

**THE GREAT EASTERN  
SHIPPING COMPANY LIMITED**  
CIN: L35110MH1948PLC006472



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Our Ref.: S/2026/SEC

May 20, 2026

**BSE Limited**

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**National Stock Exchange of India Limited**

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BSE Scrip code: **500620**

Trading Symbol – **GESHIP**

**Sub: Transcripts of Earnings call conducted on May 15, 2026**

Dear Sir/Madam,

Further to our letters dated May 08, 2026 and May 15, 2026, please find enclosed transcripts of the earnings call held on May 15, 2026.

We request you to take the same on record.

Thanking You,

Yours faithfully,

For **The Great Eastern Shipping Company Limited**

**Anand Punde**

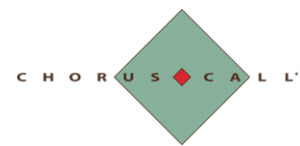
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“The Great Eastern Shipping Company Limited  
Q4 & Full Year FY26 Results Conference Call”

May 15, 2026



**MANAGEMENT: MR. G. SHIVAKUMAR – EXECUTIVE DIRECTOR AND  
CHIEF FINANCIAL OFFICER – THE GREAT EASTERN  
SHIPPING COMPANY LIMITED  
MR. RAHUL SHETH – GENERAL MANAGER, MD’S  
OFFICE – THE GREAT EASTERN SHIPPING COMPANY  
LIMITED**

**Moderator:** Ladies and gentlemen, good day, and thank you for standing by. Welcome to the Great Eastern Shipping Company Limited Earnings Call on declaration of its financial results for the quarter ended 31st March 2026. At this moment, all participants are in listen-only mode. Later, we will conduct a question and answer session. I now hand the conference over to Mr. Shivakumar, Executive Director and CFO. Thank you, and over to you, sir.

**G. Shivakumar:** Thank you, Yashashri. Good afternoon, everyone, and welcome to the conference call for the results of Q4 and full year FY '26. We'll quickly run through the presentation so that -- and try to leave as much time as possible for the Q&A, sorry, customary disclaimers apply. We don't forecast the market. We have a lot of our capacity on the spot market. So we don't give earnings outlook. We are discussing what we are seeing in the market. And so please take it as such.

The highlights, of course, is that this is our best ever quarter in terms of profits. It is also the best ever year in consolidated profits. For the first time, we crossed INR1,000 crores in consolidated net profit for a year, some of it as a result of the exchange rate movement during the quarter. Our NAV continues to move higher, moving by about INR200 between end of December and end of March. And we've also declared our highest ever quarterly dividend of INR11.70 per share, taking the total dividend for the year to INR35.10 per share.

You've seen the results. I won't go too much into the results. Later on, we can -- if you have any specific questions, we can go to them. Yes. Going to -- I already mentioned the net asset value. So you can see on a stand-alone basis, we were at about just over INR1,100 a share in March last year, and now we're at INR1,422. That's a INR300 improvement. So we've had significant movement in asset prices. And of course, we have a lot of cash accruals in the group.

Similarly for the consolidated NAV as well. Looking at what's happened with the business, the event -- the big event, of course, which stole the headlines was the Strait of Hormuz issue. We'll not spend too much time on this. Suffice to say that because of the disruption, trade patterns went -- were all over the place literally and which resulted in a tightness in the tanker markets, which -- and therefore, we saw a spike in rates in March and April for crude and product tankers and also for LPG ships.

However, markets were tight even before that. Tanker markets for the crude tankers were pretty strong from -- all the way from December to February, even before this issue happened. So because of the scramble to source cargoes, oil cargoes from wherever they were available, we saw a lot of long-haul trades replacing the Middle East to Asia trades. So we had sourcing from the Atlantic Basin, which is the swing provider of barrels and which had to then come long haul all the way to Asia. And that resulted in a big spike in demand for ships and therefore, a big spike in the freight rates.

As a result, asset prices also went up. We are looking at about 10% to 20% increase during the quarter. The order book continues to be at around 20%. We've seen the crude tanker order book build up a lot in the last 3 to 6 months. Dry bulk was while not seeing the excitement of the

tanker space in March, was steady and had an unusually strong quarter. If only in the context of Q1 of the calendar year being seasonally, traditionally very weak. So the rates were quite remunerative during the quarter across the board, especially for Capesizes.

