“Navkar Corporation Limited
Q2 FY-24 Results Conference Call”
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Moderator: Ladies and gentlemen, good day and welcome to the Navkar Corporation Limited Q2 FY '24 Results Conference Call hosted by PhillipCapital. 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 the conference call, please signal an operator by pressing star, then zero on your touchtone phone. Please note that this conference is being recorded.

This conference call may contain forward-looking statements about the company, which are based on the beliefs, opinions, and expectations of the company as on date of this call. These statements are not the guarantees of future performance and involve risks and uncertainties that are difficult to predict.

I now hand the conference over to Mr. Vikram Suryawanshi from PhillipCapital India Private. Limited. Thank you and over to you, sir.

Vikram Suryawanshi: Thank you, Sagar. Good morning and very warm welcome to everyone. Thank you for being on a call of Navkar Corporation Limited. From the management, we are happy to have with us here today Mr. Arun Sharma, Chief Executive Officer, Mr. Prasoon Singh, Chief Financial Officer. Now I hand over the call to Mr. Singh for their opening comments. Over to you, sir.

Prasoon Singh: Thank you, sir. Good afternoon and welcome to you all. I will begin the call by spending some time on the business performance in the September quarter, followed by insights on the results of Q2 2024. So business scenario continued to be gloomy for exempt trade in India in the past quarter. The Ukraine-Russia war continued to impact global trade and India did not escape the effects of this disturbance. Both imports and exports were sluggish on the back of the global trade scenario.

Specifically relevant for our business was the dip in agro-commodity exports, which is suffering due to government disincentives, including withholding export quotas for essential food commodities. Domestic trade in commodities contributing to a major portion of our rail movements was impacted adversely on account of monsoons in this quarter. Our businesses have, however, displayed resilience and we have posted good results.

So I will speak about the different businesses in brief and then I will move on to the financial performance here. So starting with the CFS business, as mentioned earlier, the imports and exports moving through the Nhava Sheva port have shown a decline. This has impacted the volumes at our CFS for exempt trade.

We handled 16,296 TUs of export and 29,789 TUs of import in the quarter against 18,132 TUs of export and 28,854 TUs of import in the previous quarter and 24,412 TUs of export and 26,461 TUs of import in the same quarter last year. Overall exempt volumes at CFS were down 2% from the last quarter and 9% from quarter 2 of financial year 2023. So that is what I have on the CFS business.

On the ICD business, you would be aware that ICD-Morbi had received regulatory clearances and we commenced operations in the months of February and March 2023. The business is growing at a robust rate and new customer acquisition, also expansion of coverage of different commodities and different geographies within the Saurashtra region is happening as we expected. The numbers recorded at Morbi were expectedly much higher than the previous quarter.

We were able to handle 7,674 TUs of export and 1,183 TUs of import as against 2,065 TUs of export and 216 TUs of import in the previous quarter and 251 TUs of export and 6 TUs of imports in the last quarter of FY '23. This represents an increase of 288% this quarter over the last quarter and of course I will not compare it to the last quarter of FY '23 because that is a very big increase. So we will not talk about that.

On the domestic business side, the domestic business suffered in the last quarter on account of monsoons. Domestic rail transportation in general historically shows a dip in the monsoon months. The number of trains running on the domestic circuit from our Somatane CFS/PFT came down to 141 from 171 in the previous quarter. This represents a drop of 18% and is attributable to the impact of monsoons on the domestic movement. So that is on the business side.

Now moving over to the financial performance of the company in this quarter. The operating revenue for the quarter stood at INR94.6 crores as against INR105.5 crores in the previous quarter and INR109.3 crores in the second quarter of last year. This represents a reduction of 10% from the previous quarter and 13% from the same quarter in the last year. The reason for this reduction is the overall reduction in business in the three segments – export, import and domestic, which we discussed earlier.

So that is on the revenue side. The operating profit for the quarter reduced to INR35.6 crores in this quarter from INR37.8 crores in the previous quarter and INR41.6 crores in the same quarter last year. This corresponds to a reduction of 6% from the previous quarter and 10% from the same quarter last year.

It is to be noted that the dip in operating profit is much lower than the dip in operating revenue. This is attributable to the improved operational efficiencies introduced in all our business lines as an ongoing activity. This has also resulted in an increase of gross profit margin to 38% in Q2 2024 from 36% in the previous quarter.

