. Sir, I was just trying to understand that, can we exceed our guidance like what you've given or we should expect INR800 crores?

Lalit Panda: Look, there is still around 8.5 months to go. So, we are we are expecting that we can easily get to the target, but whether we'll cross it or a little bit fall behind, maybe we will not fall behind, but whether we can cross it we are not sure yet. It all depend on the business geography, the market condition and of course international conditions.

Harshit Panday: Got it, sir. Got it. Thank you and all the best.

Lalit Panda: Thank you.

Moderator: Thank you. We take the next question from the line of Abhi Jain from A.J. Capital. Please go ahead.

Abhi Jain: Hi, good morning. Hope I'm audible.

Lalit Panda: Hi, good morning. Yes.

Abhi Jain: First of all, sir, I'm new to the company. Congratulations on the great set of numbers. The growth is phenomenal.

Lalit Panda: Thank you.

Abhi Jain: Sir, I just had some hygiene questions because this is my first call, I'm just analyzing. As you said that the 1,700 odd ISO tankers are leased and I hope I heard that right, because if I look at the asset side on the balance sheet, the gross block seems to be about INR40 odd crores.

But where do these assets sit, sir, if not in the gross block because as per IndAS, you know, they are supposed to be classified into right-of-use assets, but I don't see that categorization. So, could you help me understand where these assets -- these leased assets sit, these tankers -- these ISO tankers and other assets?

Praveen Kunder: Yes, look, I'll answer this question, sir. We are not obliged for the IndAS score. Okay. So, we are SME registered in NSE, that's first thing. Second thing that the leased assets it's a purchase lease on the purchase lease basis. So, it's all in work-in-progress.

Abhi Jain: You're saying in work-in-progress. Okay.

Praveen Kunder: Yes.

Abhi Jain: All right. The figure of work-in-progress is about capital work-in-progress you're saying?

Praveen Kunder: Right.

Abhi Jain: INR6.5 crores figure?

Praveen Kunder: Yes, yes, yes.

Abhi Jain: Okay. All right. Sir, secondly, I wanted to understand that, now in this quarter a large part of your revenues is now coming from ocean freight and air freight, right? Air freight has now become 21%. But as I understand the business and I might be wrong, but you can correct me, air freight is more of an, you know, you don't own the assets, it's more an outsourcing kind of a model, which probably will put pressure on your margins, right?

Your bargaining power would be a bit lesser. Is that one of the reasons that year-on-year if I see your operating margins have declined a bit? Can you just help me understand what is the steady-state operating margin that we can expect from the business? Because from last year to this year, I am seeing the revenue mix has shifted considerably. So, can you help me understand that?

Lalit Panda: First of all, the growth in air business, it doesn't mean that though it is outsourced most because we do not have the airlines ourselves, so most of the things are outsourced only. But depending on the volume what we are handling, we always can renegotiate with the airlines and we have been doing regularly the renegotiation part. So, we are getting very healthy margin from the air freight also. It is almost at par with the ocean and other cargo other business.

So, there is no pressure of air cargo business on the other businesses. In fact, it is helping us to grow overall. And regarding the working capital, Praveen can reply to you.

Praveen Kunder: Yes, can you repeat your question, sir, regarding working capital?

Abhi Jain: I just wanted to understand, sir, that on the margin front, so if I see June 25 our operating margin was close to about 13%, this year it is in the 11% and 11.5%. So, I am saying that, is it because the revenue mix is changing?

Our air freight has gone up to 21% of revenue, which is an outsourced model because of which there is a margin pressure or can you just help me understand what is your steady state operating margin, sir?

Lalit Panda: Yes, this is because of the expansions we are having right now. We are expanding already we have expanded all over India. Now we are planning to expand in internationally. So, because of the starting of the new branches, we cannot expect business from all the branches immediately, it takes time.

So, we are in the building phase, that is why it is little bit up and down, but it will be adjusted, it will be taken care of in future because the new branches, new expansion what we have already done, few of the branches already started performing and the recently started branches we are expecting to perform within a month or two. So going forward it will be level, it should not be a difference in future.

Abhi Jain: Perfect, sir. So just couple of more questions. One is this intangible figure that I am seeing in the balance sheet of 26, can you help me understand what is this INR5.8 crores of intangibles that you have in the balance sheet?