Going to LPG. Again, LPG rates have been pretty strong, and they got stronger towards the end of the quarter. Again, the marginal provider of LPG barrels is the United States. And so a lot more demand for LPG to move long haul from U.S. to Asia. I already mentioned what happened to asset prices during the quarter, and you can see that in the charts. The order book, I already mentioned. So we are at around 20% for crude tankers and product tankers plus/minus a couple of percent. LPG continues to be high at 27% and dry bulk is at 13%.

This is just a comparison of the order book to the scrapping potential, which is how many vessels have become overage. And you can see that it's -- for the tankers, it's pretty close, tankers and dry bulk. It's only the LPG where the order book is very heavy as compared to the old ships. This is just a year-wise depiction of this. So the supply is actually kicking in for crude tankers and product -- for crude tankers in Cal 2027 and Cal 2028. Now scrapping, again, as one would understand, this is -- nobody scrapping ships really because markets are so strong.

Coming to the drilling business. This is the data on jack-up utilization. The March '26 data includes data of all the rigs which are on contract in the Middle East, where rigs were put on standby, they have been taken as continuing on contract. Also, this is what is called -- this is the simple utilization. We have another measure called marketed utilization, which is rigs which are being marketed actively for contracts. That utilization continues to be somewhere around the 84% to 85% mark. This is the usual sheet that we show. There is very little new building activity in the rig space.

And therefore, there's a very large old fleet, which is an overhang for the markets. This is the shareholding pattern. I won't go into it too much, also the fleet data and the TCYs. Return on equity continues to be strong. Return on capital employed continues to be strong. You can see what's happened with the EPS for the last 4 years, so in excess of INR150 per share.

And of course, cash generation has always been strong in our business. Even when the markets are very weak, it's a cash flow generating business. The chart on the bottom left-hand corner shows the movement in net asset value over the last 5 years, just to depict how much of a contribution has come from cash flows and how much actually from fleet change.

And we keep emphasizing this because when we say NAV, the first thought is this is because of the hot market where it's a mark-to-market gain. And as the market goes down again, all of this can again be lost. However, this is to emphasize that a lot of the NAV change has come from cash profits from cash flows from the ships and not much of it is actually from the fleet value change. This is on a 5-year basis. Against share prices to net asset value, we were at 0.8 or so on a consolidated basis.

We continue to pay dividends. Even in the weak market, we were paying some dividends, but we have, of course, upped the dividend significantly in the last 4 years. We continue to be heavily

net cash, \$500 million stand-alone on a net cash basis. We are doing our switch transactions, and you would have seen that in the S&P transactions. We are selling some of our older ships and replacing them with similar ships of a more newer, similar ships. Those are what we call the switch transactions. We have -- we still have some debt because we can't prepay it, but these are the repayment schedules for our debt. As of March 31, we had \$157 million of debt in the Group, and that will be out within the next 2 years or so.

The repricing of offshore assets and the orange bars are what interests a lot of you. These are our rigs which have to come up for repricing. We have 3 rigs coming up for repricing in this financial year. One of which is already -- has already completed her contract. It was a short-term contract, and she is awaiting her next business. We have 2 which will come off in the second half of the financial year. So we will have to look for business for those rigs.

On the vessels front, most of our capacity is locked in for this year. We have -- I think 80% of our days for this year have already been locked in on the vessel side. The rest is data for you to look at, at your leisure. This is not specifically related to this quarter. I'm happy to take questions. I have Rahul Sheth with me, and we are happy to take any questions that you may have. Thank you.

**Moderator:** Thank you very much. First question is from Vaibhav Badjatya from Honesty and Integrity Investment. Please go ahead.

**Vaibhav Badjatya:** Hi. Can you hear me?

**G. Shivakumar:** Yes, we can hear you.

**Moderator:** Yes, please go ahead.

**Vaibhav Badjatya:** Thanks a lot for providing the opportunity. So, firstly, [inaudible 0:11:53] important things that are geopolitically. So, I know the outcome of whatever is happening, nobody can predict. But in both the situations like [inaudible 0:12:08] outcome where everything normalizes whenever it happens. Do you think the markets are likely to pan out in terms of whether these inefficiencies might continue for some time? Or do you think the situation can normalize pretty quickly?

