Operator: Ladies and gentlemen, good day and welcome to the Shipping Corporation of India Q4 FY26 results conference call, hosted by Antique Stock Broking Limited. As a reminder, all participants' lines will be in the listen-only mode. There will be an opportunity for you to ask questions after the presentation concludes. Should you need any assistance, please signal for an operator by pressing star and then zero on your touchtone telephones. Please note that this conference call is being recorded. I now hand the conference over to Mr. Varatharajan Sivasankaran from Antique Stock Broking Limited. Thank you and over to you, sir.

Varatharajan Sivasankaran – Antique Stock Broking: Thank you. A very good evening to everyone. It is a pleasure to welcome all the participants on the call and the top management of SCI. We have with us the senior management team of SCI, represented by Captain BK Tyagi, Chairman and Managing Director; Mr. Vikram Dingre, Director of Technical and Offshore Services, holding additional charge of Director; Rear Admiral Jaswinder Singh, Director of Liner and Passenger Services; Captain Somraj, Director of Personnel and Administration; Mr. Nitin Kansara, Director of Finance; and Captain Daniel Chandran, General Manager for Bulk Carriers and Tankers. I would like to hand over the floor to Captain BK Tyagi for his initial remarks. The floor is yours, sir.

Management: Thank you, Varatharajan. A very warm welcome to all our investors, analysts, and stakeholders who have joined us today for the Shipping Corporation of India's earnings call to discuss our financial performance for FY26. Let me begin by thanking you for your continued trust and partnership as we navigate a dynamic global shipping environment and continue to strengthen SCI's leadership in India's maritime sector. I am pleased to share that we have delivered a momentous performance this year, despite global market volatility and mixed rate trends across segments. Our standalone net profit stood at 1,326 crores while the consolidated net profit was 1,353 crores. Last financial year, we had posted a standalone profit of 814 crores and a consolidated profit of 844 crores. The operating revenue came in at 5,778 crores vis-a-vis 5,592 crores in the last fiscal year. EBITDA for FY26 is 2,633 crores.

We continue to maintain a strong balance sheet with a net worth of 8,489 crores. Cash and liquid investments are at 2,676 crores and long-term debt is 2,409 crores. This translates to a debt-equity ratio of 0.29 and a DSCR of 4.61, demonstrating our sound financial position and liquidity. The board has also declared a total dividend of 75%, which is 7.5 per share, reflecting our commitment to delivering consistent value to our shareholders.

Coming to operations, our owned fleet now stands at 58 vessels and we manage an additional 40 vessels across various categories for government organizations with an average age of 15.5 years. This financial year, we were proud to induct two very large gas carriers, Sahyadri and Shivalik, built by Hyundai Heavy Industries. Each has a capacity of around 82,000 cubic meters and their induction significantly strengthens our position in the LPG transport segment.

We have also entered into a contract with Mazagon Dock Limited for building a 3,000 deadweight methanol dual fuel diesel electric PSV. This is a pilot project under the National Green Hydrogen Mission of the Government of India. We are proud to mention that SCI was the first Indian ship owner to clear its gas carrier from the Strait of Hormuz to serve the LPG requirement of the nation. Ladies and gentlemen, you must have heard the names of the LPG Shivalik and Nanda Devi on the

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television for good reasons.

Let me briefly touch upon our key business segments now. In the tanker segment and crude tanker market, the market during Q4 FY26 has seen very high volatility due to the conflict in the Middle East Gulf. After the low of end December 2025, the tanker market rapidly picked up in January 2026 and February 2026, and VLCC earnings on key routes such as TD2 and TD3 were in the range of $80,000 to $150,000 per day. After the beginning of the conflict, the rates rose to very high levels while there were hardly any westward transits through the Strait of Hormuz. A few fixtures at substantial high freight levels from Red Sea ports were reported.

Presently, the Strait of Hormuz transits have been disrupted for more than 2 months now. Since the beginning of the war in the Middle East Gulf, global seaborne crude oil shipments have fallen drastically compared to the prior year. While the tanker market is elevated, it is seen that many owners are competing for the available cargo from the Gulf of Oman or the Red Sea ports. Last Friday, TD3 was at 450, which itself is at a very different level.