Coming over to EBIT, the EBIT for the quarter stands at INR5.5 crores, that is 6%, down from INR7.5 crores, that is 7% quarter-on-quarter, and INR23.1 crores in the last quarter of the previous year. The reason for this reduction in EBIT from the last year is the high depreciation, employee costs and other expenses incurred on account of ICB-Morbi project completion and operations commencement, with business still being in a ramp-up phase. Depreciation has also increased significantly from the last quarter as fixed assets are being capitalised at Morbi.

Then coming over to the after-tax profit, for the quarter the after-tax profit stands at INR2.04 crores, as against INR3.73 crores in the last quarter. The profitability is reduced from 4% to 2%. The major reasons for this reduction in profitability is the reduction in volumes, we spoke about it, the increase in depreciation, interest costs for the debt assumed to fund acquisition of vehicles and other assets, etcetera. So that is what has caused this reduction in the PAT.

Now, finally concluding on the business outlook, in the coming couple of quarters, the exports of agro-commodities is expected to revise as the government is expected to release fresh export quotas. It is also evident that domestic rail transportation is improving pan-India as the monsoons have receded. However, general commodities, EXIM trade is not expected to show much positive movement as of yet.

We therefore expect that revenue as well as profitability will show some improvement over the next couple of quarters. Significant improvement in revenues as well as profitability is expected over the medium term as the business at Morbi matures.

So that is all from now, I now hand over the call back to Mr. Vikram.

Vikram Suryawanshi: Thank you, sir. We will now move to the question-and-answer session. Sagar, you can continue.

Moderator: Thank you. We will now begin the question-and-answer session. First question is from the line of Mr. Nakul Joshi, who is an individual investor. Please go ahead.

Nakul Joshi: Thank you so much for the opportunity. I have a couple of questions. Starting about the EXIM imbalance for the second quarter, like how has it improved? And so going forward in double-stacking, do you see any improvement over there?

Prasoon Singh: Yes, so if I understood your question correctly, you're asking about the EXIM imbalance, and the second question was, how do you expect double-stacking?

Nakul Joshi: Double-stacking, correct.

Prasoon Singh: Yes, so the EXIM imbalance at Morbi, specifically about Morbi, I can tell you, the EXIM imbalance is something which is very much evident. And the business projections that we have made are considering that imbalance, yes, so that is expected not to change significantly. On the Nhava Sheva side, I think that the EXIM imbalance is not so much of an issue or a problem, and we do not expect any further changes on the EXIM imbalance in the Nhava Sheva Port also. So that is the two areas where we operate, and we do not expect that there will be any significant change in the EXIM imbalance in both the places.

Having said that, our business plans, our projections are all made taking in account this fact of the business, so that is there. And talking about double-stack, so double-stack container train movement, as expected, it'll help both the EXIM as well as the domestic cargo movement, so we expect that as more-and-more, double-stack train movement happens, we will be able to increase our operational efficiencies, specifically with reference to Morbi operations. So I hope that answers our question.

I also have with me Arun Sharma, who is the CEO. Anything that you would like to add to this, Arun?

Arun Sharma: Yes, to answer your question with regards to double-stack, in general, double-stacking is going to help the trade, but specifically for Morbi, I would like to highlight this, that since our operation at Morbi is little imbalanced, so we are heavy on the imports when it comes to Morbi local, and that is a 40-fit container, and heavy on exports for the 20-fit containers. So double-stacking is not going to impact much on our profitability, so that consideration has already been taken into our business projections.

Nakul Joshi: Understood. And in terms of price hike at the industrial level for the rail business, do you see any scope for that in the H2, FY '24?

Arun Sharma: No, right now, we don't foresee it happening. Till the time the overall scenario changes in terms of road transportation, things are going to be in the same manner.

Nakul Joshi: Understood. Thank you, that's it from my side.

Moderator: Thank you so much. The next question is from the line of Mr. Rajeev Jain from RJ Investments. Please go ahead.

Rajeev Jain: Yes, thank you, sir, for the opportunity. So I have a couple of questions. Sir, first is, could you throw some light on the number of our double-stacking trains as of the quarter? And sir, how much of that figure is related to our EXIM and the domestic business?