Praveen Kunder: Yes. See, we are a new company and we have set up our in-house software for the entire integrated services we are providing in different segments. So, we need a very secured and perfect software to handle the business. So, we have invested in the software, that is an intangible asset for us. That's a big investment for the software.

Abhi Jain: Perfect. Final question, sir, the INR140-odd crores of mass receivables that you had, how much of that you have recovered till date? Is all of it due or is some of it is pending?

Praveen Kunder: Yes, almost it is recovered. We give credit up to 90 to 100 days, so it is almost recovered.

Abhi Jain: Perfect, sir. Congratulations, sir. As again, I am new, so that's why my questions were a bit detailed. As we go along, I am sure I will get a better hang on things. So, congratulations and hope you keep delivering. Thank you.

Lalit Panda: Thank you.

Moderator: Thank you. We take the next question from the line of Khush from Nikunj Stockbrokers Limited. Please go ahead.

Khush: Hello. Hi, good morning, sir and thank you for the opportunity. So, my question was on the liquidity side. At by the end of FY26, we had around trade receivables around INR141 crores. So, I wanted to know about our current scenario on trade receivables and what is the current liquidity scenario of our company?

Lalit Panda: Yes. Our current trade receivable is around INR220 crores.

Khush: Okay. And sir, on liquidity, because the at the pace we are expanding at, I think do, will we need more funds to grow at the same pace or how is the current scenario?

Lalit Panda: Yes, Praveen can explain you that.

Praveen Kunder: Yes. We need more funds to grow. We are actually in a growing stage, obviously we need more funds. We are looking for another INR100 crores to raise for the next financial year.

Khush: So how we are planning to manage our funds because I think last year itself our borrowings has gone from INR37 crores to INR108 crores. So, are we looking at the raising more debt or are we planning to raise funds from equity?

Praveen Kunder: Not from the equity, we are raising funds borrowing from the bank for the business.

Khush: Then what is our average interest cost?

Praveen Kunder: It is 8.5%.

Khush: 8.5%. Okay. And can you please explain me our trade receivable cycle. What is the average outstanding days of trade receivables?

Praveen Kunder: It is 90 days, up to 90 days.

Khush: So, we get our 100% payment within 90 days?

Praveen Kunder: Correct. Yes.

Khush: Okay. And how much cash we have right now in our bank or any cash and cash equivalent?

Praveen Kunder: It may be around INR10 crores to INR15 crores approximately.

Khush: 10 or 15?

Praveen Kunder: INR15 crores.

Khush: INR15 crores.

Praveen Kunder: It is variable, right? Okay. Yes.

Khush: Yes. So, it was INR16 crores by the end of March '26 and right now it is INR15 crores.

Praveen Kunder: Yes.

Khush: Okay. Thank you, sir.

Praveen Kunder: Thank you.

Moderator: Thank you. We take the next question from the line of Vaibhav Lohia from CFM. Please go ahead. Vaibhav, please unmute your line and proceed with your question. Since there is no response, we will move ahead. We take the next question from the line of Amol, an Individual Investor. Please go ahead.

Amol: All right. Hello. Good morning, sir.

Lalit Panda: Yes, good morning.

Amol: So, since you guys are expanding so aggressively, what are the key challenges that you guys see that may prohibit...

Moderator: Amol, I do apologize to interrupt you, but your audio is not clear. Could you please use your handset?

Amol: Is it better?

Moderator: This is a bit better. Please go ahead.

Amol: Yes. So, yes, I wanted to know what are the key challenges that may come in the path of this aggressive expansion?

Lalit Panda: As a part of expansion, I believe every company faces the challenge of generation of business, sustainability of business and working to stabilize the business. These three are the most important part and of course we also face the same situation. We have to identify; we have to stabilize the business that we are planning during the expansion or during the new branches that we are developing. And of course, along with the business, the capex also has to be streamlined.

Amol: Any external factors that you see that can disrupt this? Maybe apart from normal, yes.

Lalit Panda: No, apart from normal we don't see any external factors, only competition is there, nothing else. We have to work out the business and take care of the competition how we perform against it.

Amol: Okay. Thank you, sir.

Lalit Panda: Thank you.

Moderator: Thank you. We take the next question from the line of Khush from Nikunj Stockbrokers Limited. Please go ahead.