And in the other scenario where things normalize, how do you think the markets will behave? Because ultimately slowly the inefficiencies will come out in the sense that there will be tankers who will find ways to come out of Strait of Hormuz to be available on the other routes slowly and steadily. So do you think the rates might behave after some time if the situation continues on the other [inaudible 0:12:57] go down? So what's your assessment in both the scenarios, whatever way it happens?

**G. Shivakumar:** Okay. So if I can just recap your question so that we've got it correct, because you are not very clear at the start. You want to know what can happen under different scenarios of a reopening of the Strait of Hormuz, right?

**Vaibhav Badjatya:** Yes. And if it doesn't open also, what's the outlook? How do you judge the outlook? How it's going to pan out?

**Rahul Sheth:** To provide an outlook on exactly how the markets will behave in either situation is very complicated. As you can imagine, we are also witnessing this probably for the first time since maybe the 1980s.

To just give you a bit of a perspective, the closing of the Strait where a large percentage of especially the oil trade and the LPG trade comes from, has resulted in a lot of disruption in the market because countries that relied on the cargoes coming from that region have to now source cargoes from other regions.

To just to give you a simple example, if India was procuring LPG or oil from the Middle East. Now if they have to procure it from either U.S. or Latin America or some other region, the distances go up significantly, which is what led to a tightening of the market after the Strait had shut.

And even if you look at it, even if you take a scenario where the Strait opens up, then you will have a flurry of Middle Eastern cargoes. A lot of the ships are not in the Middle East anymore because they moved out to get cargoes from elsewhere. So generally, the rates will have to strengthen to pull ships back into that region. Now all of this is difficult to really forecast because as you can imagine, there are many, many factors to consider to give such a scenario.

And therefore, we believe that giving this exact scenario analysis and saying, if it remains shut, this will happen, if it opens up, this will happen, is honestly a very difficult game to predict. So I think we will not be able to provide such a -- maybe the kind of accurate answer or the kind of outlook that you wish to see.

**G. Shivakumar:** Yes, it's in the nature of guesswork really and anybody's guess. So you mentioned inefficiencies when you asked your question. Yes, this is going to be very inefficient. Now how that plays out in terms of rates, it's tough to say.

**Rahul Sheth:** I can just give you one more perspective. After sourcing a lot of LPG cargoes from the U.S., there are so many LPG vessels and not just for India, for many other countries. There were so many LPG vessels and other category of vessels that were trying to pass through the Panama Canal, that the congestion in the Panama Canal has gone up because now everyone needs to pass through it to get American cargoes to come to the East because it's a shorter route to go through the canal.

Now all these factors to forecast which one will play out to what level of strength or negative is very difficult to actually put down and give you, okay, this is exactly what may happen. Eventually, like how Shiv mentioned, this is in the area of just guesswork. And our guess will probably be as good or bad as yours.

**G. Shivakumar:** And the way we approach it, while you have not asked the question, the way we approach it in such a volatile situation is we are prepared for whichever scenario happens. We have a very

large proportion of our fleet in the spot market as always. So we are in a position to take advantage if there is market strength. And as we have collected so much cash and we are waiting to invest, if the markets go the other way, we are there to invest as well as an opportunity.

**Vaibhav Badjatya:** So connected to this, let me ask you one more specific question. So in terms of the capacity of crude and product tankers that are stuck in Hormuz and not able to sail, versus the barrels that has been cut out from the market because of the supply going off. I mean, do they match or there are larger -- I mean, the cargo that the vessels can carry that are stuck is much larger than the barrels that are...

**G. Shivakumar:** So the capacity of crude tankers, which is stuck inside is about 5%. The capacity of product tankers stuck inside maybe 2% and similar for LPG. The proportion of cargoes which are stuck because of this closure is much higher than this. So while it reduces the impact slightly, it is not similar in numbers.

**Vaibhav Badjatya:** Okay, got it. Understood. Okay. That's it from my side.

**Rahul Sheth:** Remember one thing, it's not just on supply/demand, you have to also look at ton-mile impact, which is what I was alluding to earlier because our ships are sailing much longer distances to get the cargoes from further away. And remember, because of the changing trading patterns, at least up until now, we've seen a lot of inefficiencies in that, which is what has supported the market.