The Aframax market benefited from the broader bullish sentiments in crude tankers, but the levy was not uniform across all trading areas and was regionally concentrated. In January 2026, Aframax earnings were relatively modest. February 2026 saw a gradual strengthening in Aframax rates with earnings increasing to approximately $47,000 to $56,000 per day for TD14 and TD8 respectively. In March 2026, the Aframax segment displayed divergent performance across routes. TD3 experienced a sharp spike with time charter earnings rising to around $138,000 per day. However, other routes such as TD14 remained relatively stable with earnings around $42,000 per day.

For clean petroleum products, the disruption to supply chains due to the closure of the Strait of Hormuz and ongoing attacks on refineries in the region have created a shortage of refined products. LR2 and LR1 segments also demonstrated steady improvement through the quarter with a more balanced growth profile.

In terms of bulk carriers, the dry bulk market showed a notable recovery led by Capesize freight indices. Last Friday, the BDI was at nearly the 3,000 level, and this shows a stable demand for coal and grain exports. Earnings on Panamax and Supramax categories rose nearly 30-35% quarter-on-quarter.

In liner and coastal shipping, our coastal liner business remains a key growth driver with freight rates up by 10% year-on-year and utilization levels as high as 99%, reflecting strong domestic demand and high operational reliability. While the global EXIM container trade continues to face pricing pressure, we maintain 95% utilization and uninterrupted services by proactively rerouting vessels via the Cape of Good Hope to ensure reliability amid Red Sea disruptions.

In offshore and technical services, the offshore segment continues to gain momentum with ONGC, Oil India, and private operators expanding exploration and production activity. SCI's DP2 class vessels remain well-positioned to benefit from this rising demand.

In terms of strategic development, a key strategic decision of the company involves the signing of an MOU. This happened on September 19, 2025. This MOU was signed with oil PSUs and Sagarmala Financial Corporation Limited. Further, one more MOU was signed on February 3, 2026. This was to

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form Bharat Container Shipping Line, and the MOU was signed with CONCOR and other major ports. The overall objective of Bharat Container Shipping Line is to help the Indian container fleet, as the current Indian container fleet is practically negligible. These proposed initiatives support the vision of Atmanirbhar Bharat, strengthen India's shipping capacity, and reinforce SCI's role as a critical partner in enhancing national energy security and self-sufficiency for transportation of Indian cargo via Indian containers.

I now hand over to Shri Nitin Kansara, Director of Finance of SCI, to provide a brief overview of the financial performance of the company during FY25 and FY26. Thank you, ladies and gentlemen. Over to Nitin.

Management: Thank you, CMD sir. Good evening everyone and a warm welcome to today's SCI earnings call for FY26. It gives me immense pride to speak on the performance of the pillar of India's maritime infrastructure, which is Shipping Corporation of India Limited. As the largest Indian shipping company with a Navratna status, SCI is more than just a commercial venture; it is a national carrier and has consistently maintained India's supply lines during challenging times. Today, I am pleased to share that SCI is sailing on a path of exceptional performance, setting new records in financial and operational excellence.

FY26 has been an exceptional year for SCI, with the company delivering its highest-ever consolidated PBT of 1,423 crores, representing a growth of nearly 67% over the previous year. Consolidated total income increased by 426 crores during the year, reflecting a growth of nearly 7% on a year-on-year basis. This strong performance was driven primarily by robust earnings in the tanker segment, supported by favorable global shipping dynamics and disciplined operational execution.

During FY26, revenue from the tanker segment increased to 3,942 crores from 3,609 crores in the previous year. Segmental profitability witnessed a substantial improvement, increasing from 680 crores in FY25 to 1,190 crores in FY26, representing a growth of nearly 75%. The strong tanker performance was supported by a highly favorable freight market environment during the year.

Another important development during the year was the induction of two VLGC carriers, Sahyadri and Shivalik. These vessels have been deployed on the Persian Gulf-India route and have further strengthened SCI's presence in the gas transport segment while diversifying the earning portfolio of the tanker business.

The bulk carrier segment recorded an improvement in revenue, which increased to 789 crores in FY26 from 711 crores in FY25, reflecting a growth of around 11%. The segment also reported a reduction in losses during the year. The improvement in revenue was mainly driven by a higher number of voyage charters and improved deployment.

