

Gujarat Pipavav Port Limited
Q1FY 2026 Earnings Conference Call
13th August 2025

Manish Agnihotri:

Good Afternoon and welcome to Q1 FY 2026 Earnings Call of Gujarat Pipavav Port Limited. We have Mr. Girish Aggarwal, Managing Director and Mr. Santosh Breed, CFO. Please keep yourself on mute and upon calling out your name you can unmute yourself. Mr. Girish Aggarwal will make his opening remarks and then the floor shall be opened for Q&A.

Girish Aggarwal:

Despite Container business being muted, the Revenue increased by 2% due to the growth of 21% in Liquid business and 11% in RORO business. Both these businesses continue to grow in this financial year as well. EBIDTA margin is lower by 100 basis points and EBIT declined by 3% largely due to One-off expenses of INR 25 million and higher Repairs & Maintenance cost. Excluding the one-off expenses, EBIT would have been lower by 1%

In terms of the Outlook the Container volume is expected to be muted in this financial year due to geopolitical and trade tariff uncertainties. Dry bulk volumes are also expected to remain flat year-on-year basis. Liquid volumes are expected to grow by 20% and RORO by 25% in this financial year. EBIT on an overall basis is expected to grow by 5-7%. We now open the floor for questions.

Manish Agnihotri:

Mr. Deepak Maurya please go ahead with the question.

Deepak MAURYA:

Can we have the realisation details.

Santosh Breed:

The realisation for Container continues to be at Rs. 9000 to 9500 per TEU, Dry Bulk at Rs. 550 to 650 per MT and Liquid is Rs. 600 to 650 per MT

Deepak MAURYA:

Given that the Container volumes are slowing down, right? You're looking at flattish volumes there and liquid volumes are growing very fast. So does that mean that the margin outlook will

also be under pressure or is it that the weakness in container is offset by a very high margin of liquid business.

Girish Aggarwal:

Yes it will be offset by both high margin business of Liquids and RORO? I'll maintain a 60% to 61%. I mean, let's let's say it's 60 to 61% overall annual EBITDA margins.

Deepak MAURYA:

OK. OK. And any color on the bulk volumes, how is that shaping up or how you expect it to shape up?

Girish Aggarwal:

So bulk, we are keeping a flattish summary essentially this quarter was a little low simply I mean, but this Q2 will be good. This is the fertilizer season. We're seeing a robust fertilizer import overall. We're still maintaining a 2.25 to 2.5 million metric tons of Dry Bulk.

Deepak MAURYA:

OK, of Dry Bulk OK. And one last question before I follow in the queue. Sorry, the vessel positioning or the services calls at GPPV right last year we had this big impact of Red Sea capacity being pulled away from. Non East from pulled away into the East West routes, right? Particularly the US and the Europe routes and that led to some of the vessels calling less at your ports. How is that vessel call scheduling shaping up?

Girish Aggarwal:

So far everything looks OK, but again you know with the tariffs, I mean a lot will depend on how these tariffs play out Dipak. China is still, I mean, it's just got another 90 day pause so. We see a lot of inventory buildup in the US, whether the US will continue to buy out of China. Excuse me. Excuse me, sorry Viraj. You are I think on camera. So we'll have to do a little bit of a and watch here. Your but as of now I think broadly similar. We haven't seen any further impact of moving out of vessels?

Deepak MAURYA:

OK, so that has stabilized at least for now.

Girish Aggarwal:

Yeah, for now, right

Deepak MAURYA:

Oh, OK.

Girish Aggarwal:

But let's see now. Now is the 50% of India and actually falls in China. Let's see what happens.

Deepak MAURYA:

Yeah, cheers. I appreciate the color you've provided. Thank you very much. I'll fall back in the queue.

Manish Agnihotri:

Mr. Ketan Jain, please go ahead with your question.

Ketan Jain:

Oh, thank you, Sir. Thank you, Sir. Am I audible?

Girish Aggarwal:

Yes.

Ketan Jain:

So my first I wanted to understand what would be the revenue share as per our current Concession which we pay to the maritime board currently?

Santosh Breed:

So again, we don't pay a revenue share to the Maritime Board. It is based on the volume handled and the rate differs from commodity to commodity.

Girish Aggarwal:

So and commodity to commodity and it's a published number and then there's a concessional royalty to us, yeah.

Ketan Jain:

So, so can you just give a percentage like out of the 9000 realization for container, what would be the percentage just around? Yeah.

Santosh Breed:

I will not able to give you a percentage by business stream.