**Moderator:** Thank you. We'll take the next question from the line of Dhruv Jain from AMBIT Capital. Please go ahead.

**Dhruv Jain:** Thanks a lot team for the opportunity. I had 2 questions. The first question with respect to shipyard capacity. So if I'm not wrong, there was news flow around at the start of the war with respect to shipyard delaying the delivery of ships, which could obviously help on the supply side.

So a, is that true? And b, how should we look at the shipyard capacity now versus what it was earlier? So this order book could look very high, but to think about the slippages that could happen, it would be very good to hear your perspectives.

**Rahul Sheth:** At least as of now, we have not seen any significant data on the slippages. So many yards have taken a lot of orders, and they're still to be delivered, and it is possible slippages had to happen. But at least as of now, we don't envisage such big slippages that it may change the dynamic of the market. Was there a further question to this or...?

**Dhruv Jain:** No, that was -- yes. And the second question that I had was with respect to the oil demand stock that's there with various countries. So given the fact that we've seen so much cargo actually being stuck in Strait of Hormuz. So even whenever it opens, right, is it safe to say that because most of the countries are at the lower end of their inventory of crude, we will see a continued demand through the year. So whichever the scenario, it's only going to...

- Rahul Sheth:** You mean for stock building?
- Dhruv Jain:** Yes.
- Rahul Sheth:** So again, we can just guess that countries may want to replenish their stock. Having said that, the U.S. SPR, which has been talked about a lot, it used to be at the 700 million mark had come down to maybe 450 million just before this current war. Now they're drawing down on it, but they never took the 400 million back to 700 million.
- But counter to that, countries like China had built up stock. One would have logically expected U.S. to go back up and China not to build more because they already have a lot of stock. But U.S. didn't go back up, but China built a lot more stock. So just to take it -- just to use common sense, I would assume that countries will go back to stock building, but we'll have to see how they play it.
- G. Shivakumar:** Yes. When the container squeeze happened in '21, just after COVID, people were saying that consuming countries will move from just in time to just in case. So trying to build resilience, maybe that's something that commodity consuming areas will want to do as well.
- Dhruv Jain:** Got it. Thanks a lot for this and all the best.
- Moderator:** Thank you. Next question is from Amit Khetan from Laburnum Capital. Please go ahead.
- Amit Khetan:** Hi, thank you for taking my question. So if I look at your Slide 25, right, where you have the revenue days, that looks about 5% to 6% lower than what it should have been. I'm guessing we've lost some revenue days on account of our ships being stuck in the Strait of Hormuz. Is that correct? And what is the situation currently?
- G. Shivakumar:** Yes. So we had revenue days also as a function a little bit of a dry dock.
- Rahul Sheth:** We have similar revenue days. Are you looking at this data? Is this a slide?
- Amit Khetan:** Yes, I'm talking about this data, the own tonnage number?
- G. Shivakumar:** Yes. I think this is just fleet changes during the period because the fleet might have changed a little bit during the period. Also, you just have timing differences in dry docks. If you have a couple of extra dry docks this year versus last year, that could be -- I mean, one extra dry dock can easily account for this 20 days because we haven't really grown in capacity, right? So that extent you'll find some changes. You'll find these movements on a quarter-on-quarter basis.
- Amit Khetan:** Got it. And currently, do we have any ships stuck in the Gulf?
- Rahul Sheth:** Yes.
- G. Shivakumar:** We do have two ships that are waiting to come out. One is an owned ship and one is an in-chartered ship that are waiting to come.