In the liner segment, revenue from operations stood at 784 crores in FY26 as against 1,036 crores in FY25, while segment profit declined to 75 crores from 166 crores in the previous year. The decline in both revenue and profitability was primarily on account of moderation in freight rates and lower cargo volumes during the year.

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From a financial perspective, SCI continues to maintain a strong and healthy balance sheet. Operating cash flow during the year has grown by 58%, enabling the company to further strengthen its liquidity position while continuing to pursue its growth and fleet expansion plans. Our capital allocation policy and strategy remain focused on three key priorities: reinvestment in the business, maintaining financial strength, and delivering value to stakeholders.

During the year, the company added two VLGCs to its fleet and recently placed an order for a dual fuel PSV vessel. In addition, SCI currently has some vessel acquisition tenders in the market which we intend to conclude expeditiously as part of our long-term fleet renewal and expansion strategy.

In line with the improved financial performance, the board has recommended a dividend of 7.5 per share for FY26. The company also delivered a healthy return on equity of more than 16% during the year. I would also like to highlight that SCI continues to maintain a very comfortable debt-equity position, which provides us with significant financial flexibility and sufficient headroom to support our future expansion and capital expenditure plans.

Overall, FY26 has been a landmark year for SCI, reflecting the strength of our diversified business model, prudent financial management, and the dedication of our employees and stakeholders. To conclude, I would like to reassure you that the Shipping Corporation of India is not just riding the waves of the current market; it is shaping them. With a strong commitment to safety, a robust financial strategy, and proactive growth, SCI will continue to be the flagship of Indian maritime prosperity. Thank you once again for joining us today. We would now open the floor for the Q&A. Thank you.

Operator: Thank you very much. Ladies and gentlemen, we will now begin with the question and answer session. The first question is from the line of Vidant Harai from Green Edge Wealth. Please go ahead.

Vidant Harai – Green Edge Wealth: Hi, thank you for the opportunity and congratulations on the performance. Also, in the presentation, you have put in a lot of details, so thank you for that. I have two questions. The first question is on our tanker segment. We have around 31 vessels, and in your presentation and speech, you mentioned that the rates have gone up quite significantly in March. But when we look at your revenue and your profit before tax in the tanker segment on a quarter-on-quarter basis, there has been very little growth. I wanted to know if all these 31 tankers we have operate on spot rates, or are the rates predetermined? Do we get any benefit when the rates go up or down, or do we lose something? If you can explain that part, that would be great.

Management: Thank you very much for your question. Majority of our fleet consists of tanker vessels. Some of these vessels are on time charter with the Indian industry. In the month of March, because of the war, some vessels got stuck inside the Persian Gulf and could not transit the Strait of Hormuz. The difference in what we could have earned if the Strait of Hormuz was operational would have made this number much better. What we have explained is the overall scenario for FY26. Towards Q4, the numbers have gone up and the market was firm. After the breakout of war, March was essentially idle for most shipping operating in the Strait of Hormuz. The numbers we have given you are basically a Q4 sense. The numbers have gone up for the tanker fleet, and the major contribution to the results you see is from the tankers segment.

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Vidant Harai – Green Edge Wealth: Right. So, are any vessels still stuck, or are we on track where all our tankers operate regularly now?

Management: I will give you an update. Three tankers of SCI—two LPG and one crude carrier—are already out of the Strait of Hormuz. As we speak, three crude carriers are still inside, along with one LNG vessel which is part of a joint venture company. So, a total of four vessels of SCI are still inside. The Government of India is trying and coordinating with various agencies, and efforts are on to get these four vessels out of the Strait of Hormuz.

Vidant Harai – Green Edge Wealth: All right, sir. Thank you for that. My second question is on our joint venture with the oil marketing companies. We have ordered quite a few ships there. With this entire disturbance in the market, have we finalized the rates at which those ships will be procured, or will those rates also go up? Generally, when the market is tight, the rate to purchase Aframax and other orders may also vary. I wanted your views on whether we have been able to freeze our buying rates.

Management: So far, we have only finalized one vessel, which is a platform supply vessel. The order is placed with Mazagon Dock Limited. The remaining vessels are at various tender stages. So far, we have not finalized any other tender. Your observations are absolutely right. Today, the tanker market is very abnormal, and the price of assets would also be in the same range. We will definitely take note of these things when we finalize the numbers and award contracts to any shipyard.