Girish Aggarwal:

And it will not make sense. Also because Empty's is different, Laden's is different, twenty feet is different, 40 foot is different. So I mean. I mean probably you these are published numbers on the web I think by GMB any which way you can figure that.

Ketan Jain:

Understood. OK, so I'll just tell you why I was asking this. So I just wanted to understand in the case of the concession extension, what is the more likely route will the maritime board extend with a higher royalty or put the asset for rebidding? And if it comes for renewal, how long do you think will it likely be extended for 20 years or 30 years? Just some thoughts on these.

Girish Aggarwal:

No, no, I cannot give you any commentary on that. That will be left to the Government of Gujarat. So we'll see as it comes out.

Ketan Jain:

So no estimate sends or anything how it's going to get explained. So initial talks.

Girish Aggarwal:

Yeah, but this, I mean, they're always estimates, but there's no point. Oh no, but there's no point in talking about estimates and discussions that are happening, that's those are all speculative in nature, at least at this point in time.

Ketan Jain:

OK. Thank you.

Manish Agnihotri:

Thank you. Neelotpal Sahnu please go ahead.

Neelotpal Sahu:

Hello. Hi Sir, am I audible?

Girish Aggarwal:

Yes.

Neelotpal Sahu:

Thank you. So my first question is with respect to liquids or the new jetty that is being constructed, what is the timeline you see when it will it can be commissioned?

Girish Aggarwal:

November, December 2026.

Neelotpal Sahu:

Understood, understood. Also AVTL has expanded the LPG handling capacity at your ports and additionally they have also announced an ammonia plant and they are also building a railway gantry for liquids. So considering all of these, what is your outlook on liquid volumes for a slightly longer term, say 27-28?

Girish Aggarwal:

OK, so that this year we will give you guidance for this year at least at this point in time, Neelotpal which we said is roughly 20%. But as we move forward, I mean again the capacity expansion for us.

And full VLGC handling capability will come to us by November, December 2026, so I think. You could expect and this is a 3.2 million tons expansion. So you could expect at least 1/3 of it to be operational, 1/3 to be in Year 1, and then, you know, expand, you know, gradually beyond over a period of time, you didn't also mention the Gorakhpur Kandla pipeline, kandala, Gorakhpur pipeline that also come online within this year. So I think overall I think liquid will continue to see very robust growth.

Neelotpal Sahu:

Sure. Thank you, Sir. And one last question from my end. So can you give the CapEx guidance for this year and potentially for the next year?

Girish Aggarwal:

CapEx guidance for this year in general?

Overall, a large portion of expense of the liquid jetty, which we announced, \$90,000,000 will be expensed out this year. And that's the maximum Max or major CapEx this year.

Neelotpal Sahu:

OK, so the major part of that will happen this year only.

Girish Aggarwal:

That's right. In terms of CapEx, yes and then some part will be next year.

Neelotpal Sahu:

Understood. Understood. Thank you, Sir. Those were my questions.

Manish Agnihotri:

Thank you, Achal. Please go ahead.

Achal Lohade - Nuvama Institutional Equities:

Yeah. Good afternoon, Sir. Thank you for the opportunity. Sir first question, if you could help us understand, sorry, I missed the initial couple of minutes. If you could talk about you know how the EXIM cargo growth has been for the West Coast. And you know, have we seen a market share loss for the first quarter, Sir?

Girish Aggarwal:

I just I. Suppose I think it's been I mean the growth is largely in Maharashtra for quarter one where JNPT has grown volumes by I think 6 or 7%. Gujarat overall volumes are flattish. Overall, our share is similar in nature.

Achal Lohade - Nuvama Institutional Equities:

That you're saying from a YoY perspective or QoQ perspective, Sir?

Girish Aggarwal:

YoY perspective.

Achal Lohade - Nuvama Institutional Equities:

OK, understood. Um. So you know given the number of what you mentioned in terms of our 13% of I presume container volumes you said from you know are exposed to USA, is this little higher than the peers according to you or this is very much similar for the other ports on the West Coast?

Girish Aggarwal:

It will be much lower. We are more import heavy. In our volume, it will be much lower.

Achal Lohade - Nuvama Institutional Equities:

OK, got it. The other question I had if I see from a container or utilization perspective, you know how do you see that going forward? I know you don't want to give a guidance but. Broadly speaking, till the time you don't have a visibility on concession, does it mean that there won't be any further capacity addition likely on the container front? Is that a right understanding?