Arun Sharma: So I will answer this question. In this quarter, the double-stacking train was zero. And as I said, in terms of moving a double-stacking train on a domestic circuit, right now it's not possible because the DFC, if you see, it has not been started. Our domestic circuit, we are operating one domestic circuit between Nhava Sheva, that is our Panvel facility, and our Morbi facility. A regular train is being moved, at least four to five movements are happening in a month. That we don't foresee it happening, maybe a good number of months, maybe by 2024. End of 2024, when DFC would be operational, then only we'll see double-stacked train moving on that particular track.

As far as the EXIM trade is concerned, as I earlier mentioned, that our trade is a little imbalanced on the 20 and 40 side. On the 220-feet container, keeping 140 is practically possible as far as the railway norms are concerned, but then it goes beyond the weight what is being permitted. So that is not possible. Loading one 240-foot container one on top of other, that is definitely workable, but then there was one new notification which had come from Railway, by which there have been some weight restrictions which has been put on.

So keeping that also in mind, we foresee that this particular double-stacking for the 40-feet containers are also not going to be much of a help. Only when we are moving the empty containers, that impact is going to be there. So if you ask me practically, how much is going to impact us in future, my answer for the EXIM would be not much, maybe 5% of the movement will happen on double-stack basis.

Rajeev Jain: Also, sir, could you share the empty running costs for the EXIM and our domestic business? And also, sir, the capex guidance for the remaining year and for the next year, maybe not exactly the numbers or the range?

Arun Sharma: So empty running cost is already taken in our costing. When we are selling our products to our customers, that has already been taken into consideration, even if it is for domestic or the EXIM trade, for both of them. As far as the capex is concerned, I will ask Prasoon to please?

Prasoon Singh: Yes, so on the capex, I think significant capex that had to happen at Morbi has already happened. So as a direction, what can be taken is that there's no significant fresh capex planned at Morbi as of now. What we are going to see is some ongoing improvement activities that will happen at both our facilities, but nothing significant in terms of fresh capex is expected at both our locations here. So I hope that answers your question.

Rajeev Jain: Okay, so thank you, sir, for the opportunity. My question are answered, thank you, sir. Thank you.

Moderator: Thank you. The next question is from the line of Rahul Jain, who's an individual investor. Please go ahead.

Rahul Jain: Thanks for the opportunity, sir. So I have a few questions from my side. Firstly, on the macro level, I just want to understand what is the situation in terms of the export markets?

Arun Sharma: Yes, so export market macro level, it is going to be subdued for the next one year because this is the election year. India is still an agro-based economy where majority of export is happening in the agri-commodity. In the coming year, till the election is over, we expect that this scenario is not going to change much.

As far as other commodities are concerned, we see which is going to impact us, the tiles and ceramics. That is quite robust. It is expected to be in line with what is going on. So I hope that answers your question. Apart from that, I think majority of exports are in line with whatever is happening right now. There's not much of a difference which is expected.

Rahul Jain: Okay, understood, sir. Secondly, sir, are we planning to add more [inaudible 0:19:13] in the coming years? Are we planning to identify any places for those? So just want to know your perception or perspective regarding the same?

Arun Sharma: So right now, see, discussions keep on happening, but there's nothing concrete which, at this point in time, we can communicate it to you. So right now, to answer your question, the answer is no.

Prasoon Singh: So if anything, just to add to what Arun said, if anything comes up, we'll inform investors accordingly. But as of now, there's nothing concrete on the table. There's nothing on the table.

Rahul Jain: Okay, that's the sum of my question. And thirdly, sir, so rail is an asset for us. So are you having any plans on buying more rakes in the coming quarter or in next financial year? And just wanted to know if there are any challenges in the availability of rake in the market?

Arun Sharma: So right now, we have seven rake's of our own, and a eight rake is coming this month. So far, our capex on the asset procurement in terms of holding stock has already been over. We, right now, are seeking a few more rake's to include into our fleet, but that will be on a long-term lease basis. But having said that, we are open for it, as and when any new business's opportunity keeps on coming, we will definitely explore that. But right now, all our capex on the train has already been done.

Rahul Jain: Okay, so there are no challenges in the procurement of rake's?

Arun Sharma: No, that challenge of wheel availability is still there, but then, we received all our trains as soon as the wheel availability started coming in. So right now, all our rake's have been delivered. But yes, to answer your question about the challenges, there are challenges, and by the time we, again, start thinking about procuring rail assets, we foresee that things are going to be normalized. So we don't see any challenge for us, as and when we plan.