Vidant Harai – Green Edge Wealth: Right. So, we will not rush because I think we had tenders for 4 Aframax, 6 container vessels, and 4 MR tankers. We will wait if the prices become too irrational, right? Because if we buy at the peak of the cycle, and then regarding the financial model for the ordering process, what proportion of vessels will be at spot or fixed rates, and what sort of ROI or IRR can we generate? Can you share any revenue, EBITDA, or financial metrics for what we can generate over the next 3-5 years?

Management: The proposed joint venture with the OMCs is currently under consideration by our Ministry. Parallelly, we have floated some tenders meant for SCI tonnage, and some of these vessels may be for the proposed joint venture company as well. At this stage, that is the update. As far as the IRR and revenue are concerned, we will see once those tenders progress and once we have the approvals in place and see the financial quotes received. Then we will have better information and will share it with all stakeholders through the stock exchange at the appropriate time.

Vidant Harai – Green Edge Wealth: Got it. And lastly, for Q4, as you said, because some vessels were stuck in the Strait of Hormuz, we could not realize the full potential at the current rate. Is it fair to say that over the next one to two quarters, the numbers could improve substantially as rates stay elevated and movement becomes free?

Management: Vessels stuck inside the Strait of Hormuz, whether SCI vessels or from other owners, are currently unable to tap into the market. But for vessels outside the Strait of Hormuz, wherever fixtures and cargoes are available, they will definitely have a lot of potential in terms of freight. But this is a very dynamic and volatile situation. We will have clarity because negotiations are happening daily between Iran, the USA, and other parties. We have to wait and see how fast this war settles before we can evaluate the full impact. Currently, the tanker market is very high, but cargoes

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are very few.

Vidant Harai – Green Edge Wealth: Understood. Thank you, and all the best.

Operator: Thank you. The next question is from the line of Chetan Sakle from Purtan Capital. Please go ahead.

Chetan Sakle – Purtan Capital: Thank you for the opportunity. In the last call, you mentioned that we would prefer to go ahead with vessel acquisitions at an IRR of at least 10–11%, otherwise we would not proceed. You also mentioned a transparent formula linked to global indices with a plus or minus factor. Could you help us understand these two points? How will we navigate shipping cycle volatility using these tools to achieve our expected IRR, or have things changed after the recent volatility?

Management: This current war and the uncertainty and volatility are a temporary phase. As SCI, we are very confident this will not last long. Furthermore, when we purchase second-hand or new assets, we evaluate each vessel separately and independently as a project. If the IRR makes commercial sense, only then does our board approve. That is our procedure. Secondly, when we charter out these vessels, if it is to an OMC, it will be linked to market indices so there are arm's length earnings and expenses for both sides. That will be fair for the prevailing market. It will capture the current market sentiment and prevailing rates. Those are the two points clarified.

Chetan Sakle – Purtan Capital: Yes, but do you have a minimum IRR threshold in mind for the full cycle or the longer run?

Management: As I mentioned earlier, we look for an IRR in the 10–12% range.

Chetan Sakle – Purtan Capital: And could you help us understand the plus or minus formula? Is there a precedence in countries like Japan or Korea? How is it worked out, and how will it be different in the Indian context? My understanding is it will be linked to a global index plus a management fee for Shipping Corporation. Am I right?

Management: For global indices, world shipping uses these; it is not restricted to India. Regarding the formulas, these are used by various international ship owners and charterers. Even in India, when we have COAs with OMCs, similar formulas are used. They use prevailing market conditions and certain plus-minus factors. Some factors may include bunker adjustment factors and perhaps some floors or ceilings to rule out abnormal variations in freight. This is normal practice in shipping, and we have used it as SCI. We intend to keep it transparent for both the joint venture and the charterer.

Chetan Sakle – Purtan Capital: If the shipping cycle turns the other way, what downside protection does this arrangement provide? How is it embedded?

Management: Normally, in this kind of formula, we have two limits—a floor and a ceiling—to ensure basic operating costs are covered if rates drop and to ensure the charterer is not penalized unnecessarily if rates spike.

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Chetan Sakle – Purtan Capital: Got it. Regarding the JV with the oil PSUs, what percentage of their overall demand will be routed through this JV?