Girish Aggarwal:

See currently I mean we are not waiting for the concession to be extended from an investment perspective. You already know that we are investing in a liquid jetty without any clarity on concession. So our priority one is to complete. GP 6, as we call it, which is November, December next year, after which next year as we get on with our analysis and assessment, we will try and understand how do we expand, but there will be expansion on the container side that's. Without a doubt, whether it'll happen before 28 or after 28 is yet to be decided. Our first focus is to do the project expansion and again if it is needed, we will expand. We will not hold back CapEx as we have shown in on the liquid side.

Achal Lohade - Nuvama Institutional Equities:

Fairpoint, this last question, if I may, Sir, in terms of the, you know, given the DFC connection is expected finally at JNPT by December or June 26, how does it affect you? You know what percentage of our services are also calling JNPT if you could help us with that number, Sir.

Girish Aggarwal:

Yeah, I don't have that number handy. But I can tell you the only services call both NHAVA SHEVA and us. Someone of the OOCL vessel calls up in in so some of them call but in terms of percentage I don't have it with me right now.

Achal Lohade - Nuvama Institutional Equities:

No, I'm just curious because once the DFC is there, what would discharging at or picking up at JNPT be a more lucrative or cost efficient option given you know if these are destined for North?

Girish Aggarwal:

Yeah, but no. According to me, no, simply because the railway tariffs would be higher for Nhava Sheva because the distances are higher than Pipavav. So if any exporter wants to discharge. Or I mean, do imports export out of Nhava Sheva and not us or Mundra for that matter? It'll be more expensive for that.

Achal Lohade - Nuvama Institutional Equities:

Oh, I thought because of the double stacking it will become a bit more cheaper than the I mean more optimal double stacking in JNPT.

Girish Aggarwal:

We are also double stacking. Oh, we are also double stacked. So there, that's no, there's no difference on that double stacking in there. All railway slabs are basis kilometers, so the kilometers increase the slabs will increase and one has to pay more.

Achal Lohade - Nuvama Institutional Equities:

Right. Sorry, I'm harping on this. If I may, Sir, you know, I I presume we are like, you know, Mundra and Pipavav are unable to do the the double stacking in the sense, you know, TEU on a TEU right now it is FEU on a TEU as a double stack. Is that understanding right?

Girish Aggarwal:

And how does that matter?

Achal Lohade - Nuvama Institutional Equities:

Then in that case the flexibility will be much higher to double stack all the Teus on Teus from JNPT.

Girish Aggarwal:

I don't think so. I think you may want to check this understanding.

Achal Lohade - Nuvama Institutional Equities:

Sure. Yeah, that's why I wanted to clarify, Sir. No problem, Sir. Thank you so much.

Manish Agnihotri:

Thank you. Ms. Nidhi Shah please go ahead.

Nidhi Shah /EQTY RES/ISEC/MUMBAI:

Yes, thank you so much for taking my question. So my first question would be on the on the LPG expansion. So when do we expect this this LPG expansion by AVTL to to complete and then the Rail gantry to come in? I what I sort of wanted to understand is by when we. We see, you know, LPG volumes picking up at our port and if you could also help me with the LPG volumes for this quarter.

Girish Aggarwal:

So in terms of the gantry, et cetera, AVTL will be best placed to kind of answer that question. In terms of their cryogenic capacity that is already gone live and commissioned and those facilities are being used currently. So they went live, I think in July. Yeah and what's the other question, LPG, the volumes, right?

Nidhi Shah /EQTY RES/ISEC/MUMBAI:

Uh, the LPG volumes for the quarter.

Santosh Breed:

So we don't really. Yeah, so we don't. We don't really split between LPG and other commodities. The overall volumes are 417,000 metric ton for the quarter.

Nidhi Shah /EQTY RES/ISEC/MUMBAI:

All right. And just you know you mentioned that you know it'd be best to ask AVTL, but I just wanted to gain sort of some understanding from you the once the expansion is up and. How much time it takes for a Rail Gantry operational and then the pipeline connectivity to come in?

Girish Aggarwal:

You broke up. I couldn't get your question.

Manish Agnihotri:

Hello can you please repeat your question.

Nidhi Shah /EQTY RES/ISEC/MUMBAI:

Yeah. So my question was basically that that you mentioned that it would be best to, you know, confer with ADTL on when their capacities are coming online. But I just wanted to sort of understand from Pipavav's perspective, once expansions do come online, how much time will it take for you know a Rail Gantry to be fully functional in terms of the construction portion and being able to get it up and running. You know, generally what is the timeline that that we can expect for this to follow?

Girish Aggarwal:

The gantry will be built by AVTL, so they are the best persons to answer that question. We only have to provide space. All right, so please ask AVTL about this. I will not be able to answer question on behalf of AVTL.