Khush: Yes, so my follow-up question is what is the target on the debt side? So, by the end of FY27, by how much percentage or what can be the debt it would be on our books?

Praveen Kunder: Yes, see, at present we are having INR106 crores debt as on March and planning for another INR100 crores in the current financial year for the growth. So we are in a growing stage, so debt will be there. So maybe up to INR200 crores the debt will be there in the books for the FY27.

Khush: So please correct me if I am wrong. So, our borrowings might jump almost 100% from FY26, right? So, from INR108 crores to INR200 crores.

Praveen Kunder: Right.

Khush: Yes, so is it going to be mostly long-term borrowings or short-term?

Praveen Kunder: Long-term borrowings.

Khush: Long-term borrowings. And the average interest cost is going to be around 8.5% only?

Praveen Kunder: Average 8.5%.

Khush: Okay. So, we will get these loan facilities from our existing banks or do we need to take new loans?

Praveen Kunder: From the existing bank as well as from other banks as well. We are planning it.

Khush: Okay. And as of now, matlab as of today, what are the facilities we have received from our bank, so are they totally utilized 100% or do we have some scope there?

Praveen Kunder: Yes, we have not utilized 100%. As a business, we have to park our funds, means we have to keep the funds for the business. So, it is 90% utilized, 10% it is pending to utilize.

Khush: Okay. And on the trade receivable side, so do we get any advance or any payment which we get before 90 days or the full payment we receive only after 90 days?

Praveen Kunder: Full payment we get full payment on the due date. Suppose we give credit to customers 75 days, 60 days or 90 days or 120 days, we get it on the due date.

Khush: Due date only.

Praveen Kunder: Yes.

Khush: Okay. And are we planning or thinking of bringing it down?

Praveen Kunder: Yes, definitely. In the future, in the couple of years, the debt will come down as we grow.

Khush: Okay. So, the one thing I can make out of this is because our debt is going to be increased by 100%, so our margins may take a dip in FY27.

Praveen Kunder: As our MD said that we have opened a new branches and new segments and also, we are planning to open in international level. So obviously the new branches will give us business and give us profits and that will cover the interest expense in the future.

Lalit Panda: Look, we did last year INR386 crore. We are looking to continue the same momentum. So going by the same momentum, the business will be doubled this year. So, if you see against the debt, the business is also doubled. So, because it is a capex-based business, our business model is based out of capex only.

So as the debt grows, the business also grows and the margin also remains stable because of that. We are not expecting any dip in overall margin in this year. It will be almost same or maybe it may be a little bit better also compared to last year.

Khush: Okay. Got it, sir. Thank you very much.

Lalit Panda: Thank you.

Moderator: Thank you. We take the next question from the line of Rishi Maheshwari from Aksa Capital. Please go ahead.

Rishi Maheshwari: Hi, thanks for taking my question and congratulations on a very good number. My question I have understood the economics of the business; my question was to actually understand the business more. So, on project cargo, if you can explain what is the average contract size...

Moderator: Rishi, I am sorry to interrupt you, but your audio is not clear. Could you please come in a network range?

Rishi Maheshwari: Sure. Am I clearer now? Is it audible?

Moderator: This is better. Please go ahead.

Rishi Maheshwari: Okay. I wish to understand on the project cargo, is it possible if you can explain the average contract size and the duration of the contract and which end user is it currently catering to, which region are you more prominent in? Would you be able to give a little color on that?

Lalit Panda: Yes. Currently we are handling few project cargo like for HSIL Limited we are handling one project cargo. It is we are doing from China, from Germany, from Italy and from France. And we are expecting it to start from Thailand and Vietnam also very soon.

Rishi Maheshwari: And what is the average contract size of this?

Lalit Panda: Look, this HSIL contract is around INR15 crores.

Rishi Maheshwari: And usually what is the duration of this contract?

Lalit Panda: It is a duration of two to three months.

Rishi Maheshwari: So, on an average in a year, you would be able to do INR60 crores out of out of the same client. Is that how I should think about it?

Lalit Panda: Yes, if they have the business running for the one year, then yes, but we are expecting it to complete within six months. So, it will be roughly INR30 crores.