Management: You know that for India today, nearly 80 billion dollars is going out of the country in terms of freight. This proposed model is an extension to help minimize that. The demand aggregation done by SCI, our Ministry, and oil companies is an initial phase, and currently, this is to capture perhaps 25–30% of that component.

Chetan Sakle – Purtan Capital: It could eventually go up as well.

Management: Yes, our overall idea is that the money going out of the country, directly or indirectly, should be retained within the country and the economy.

Chetan Sakle – Purtan Capital: We have done similar joint ventures with SAIL or other PSU organizations. Can we expect an extension of this model into other areas of the economy or other imports?

Management: We have not done this with SAIL yet. But this is an experiment, and we are sure this model will work. We have support from the oil companies and the Ministry. We will take similar models to other areas. This is starting with oil and gas, but we may proceed with the same formula in dry bulk as well.

Chetan Sakle – Purtan Capital: What is the status of the joint venture, and at what stage of approval is it?

Management: At this stage, it is under active consideration by our Ministry. We do not have a specific timeline yet, but once it is approved, we will disclose it to the stock exchange and our shareholders.

Chetan Sakle – Purtan Capital: Thank you very much.

Operator: Thank you. The next question is from the line of Raunak Singhvi from NAFA Asset Managers. Please go ahead.

Raunak Singhvi – NAFA Asset Managers: Hello, I want to know the dry docking schedule for the next two financial years.

Management: We will have to check the exact number of tankers and bulk carriers planned. Dry docking is normally done twice in 5 years as a requirement. We will share the specific information with you after this call.

Raunak Singhvi – NAFA Asset Managers: Okay, thank you.

Operator: Thank you. The next question is from the line of Isha Shah from Nirzar Enterprises. Please go ahead.

Isha Shah – Nirzar Enterprises: Hello. Congratulations on a good set of numbers. I had two questions. First, as you mentioned in the notes for the recent quarter, three vessels are still stuck in the Strait of Hormuz. You explained that freight has been recognized based on the percentage of

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voyage completion. Is this accounting treatment irrespective of the type of agreement, such as time charter, voyage charter, or spot? And how much revenue can be recognized from these vessels overall?

Management: These three vessels are all on voyage charter. We have recorded proportionate revenue in our books as per our accounting system and the charter party. The remaining revenue will be recognized in the next fiscal year once the voyage is completed.

Isha Shah – Nirzar Enterprises: You mentioned that if the cycle goes down, the floor would cover operating costs. What about interest costs and depreciation?

Management: Interest costs and depreciation will not be part of that formula. This formula is typically for COA or time charters. If it is spot or voyage, we use prevailing market conditions. I will let our Director of Finance comment further.

Management: From a time charter perspective, whenever we deploy a vessel, it has standing charges built into it, including interest, indirect operating expenses, and depreciation, plus a return on the asset. For the future joint venture, we would like to cover as much of the standing costs, operating expenses, and financial costs as possible within the floor, but it depends on the commercial agreement with the counterparty.

Isha Shah – Nirzar Enterprises: So accurately, standing costs do include depreciation?

Management: Yes, they include depreciation.

Isha Shah – Nirzar Enterprises: In the joint venture, can we then expect a 10-12 year time charter duration?

Management: Yes, as SCI, we would love to have the maximum possible useful life of the asset covered through the time charter model. Those modalities will be finalized once the vessel acquisition process is in place and we sit with the counterparty for commercial terms.

Isha Shah – Nirzar Enterprises: Any minimum ROCE planned for the joint venture?

Management: On similar lines to SCI's acquisition plan, we would like to have an IRR in the range of around 10-12%.

Isha Shah – Nirzar Enterprises: Is the definition of IRR here covering depreciation, interest, and costs, or is it ROCE?

Management: It is IRR, which is the return generated over the project life on a discounted basis. It is not ROCE.

Isha Shah – Nirzar Enterprises: Lastly, if the expiring contracts were to be renewed at prevailing market rates today, what would be the estimated impact on earnings or profitability vis-a-vis the current charter book?

Management: That is a hypothetical question. Once we enter into agreements, only then can we assign numbers. You can compare the market indices from three months ago to the current market

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to see the delta, but it will all depend on prevailing market conditions.