Nidhi Shah /EQTY RES/ISEC/MUMBAI:

Alright. And just lastly on on the pipeline, where do you think the pipeline should come online, the Kandla Gorakhpur one to come online and be up and running from Deepak?

Girish Aggarwal:

Our current understanding is Q3 FY 2026

Nidhi Shah /EQTY RES/ISEC/MUMBAI:

All right. Yes. Thank you so much.

Manish Agnihotri:

Thank you. Mr. Parimal Mehta, please go ahead with your question.

Parimal Mithani:

Hello. Hello. Can you hear me? Yeah, so thanks for the opportunity. So regarding your guidance, is it safe to assume that we'll be in a flat year, but the but there will be improvement in margins. Is it safe to assume that way?

Girish Aggarwal:

That's all the guidance, at least where we are sitting today. Can surely state that we are EBIT will expand by 5 to 7%. So there should be growth on the bottom line. That's what our guidance is at this point in time.

Parimal Mithani:

And yes, sorry to repeat the same question. We've been asked a couple of times in previous call regarding your agreement with Gujarat Maritime Board. So it's I think it's more than now almost 6-7 years. Can you if you can throw what's the status of?

Parimal Mithani:

This agreement because I think we're doing a firm commitment in papers and all that. So what is the real issue? If you can just highlight, I know it's a ballpark. What do you think? And do you think we get the permissions on time, so because you're doing a CapEx, you're doing investment. I don't know. It's your concession here.

Girish Aggarwal:

Are you talking about concession extension Parimal?

Parimal Mithani:

Yes

Girish Aggarwal:

So again, I mean I can only say everything is going in the right direction and they're no Red flags right. But I can only give a firm answer as and when I receive a firm answer from GMB. , It is not in our I mean it's not in our DNA to kind of go ahead and say something until I hear it from GMB, right?

Parimal Mithani:

OK, Sir.

Girish Aggarwal:

But I can only assure you to say that all our discussion that are happening with GMB and other stakeholders are all going in the right direction. That's all that I can say at this point in time.

Parimal Mithani:

OK, Sir. Thanks. I joined the queue. Thank you.

Manish Agnihotri:

Okay. Anybody else has any questions? Mr. Vipul Kumar Shah, please go ahead.

Girish Aggarwal:

Can't hear you.

Manish Agnihotri:

Mr. Vipul Shah ?

Vipulkumar Shah:

Am I audible, Sir?

Girish Aggarwal:

Yes, yes.

Vipulkumar Shah:

Yeah. So I joined the call late. So what is the progress on expansion of our liquid jetty and till date, how much capex we have done on that jetty and the schedule of schedule timeline for completion?

Girish Aggarwal:

We will complete our liquid jetty by November December 2026. In terms of CapEx, most of the CapEx will be expense between now and end of this year. Some part or majority will be expensed. This year we expect to close that complete the dredging by January and then. Some part of the CapEx will happen next year.

Vipulkumar Shah:

So all of it will be financed through internal accruals only, right?

Girish Aggarwal:

Yes, yes.

Vipulkumar Shah:

OK. Thank you, Sir.

Manish Agnihotri:

Thank you. Neelotpal?

Neelotpal Sahu:

Hi, Sir. Thank you for the opportunity again. I just wanted to check with you on the railway coefficient. We have seen it declining on a year-on-year basis despite DFC. Can you help us understand the reasons for the same?

Girish Aggarwal:

It is a minor decline. It also reflects a little bit more increase in. Road traffic, which is which is Gujarat market so. There's a little bit of expansion there. But there's nothing much to read into it, at least at this point in time.

Neelotpal Sahu:

OK, Sir. Thank you.

Manish Agnihotri:

Aditya Mongia, please go ahead.

Aditya Mongia (Research, KIE):

Thanks Manish and team for the opportunity. See, I just wanted to get a slight better understanding of the liquid business. So the assumption should be that you would be adding about 3 odd million tons of capacity which will be 1/3 utilized in year one and year one could be. Full year could be a FY28. Am I right in assuming what I'm assuming?

Girish Aggarwal:

Yes.

Aditya Mongia (Research, KIE):

OK. And what? Yeah.

Girish Aggarwal:

I mean conservative. So let me just put it this is a little bit conservative estimates, OK.

Aditya Mongia (Research, KIE):

OK. Could you also give us a better sense of what are the, so let's say with the pipeline coming in with the customer being there, how strong is our mode to kind of keep on doing capexes beyond this one liquid?