Rahul Jain: Okay. And just one more thing, can you please share your more rate on the outlook for FY '24? In terms of [steel] volume.

Arun Sharma: So outlook -- Prasoon has already informed, that we foresee our cost is optimized now. We are now -- we only have to increase on our volume, and we foresee after the monsoon is over, domestic movement is going to improve, and with the agro-commodity, fresh quota on offer, probably, after Kharif, we foresee that exports are also going to go up. So overall, we have upward journey from here.

Rahul Jain: Okay. That answers my question, sir. Thanks. All the best.

Moderator: Thank you so much. Next question is from the line of Ashok Shah from LFC Securities, please go ahead.

Ashok Shah: Thanks for taking my questions and giving opportunity. Sir, while going through our results, there is a CWPI of INR145 crores, which is shown. So out of that, what is maintenance capex and new capex, and what is likely to be outcome of this capex?

Arun Sharma: So let me take that question. The CWIP that you saw in the results, that is mostly, it's not all, but a major portion of it pertains to the new capex, which is happening at Morbi. Like I said earlier in my briefing, as well as in the answer to a previous question, Morbi, the project stage is almost finishing, and we are coming into the operational stage.

So all the capex that has happened over there is in the conclusion stage, and the CWIP that you saw in the results is majorly on account of Morbi, and there is some bit of it which is happening as improvement activities or maintenance capex at Somatane.

Ashok Shah: So what's a yearly maintenance capex?

Arun Sharma: Yearly maintenance capex would be about, let's say somewhere in the range of INR10 crores to INR15 crores.

Ashok Shah: So that means almost INR125 crores will go to the new capex?

Arun Sharma: I will not give the numbers out at present, but directionally what you're saying is correct, yes.

Ashok Shah: Sir, last year we, almost last year we sold some business. So out of that, how the allocation of the fund was done? Because at that time, it was stated that some dividend will be distributed.

Arun Sharma: So I remember there was a discussion around this earlier as well, and the management line at that point in time as well as today is that, we do not feel that there is a possibility of dividend distribution at present. If the dividend distribution possibility happens in the near future, we will definitely do it. But at current time, there is no possibility of dividend distribution. Does that answer your question?

Ashok Shah: So regarding that, sir, we came out with the IPO in the year 2015. At that time, almost 1,85,000 shareholders subscribed to the IPO. And currently, it's less than 60,000 shareholders only in the company. So over the last seven years, we are not able to create any wealth for the investors.

So what's the outcome of this last seven years and how it's going to be in future? Because you are unable to give some profit distribution over last seven years, and also not going to give any profit distribution over next few years as stated by you. So kindly give some concrete comments and give some view on, what will be wealth creation for the investors?

Arun Sharma: So Mr. Shah, to answer your question, yes, you are right. We came up with the IPO, but thereafter, if you see, the CFS industry per se has changed a lot. So that time we were only into CFS business. Later on, we came into ICD. And now from ICD, we have migrated to the rail operation. And within rail operation also, we are now diversifying in the domestic.

So the reason of this diversification is that we had foreseen that these, the hit on the profitability, which used to be there in the CFS industry is bound to happen. And we saw that happening with the introduction of DPD. You, it has -- a number of times in the past also, it has been explained that, how DPD has impacted badly the CFS industry.

Now, in order to come out of that situation and to reach to a level where we start delivering the value to the shareholders, I foresee that happening in the near future, because with the success of Tumb, and then company, we managed to become debt free. Everyone like contributed in that. And thanks for supporting in this cause of the company.

And now going forward, what we foresee, things are going in the right direction. We have diversified well. And the value to the shareholders will be available in coming future. To answer your question with regards to dividend, we still maintain that, whenever the opportune time comes, definitely a dividend will be offered to the shareholders.

Ashok Shah: Sir, we are doing a capex of INR130 crores approximately. So what will be turnover from realized from this? And what will be breakeven and cash flow to be realized from this further capex?

Arun Sharma: So these are all -- we are into business which has a very high capex and has a high gestation period. But then once the revenue or realization starts coming in, then the business longevity is there. So with the current way of business which is happening in India, we foresee this happening in seven years to eight years' time, when this capex would be probably realized or the payback will happen. But these are all hypothetical number you are asking. More concrete as in when we cross the path, that time only we'll be able to give you more clear picture.

Ashok Shah: But currently, at what interest rate we are paying to the bankers?