Isha Shah – Nirzar Enterprises: Thank you.

Operator: Thank you. The next question is from the line of Aditya Ladhak from Stalion Asset. Please go ahead.

Aditya Ladhak – Stalion Asset: Congratulations on a great set of numbers. From what I understand, the TAM is huge, with 80 billion dollars of freight going to overseas shipping companies. With the Maritime Amrit Kaal Vision last year, we put a focus on the shipping sector. Regarding the announced joint venture for 59 vessels, is the government providing additional incentives for procurement, such as tax write-backs or GST exemptions?

Management: The Government of India has two clear priorities: to have ship construction done in India for large commercial vessels, and to increase Indian tonnage. To support the shipbuilding ecosystem, various schemes like shipbuilding financial assistance and credit note policies for scrapping have been announced. This supports shipbuilders so they can compete with China and South Korea. For ship owners, there are minor incentives, and we expect the benefits going to shipbuilders will eventually be transferred to ship owners as well.

Aditya Ladhak – Stalion Asset: Understood. What would be the NAV of the current ships in our portfolio?

Management: The NAV on a consolidated basis is roughly 300 per share.

Aditya Ladhak – Stalion Asset: Regarding Bharat Container Shipping Line, what sort of investment will we make, how many vessels will we procure, and what is our share in the joint venture?

Management: In the Bharat Container Shipping Line, SCI and CONCOR are each expected to have around 30% shareholding. For the initial phase, we have identified 51 vessels for demand aggregation. This plan for 51 vessels is up to 2047.

Aditya Ladhak – Stalion Asset: Thank you.

Operator: Thank you. The next question is from the line of Deep Agrawal from Fitcom Family Office. Please go ahead.

Deep Agrawal – Fitcom Family Office: Given the current geopolitical scenario, can you give us a sense of the mix between long-term contracts and spot contracts for our 58 vessels?

Management: Today, especially in the tanker segment, spot rates are very high—multiple times what they were pre-war. We have nearly 60% of our tanker fleet on voyage charter and nearly 40% on time charter.

Deep Agrawal – Fitcom Family Office: Does the freight increase we are witnessing right now reflect in the coming quarter?

Management: Yes, this impact should be reflected in the P&L in the next quarter.

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Deep Agrawal – Fitcom Family Office: Thank you.

Operator: Thank you. The next question is from the line of Rakesh Roy from Boru AMC. Please go ahead.

Rakesh Roy – Boru AMC: Regarding the four ships stuck in Hormuz on March 31, how much was the revenue impacted in Q4?

Management: These remain unfinished voyages. The final revenue adjustment will happen once the voyages are completed. They are still in progress. It will be difficult to give a number now, but it will be reflected in Q1.

Rakesh Roy – Boru AMC: Do you plan to add second-hand or new ships to SCI's books in FY27?

Management: Yes, we have a clear plan to order new vessels as well as purchase second-hand assets in the current FY27 period. On October 29, the Prime Minister announced our long-term business plan, which extends up to 2047.

Operator: Thank you. The next question is from the line of Anushri from Alpha Invesco. Please go ahead.

Anushri – Alpha Invesco: Earlier, during the Maritime India Vision, it was indicated that you would purchase around 216 vessels by 2047 with an investment of 1 lakh crore. How much of this will be through the joint venture route versus independently by SCI? And does this 216 include the 59 vessels and the 51 vessels for the container line?

Management: 59 vessels are currently planned under the oil and gas segment as part of demand aggregation. Nearly 50 more ships are planned under Bharat Container Shipping Line, and the rest will be under SCI or potential future joint ventures. This is a long-term plan up to 2047 that will be reviewed periodically by the board.

Anushri – Alpha Invesco: What is the split between new builds and second-hand vessels?

Management: Our intention is to order new vessels in India so that Indian shipbuilding grows. Because new builds take a couple of years for delivery, we will purchase second-hand vessels in the meantime to augment our fleet. In the first few years, we will add second-hand tonnage, followed by the new fleet.

Operator: Thank you. The next question is from the line of Amitabh Vatsya from Sadanand Ventures. Please go ahead.

Amitabh Vatsya – Sadanand Ventures: My question is regarding the land asset holding company, SCI Land and Assets Limited. Are there rumors of a reverse merger with SCI? Also, do you have colors on the NBCC MOU?