Rishi Maheshwari: Okay. So then in NVOCC business, the non-vessel operating common carrier, if you can explain what has driven this growth and what would be the future strategy?

Lalit Panda: Look, we just entered into this NVOCC segment last year. So, we are taking very baby steps into this NVOCC business. But yes, this year we are planning to expand the capacity of the tanks and dry boxes. So mostly by next year we will be talking about this in good numbers.

Rishi Maheshwari: So, what has suddenly triggered this growth? I understand you have taken last year only, so the base would be extremely small to compare, but what has really triggered the kind of growth? Was this an established industry for a very long time and you have got into it very recently or something else that is from a regulatory perspective or from a business perspective has grown over here?

Lalit Panda: NVOCC is a long-lasting, long-existing business. It is not a new. The ships are there, the containers are there, the business has been running from many, many years. We are the new entrants in this field. So, what you are seeing is a very small negligible part what we are doing in NVOCC currently. But going forward our target is to grow into this segment.

Rishi Maheshwari: And the containers over here is under lease, is that right?

Lalit Panda: It is under lease purchase.

Rishi Maheshwari: What would be the lease agreements over here and the cash outflow per container?

Lalit Panda: Look, we are taking on lease purchase basis, that means that we are taking the containers on EMI basis. It is a EMI of seven years. So once the seven year is completed, the containers completely becomes our asset. So, we are not putting any block amounts into it. It is just like a home loan EMI or it is like that. So whatever business is generated out of the business out of that NVOCC segment, a part is going towards the EMI part or lease purchase part.

Rishi Maheshwari: The entire amount of the lease will be passed to the P&L or will there be some capitalization of this amount as well?

Lalit Panda: The cost will be passed on onto P&L and the margins that we are earning, it will be coming into the entire earning list.

Rishi Maheshwari: All right. Thank you so much. All the best, sir.

Lalit Panda: Thank you.

Moderator: Thank you. We take the next question from the line of Darshil Jhaveri from Crown Capital. Please go ahead.

Darshil Jhaveri: Hello. Thank you so much, sir, for letting me ask a few questions. Sir, just wanted to know one thing, like this year too we are very sure of 90% growth, sir. But sir, going forward can we continue this momentum next three years? What vision has been set, sir?

Lalit Panda: Look, just the previous question was about the NVOCC. So, what I told that we are taking very baby steps in the NVOCC segment and we are expecting to grow into it in the coming years. So, like you are seeing the jump in the air business and ocean business, the volumes, the ocean and air volumes will keep on rising year-to-year and we are expecting NVOCC to be taking a significant part in this journey in the coming years.

So definitely our growth will be continued in the future and NVOCC will play a major role in that growth.

Darshil Jhaveri: Okay. So, sir, for the next three years, two years, our momentum will continue. I am not asking the exact number, but the growth momentum that we are doing will continue, right sir?

Lalit Panda: Look, the growth will continue. But at what pace we can, for the next 2-3 years, we can exactly tell you by March 2027.

Darshil Jhaveri: Okay, fair enough. And sir, just last question. We are going to take such a big debt. So, when our branches are opening in foreign, won't the foreign debt be cheaper? Because around 8%-8.5% we are giving. So, have we explored foreign debt right now, or no?

Lalit Panda: Right now, we have not explored it. Currently whatever the growth, whatever the debt or capex we are taking, that is for the majority is expansion of business within India what we are doing right now. And we are trying to grow into the NVOCC part.

But regarding the international offices, it will, when we will start churning business, that time we will see the flow what is needed and accordingly we will try to adjust from foreign funding or whatever is required at that time.

Darshil Jhaveri: Okay. Thank you so much, sir. That's it from my side. All the best.

Lalit Panda: Thank you.

Moderator: Thank you. As there are no further questions from the participants, I now hand the conference over to Mr. Lalit Panda for his closing comments.

Lalit Panda: Yes, thank you all for joining us on today's earnings call. We hope we have been able to address your questions and provide clarity on our operational and financial performance. Should you have any further queries or wish to know more about Blue Water Logistics, please feel free to reach out to our investor relationship partners at XB-4 Advisory. We appreciate your continued interest and support. Thank you once again and take care.

Moderator: Thank you, sir. On behalf of Blue Water Logistics Limited, that concludes this conference call. Thank you for joining us and you may now disconnect your lines.