Arun Sharma: Yes, so we are paying in the range of -- in the ballpark of 9% here.

Ashok Shah: Okay, sir. Thank you, sir.

Moderator: Thank you so much. The next question is from the line of Krupashankar NJ from Avendus Spark. Please go ahead.

Krupashankar NJ: Yes, good morning and thanks for the opportunity. My first question was more relating to the underlying change in the industry. So we are seeing that the exports is declining quite substantially from the country. And given that the imbalance is quite high, I just wanted to get your sense as to what you picture with respect to volume growth in the industry, at least over the next 6 to 12 months.

Arun Sharma: So, Mr. Krupashankar, I think we have already answered this question, but just to briefly answer your question, since our exports are primarily at the country level is agri-based. So, yes, for the next six to nine months or one year, it is going to be subdued. But as far as our business is concerned at ICD-Morbi, which is export dominated market, we foresee things are moving in the right direction and the volumes are coming up because it's a greenfield project.

There is no other ICD in that area. So we are seeing good traction and a lot of business, which is directly being going to the port is expected to get diverted through ICD. Does that answer your question, sir?

Krupashankar NJ: Yes, yes. So, sorry, I joined a little bit late. That's why I was not privy to the previous answer. But just to add on to this, then if I were to just look at the TNPT ecosystem and look at the – can you share what would be the proportion of volumes which is coming to the CFSs nearby by way? And what would be your market share in that particular category?

Arun Sharma: So in terms of export, you are saying?

Krupashankar NJ: Overall, overall, import and export.

Arun Sharma: So import with the introduction of DPD and the volume which is going to CFS, I think – not I think, but 80% of the volume is now being diverted on to DPD mode. So that leaves 20%. And in that 20%, there are close to around 32 CFSs which participate. And that close to around 3% to 4% is the import which is coming to our CFS, which is pure import.

Then coming to the export side, this direct port exit is always available, which is the factory stuffing, the self-sealing, all of those. And majority of the volume is going on to that mode. Only the agri-commodity or some cargo which requires a dock stuffing where factory stuffing and self-sealing permission is not available with the exporter merchant, that cargo only comes to the CFS, which is maybe 10% of the overall volume, not more than that.

And from among that 10%, probably we command close to around 30% of Nhava Sheva export, which is going to the CFS that comes to us. So again, that again boils down to the 3% of the overall exports.

Krupashankar NJ: Good. And my second question would be more relating to the Morbi facility which you're setting up. As a mode, what would you rate your mode as in that particular location given the proximity to port as well as – yes, of course, the underlying industry size is quite clear. But why would anyone choose an outgover over anything else? That's my question on Morbi.

Arun Sharma: So I would give you some insights on the CFS, why customers choose it, or rather when I said that 30% of the export is still being commanded by Navkar is because we have a railway siding, firstly. And the cargo which is moving from the hinterland, if it is moving by road, that is some X cost. And if it is moved by rail, then the cost is less than X.

Firstly, that is an incentive to the customers by the cargo moves to Navkar. And secondly, there is something called planting quarantine, which is required for the agro-commodity. That lab is also available at our facility. So there are a couple of differentiation what is available at Navkar. That is where the export cargo moves to us.

Moderator: Thank you. The next question is from the line of Tanishka from FWC. Please go ahead.

Tanishka: Okay, thank you so much for the opportunity. So my first question is the total realization for Vapi, including the sales of vehicles, etcetera. So I know you all got INR830 crores from Adani, but was there anything over and above that?

Prasoon Singh: No, on the Vapi business, there was no other realization.

Tanishka: So the sale, I think there was some sale of vehicles, etcetera. Yes. So what was that amount?

Prasoon Singh: That amount was close to INR2.5 crores. Sorry, that was the profit that we made. The exact amount Captain Arun.

Arun Sharma: I think it was INR26 crores.

Tanishka: Okay, INR26 crores.

Arun Sharma: Yes. I think it is INR22 crores. Sorry, Tanishka, it was INR22 crores.

Prasoon Singh: INR22 crores on which those vehicles were sold, yes.

Tanishka: Okay, thank you. And what was the total investment spent on the existing PFTs?

Prasoon Singh: Total investment on the existing PFTs?

Tanishka: Yes.

Prasoon Singh: You mean the Morbi?

Tanishka: Yes, both. Actually, I wanted the break of Morbi and the CFS as well.