Management: The NBCC MOU was signed a few days ago to upgrade our training institute in Powai. We want to utilize that capacity in the best way possible and have already worked with Synergy, an international ship manager. Regarding a reversal between SCI Land and Assets Limited and SCI, it is a separate legal entity. Decisions regarding that would be taken by the Ministry; we have no

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information at this stage.

Operator: Thank you. The next question is from the line of Suraj from Vigilant Global. Please go ahead.

Suraj – Vigilant Global: In the last call, it was mentioned that we would acquire second-hand vessels, but recent tenders show new vessels. Has the plan changed? Also, will the proposed Indian shipping insurance setup impact our financials?

Management: SCI has always planned to purchase both new and second-hand vessels, though the numbers vary based on market conditions. Regarding insurance, costs have increased significantly due to the war, and some vessels were unable to get coverage. The Government of India has created an insurance pool with public sector companies to help Indian ship owners get coverage at reasonable prices. This is a very good initiative.

Operator: Thank you. The next question is from the line of Harsh Shah from JM Financial PMS. Please go ahead.

Harsh Shah – JM Financial PMS: Regarding the aspiration to grow revenue two to three times in the next 4–5 years, will the accounting for the joint venture be done via the equity method or will numbers be consolidated?

Management: It will be handled via the equity method. The revenue will flow to SCI's books as a share in the joint venture before PBT.

Operator: Thank you. The next question is from the line of Bhavya Gandhi from Bajaj Alternative Investments. Please go ahead.

Bhavya Gandhi – Bajaj Alternative Investments: Is there a mandatory requirement for oil companies to use SCI services?

Management: No, there is no such compulsion. SCI operates under serious international competition.

Bhavya Gandhi – Bajaj Alternative Investments: So the purpose of the joint venture is to purchase assets and rent them out?

Management: The purpose is that OMCs have cargo, and if the joint venture has ships, the freight that was going out of the country can be retained.

Operator: Thank you. The next question is from the line of Akshay Ajmera, an individual investor. Please go ahead.

Akshay Ajmera: You provided an update that the joint venture formation is under the Ministry's consideration. In the last call, the update was that it would be around December 2025. Is there a key reason for the delay, given the push from the top ministry to form it quickly?

Management: Yes, the push was there and is still there. Our Ministry is working on this project in a focused way. We have to wait a little longer, but there is complete clarity that this is a strategic

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need for the country. Procedures naturally take some time, Akshay.

Akshay Ajmera: Regarding the IRR of 11-12%, is there a minimum floor for the returns we will generate?

Management: When a proposal goes to the board, they generally do not consider it if the IRR is below 10%. However, if there is a strategic need or importance for the project, the board has the power to make a decision.

Akshay Ajmera: We want as much as possible for the shareholders. I have a request regarding follow-ups; can you ask the secretarial or finance department to ensure we get answers to questions that were deferred to after the call?

Management: Certainly, we have noted this, and rest assured that the replies will reach you.

Akshay Ajmera: Thank you. Are there any one-off numbers like foreign exchange losses or ECL provisions we should look at?

Management: There is nothing abnormal. These are normal ECL provisions, nothing significant to share at this point.

Akshay Ajmera: Thank you. I want to congratulate the SCI team for their hard work in ensuring India's energy security during these difficult circumstances.

Management: Thank you, and congratulations to all of you as well. Your cooperation contributes to these good results. You all have made a significant contribution.

Operator: Thank you. Ladies and gentlemen, that was the last question. I now hand the floor over to Mr. Varadarajan Sivasankaran from Antique Stock Broking.

Varardarajan Sivasankaran – Antique Stock Broking: Thank you. Participants with further questions can share them with us or the SCI investor relations team. I would like to thank the management of SCI for the detailed answers and for the opportunity to host the call.

Management: Thank you. I would like to thank the investors and analysts who joined and have reposed their continued confidence in SCI. We are committed to continuous improvement, and our strategic initiatives will earn manifold growth for the organization and value to our shareholders. You can reach out to our investor relation cell for further queries. Best wishes to everyone. Thank you.

Operator: Thank you very much. On behalf of Antique Stock Broking Limited, that concludes this conference call. Thank you all for joining us and you may now disconnect your lines.

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