Girish Aggarwal:

Sorry, I didn't understand how. I didn't understand the question really. Yeah.

Aditya Mongia (Research, KIE):

So given that the pipeline is coming in, the customer is a growth customer over here, how do you see through capexes happening on the liquid side and beyond this side, this, this level of capex?

Girish Aggarwal:

Liquid specific to liquid. Your question very specific to liquid.

Aditya Mongia (Research, KIE):

It is specific to liquid, yeah.

Girish Aggarwal:

No. So I think our capacity will be about which I think in the near term or medium term is good enough. We may have to. I mean, one jetty will be fully VLGC compliant, the new one, the other one is partial VLGC compliant. What we may have to do is that ensure that we have two jetties which are both fully VLGC compliant. So that's what we will need to do. So my expectation is at least in the medium term, we will have two jetties of liquid of about 6.4 million metric tons capacity both fully VLGC compliant. That's how I see it.

Aditya Mongia (Research, KIE):

Understood and will the.

Girish Aggarwal:

Is that's sorry, go ahead.

Aditya Mongia (Research, KIE):

That that answers, thanks. Just a clarification on the new CapEx and on the new capacity, would the realizations or your value addition be any different or should one just extrapolate the 600 to 650 Rupees realization incrementally.

Girish Aggarwal:

I think the realization is is also basis our mix. I would argue that as we move forward, our LPG will grow VIS A VIS as a percentage VIS A VIS the others. So the expectation is that our realization will also grow beyond 600 to 650.

Aditya Mongia (Research, KIE):

Those are my questions. Um, thank you for your answer Sir.

Manish Agnihotri:

Thank you, Aditya. Mr. Vipul Kumar Shah, you have some question.

Manish Agnihotri:

Mr. Parimal Mitani, please go ahead.

Parimal Mithani:

Yeah. Hello. Can you hear me? So I just want to understand the Kandla Gorakhpur pipelines. At what stage it's currently and when do you see the exact benefits going to us as well as the DFCC, the dedicated freight corridor? How do you see that helping out going forward?

Girish Aggarwal:

So your first question about KGP, right?

Parimal Mithani:

Yes, yes.

Girish Aggarwal:

So yeah, I expect, you know, at least what we we hear from NHB is around. So yeah, I expect you know it is what we we hear from NHB is around. Q3 of this this this financial year. In terms of impact, I mean it, it helps in evacuation, right and opens up also about some other markets, especially central India. So, we do expect growth of the LPG volume and that's one of the big bases why we are coming up with this new liquid jetty.

Parimal Mithani:

OK. And so with the dedicated freight corridor, are we is it benefit us going in terms of margin wise since it's coming near completion?

Girish Aggarwal:

For us, DFC has been completed long time back. We've been the first one on DFC so there's not no additional DFC coming. That's the DFC that we are on.

Parimal Mithani:

OK. And sir you maintain the dividend guidelines, right, which is dividend payout?

Girish Aggarwal:

Yeah. Yeah, we maintain we've already in the last call told you about the board recommendation. We have our AGM on 4th September and that's when you know, we hopefully is approved by the AGM and paid.

Parimal Mithani:

OK. Thank you. Thank you and all the best. Thank you.

Manish Agnihotri:

Thank you, Achal please go ahead with your question.

Achal Lohade - Nuvama Institutional Equities:

Yeah. Thank you once again, Sir, for the follow up. Sir, I just wanted to check, you know in terms of our port area, how much is already utilized by us as well as the lease what you have given?

Girish Aggarwal:

That's a good question, Anchal. I'm I don't have it handy.

Achal Lohade - Nuvama Institutional Equities:

No problem Sir. The second I have, you know in terms of our total revenue, how much will be dollar denominated or dollar linked? Would that be 60 -65%?

Santosh Breed:

That's right. That's right, because the container business is dollar linked and you know marine services. So 60-65% is dollar linked.

Achal Lohade - Nuvama Institutional Equities:

Understood, understood. And there is no further price hike or tariff hike we have taken since January, right? I mean, January was the last one, if I remember right.

Girish Aggarwal:

You're right.

Achal Lohade - Nuvama Institutional Equities:

Got it. So whatever realization increase what we are seeing is largely stable actually on quarter QOQ basis understood. All right, Sir, that those were my two questions. Thank you so much, Sir.

Girish Aggarwal:

That's right. That's right.

Manish Agnihotri:

Thank you, Achal. Anybody has any other questions? Doesn't seem to be the case, so thank you very much and have a good day.

Girish Aggarwal:

Thank you everyone.

Santosh Breed:

Thank you.