Prasoon Singh: So CFS is – the CFS investment has not taken recently. It is something which is very historical. So, you know, that cost may not be relevant. But for the Morbi facility – and let me just refer the numbers and give you the exact numbers. Yes, so as of now, it stands at around INR450 crores, including the CWIP.

Tanishka: Okay. And so the total investment will be done in FY24 or FY25?

Prasoon Singh: So, like I said, and I think this question I answered before also, the major investments that need to be made at Morbi, we are just about concluding. So, you know, there is no fresh major investment planned in Morbi. And whatever is there is getting concluded and closed within this area. So, majorly, it will all get closed within FY24. There will, of course, be some more additions and some more improvement activities happening at Morbi as at Somatane. So, that will be what we will have.

Tanishka: Okay, thank you. And my last question is on the amount remaining to be received for all the assets to be made at Vapi. So, we have about INR50 crores left. And I think it was mentioned that INR25 crores will be received this year. So, is there any condition on that or is it definitely receivable this year and next year?

Arun Sharma: No, no, it is definitely receivable. There is no condition.

Tanishka: Okay, fine. Okay, great. Thank you.

Arun Sharma: Just to correct my earlier answer, this sale of trailers, that was INR173 crores in total.

Tanishka: Okay, so the total realization for Vapi including all of the vehicles would be INR830 crores plus INR170 odd crores?

Arun Sharma: Yes, of which INR50 crores is pending as you rightly mentioned.

Tanishka: Yes, okay, fine. Great. Thank you so much.

Moderator: Thank you so much. The next question is from the line of Varun Mishra, who is an individual investor. Please go ahead.

Varun Mishra: Okay, thank you for taking my question. So, my first question was, could you explain the recent volume declines in both CFS and ICD, specifying the contributing centers, what do you think and what is the future outlook for this?

Prasoon Singh: So, I think, sir, I think we spoke about it in the briefing. So, on the CFS side, what has happened is there are two different business streams. There is the export and the import. So, export, whatever used to come to us has declined in the last quarter because of export quota withholding by the government and there are other, for agro-commodities, and there are also other disincentives that the government has placed.

So, that has impacted the exports at our CFS. The imports, overall, due to the global macroeconomic situation, the imports have declined, which is also evident in our CFS for the last two quarters, not one quarter, but last two quarters, yes. So, that is on the export and import at CFS.

At ICD, our ICD is into its third quarter and we are doing robust growth over there, as we had expected. So, new customer acquisition is happening. We are, you know, we are venturing into new areas. We are bringing in new commodities to ICD. So, ICD, there is no reduction in volumes per se, yes. So, that is the answer on the CFS and ICD. I hope I have been able to answer you. Yes.

Varun Mishra: Actually, my second question was, like, there has been an increase in competition in the industry due to, like, companies entering, like, Adani, JSW, and stuff. So, like, what could be, see, like, there are new players entering. So, are they creating as competition in our, like, price segment, like, in our, in, like, the segment which we operate? So, do we create, like, have they created any competition for us?

Arun Sharma: So, wherever we present in our geography, they have not. But having said that, companies always venture into businesses, which are probably giving a good scenario or good projections to them. So, yes, JSW Infra has entered, Adani is there, other companies are also there. So, they will keep on entering, but then, once you have to do business, you have to do business.

Prasoon Singh: And just to add, our advantage is, you know, is our geography. So, that is very hard to replicate. So, that is a kind of barrier to entry in our geography.

Moderator: The next question is from the line of Shashank V, who is an individual investor. Please go ahead.

Shashank V: I just want to know what is the breakup of revenue in Mumbai and Morbi?

Prasoon Singh: I think that is something, breakup of revenue in between Mumbai and Morbi?

Shashank V: Yes.

Prasoon Singh: I don't have it handy at present, but we can definitely get back to you on that.

Shashank V: Every time you put it in the investor presentation, no? You haven't put it this time as well.

Prasoon Singh: No, we have historically been putting the volumes only.

Shashank V: But you also write the turnover also over there. It is there in all the investor presentations for the last five years.

Prasoon Singh: The turnover, the revenue breakup, I don't recall that we have been putting in previous investor presentations. But yes, your query is noted and we will get back to you on that.

Shashank V: Should I wait for the answer? How are we going to get back to the answer?

Prasoon Singh: No, we will get back to you on email.

Shashank V: On email, is it?

Prasoon Singh: Yes. We will get back to you after this call.

Shashank V: Please also let me know about, I think we were doing some operation at Vapi as well for the domestic operations, right?

Prasoon Singh: Yes, that is actually not Vapi, that is in Surat at Udhana.

Shashank V: So that is still running. We have any business there?

Prasoon Singh: Yes, we are there.

Shashank V: So roughly, what kind of turnover we are doing there per quarter? I think you were noting it about INR10 crores to INR12 crores, INR15 crores something?

Prasoon Singh: Yes, we are in that range only.

Shashank V: And I believe you were also doing domestic volumes for ArcelorMittal, right?

Arun Sharma: So that is a volume which we are doing from Udhana and it has a quarterly realization of INR12 crores to INR15 crores.

Shashank V: So the entire thing is only ArcelorMittal, there's no other business that they're doing?

Arun Sharma: No, there's no other business.

Shashank V: That number is going to stay the same? Is there any increase, anything, nothing?

Arun Sharma: So we are trying to increase the share, but as of now, you can say that number is going to be constant in that range only.

Shashank V: Okay. I'm sorry for the impatience, but the thing is with the revenue breakup, it will be really easier for us to understand what's exactly happening, because every quarterly investor presentation does have, and it's right in front of me, that every quarterly breakup, the revenue breakup is given for each area or each business that you have. If you can take some time out and please give me the breakup, it will be really helpful? Because anyway, already the investors are impatient with the stock price that you guys have kept at and the way the business is happening. At least this number, if you can give, it will be helpful.

Prasoon Singh: So like I said earlier as well, we will get back to you after this call. Yes, I do not have the numbers handy with me, but we'll definitely get back to you.

Shashank V: What kind of turnover we've done in the first quarter in Vapi, sorry, I mean in Morbi?

Prasoon Singh: Yes, so Vapi typically has been…

Shashank V: Not Vapi, sorry, Morbi?

Prasoon Singh: So Morbi is, like I said, Morbi is in the growth phase. What we have done in the last quarter is about -- not about, is exactly 7,674 TUs of export and 1,183 TUs of import. So this is the figure which I read out in my speech as well, in my presentation as well. I don't know whether you are referring to this or is there any specific…

Shashank V: In terms of revenue, sir.

Prasoon Singh: In terms of revenue, you can take the last quarter was somewhere in the ballpark of, let's say, INR18 crores to INR25 crores. Like I said, I do not have the exact figures with me. Okay. So we will get back to you with the exact figures.

Moderator: Well, we'll take the next question from the line of Miraj from Arihant Capital. Please go ahead.

Miraj: Yes, hi. Thank you for taking my question. I just had one question and do we have any guidance? Do we give any guidance in terms of volumes or value?

Prasoon Singh: Guidance for?

Miraj: Going ahead in terms of performance for FY '24 and FY '25 for full year?

Arun Sharma: Yes, so as the has already given guidance, but I will again tell you that now since the monsoon is over, we foresee -- we have a positive outlook on the domestic movement. We foresee the movement of the number of trains which had come down will increase. Overall increase in the domestic side, I foresee to have it in the range of 10% to 15%.

And CFS business is going to be exactly the way things are going. If export quota opens up, we foresee the export numbers will grow and it will grow exactly in the same manner how we've been performing earlier. So if sugar quota opens up, we see this number jumping to at least 25% to 30%. If we see only rice getting opened up, it will increase by another 5%. So that is the kind of guidance what we can give right from here.

As far as Morbi is concerned, we are seeing Morbi, the imports are increasing in a decent way. My estimation -- best estimation is that our growth is going to be in line of around 15% to 20% for Morbi in terms of imports as well as exports.

Miraj: Got it, okay. Thank you. If I have any further questions, I'll get back in queue. Thank you.

Moderator: thank you so much. Well, as there are no further questions, I would like to handover the conference to Mr. Vikram Suryawanshi, from PhillipCapital India Private Limited. Thank you, over to you, sir.

Vikram Suryawanshi: Yes, thank you. And we thank the management of Navkar Corporation for giving us an opportunity to host the call and taking time out for interaction with the stakeholder. Thank you all for being on the call.

Moderator: Thank you. On behalf of PhillipCapital India Private Limited, that concludes this conference call. Thank you for joining us and you may now disconnect your lines.