- Amit Khetan:** Okay. And would these be earning revenue or not?
- G. Shivakumar:** We don't want to -- one of them is on voyage charter, one is on time charter. Some of these are sensitive, so we won't go into that. But typically, time charter ships will continue to earn revenue because it depends on the time. A voyage charter ship, the time is on our account.
- Amit Khetan:** Okay. Fair enough. Secondly, given the rates that we've seen, especially on the product tanker side in April, have we done any sort of period fixing or the time charter hasn't moved as much as the spot rate?
- G. Shivakumar:** The time charter rates did move, but we have not done any period fixing because the time charter rates were very different from the spot rates.
- Rahul Sheth:** So while we've not done it in the month of March and April, our product does have a certain amount of coverage on that.
- Amit Khetan:** Okay. Got it. And lastly, we have three rig pricings coming up this year. Given the situation in the oil market where prices have gone up substantially, what is the current day rates in the market looking like? Any recent fixings in the market what day rates have they come back?
- G. Shivakumar:** So we haven't had any recent fixings happening here in our market. Not in since the oil price went up, obviously, because these are long lead tenders. The fixing that we have seen recently in Nigeria seems to indicate that pricing remains firm. We saw a recent contract of one of the international drilling companies there. So it's -- the rates remain firm. But again, each market is to be seen by itself. So we'll just have to see what happens in the next tender.
- Amit Khetan:** Got it. Lastly, just one question on the LNG segment. Now we've not operated historically in this segment. But given the destruction in LNG infrastructure that has been seen in Qatar and there could be a potential oversupply of ships when the market sort of normalizes. Is this a segment that we could be looking at?
- Rahul Sheth:** Meaning, honestly, I don't think we will look at this segment.
- Amit Khetan:** Is that got to do with the large sort of capital allocation needed to operate in this segment?
- Rahul Sheth:** Yes. Generally, the ticket size is quite large. And when you get into this business, you'll do a few ships. I think you'll take too much capital from us. I think we've got -- for at least for the sectors we are looking at, I think we'll be better placed. And also, these projects are generally backed with long-term charters. So the returns on these kind of projects tend to become more like project financing.
- G. Shivakumar:** And it's sort of the other end of the spectrum from what we do in shipping, which is we like to run in the spot market, highly liquid assets operating in the spot market rather than long pipeline type assets, which are long-term contracts, cost of debt-based projects.
- Amit Khetan:** Got it. And all our LPG tankers are currently on fixed on time charter, right?

- Rahul Sheth:** Yes, that's right.
- Amit Khetan:** Okay. Got it. Thank you so much.
- Moderator:** Thank you. We'll take our next question from Vikram Suryavanshi from PhillipCapital. Please go ahead. Vikram your line is unmuted. Please go ahead with your question. Since there is no response, we'll move on to the next question from Siddharth Chauhan from 360 ONE Capital.
- Siddharth Chauhan:** Perfect. First of all, congratulations on good set of numbers. Now two questions I have. Firstly, how are the day rates shaping up currently versus the previous quarter, both in the shipping and dry bulk segment?
- Rahul Sheth:** So the dry bulk segment remains very strong. On LPG also remains extremely strong. The crude, even if you look at the crude segments, while they've come off a bit at an absolute level, they are still at a very strong level. Products have come off a bit more. But again, the thing is in products, it's very volatile. So I think it will be too much to just draw a conclusion from just looking at today's rate.
- G. Shivakumar:** But again, everything, while it's come off from very high numbers. So there's a very big spike in March, April. And I think it settled down from that spike, but still at very high numbers.
- Rahul Sheth:** Yes. Historically, all of these are very, very high.
- Siddharth Chauhan:** And any sense particularly in dry bulk because it seems that they have firmed up in the last few weeks?
- Rahul Sheth:** Yes. Now there are multitude of factors. If you just certain buying, there's been more coal trade because certain countries in Southeast Asia have been trying to buy more coal because the Strait is shut and there's less LNG, there's less oil. Iron ore has also been decently strong. Grains have been very, very strong because China has been continuing to buy.
- Yes, bauxite. I think all the commodities across the board have just been tightening up. And the Strait has not really affected the dry bulk trade much. It's a very small percentage of the overall trade. We're seeing certain delays also at ports of congestion has also been built up a bit.
- Siddharth Chauhan:** Understood. Thanks. And secondly, on the offshore segment, what's your sense on the overall ONGC tender cancellation situation? Because we were also reading reports that ADES Shelf Drilling is evaluating whether they want to keep their assets in India or take it back some place else. What's exactly happening as per you?
- Rahul Sheth:** On Shelf, that's a different thing because Shelf has now merged with ADES. So they've now become a very large company of jack-up rigs. And so -- and they also do run a fair bit of old rigs. So they're probably looking at it at a corporate level. I wouldn't read into them removing the rigs from India to what ONGC is doing.

I can't comment on their corporate strategy though. But in ONGC, they have not processed a few tenders, but we have seen the number of rigs that they are currently employing come down to one of the lowest levels they've ever had. So we would assume that now at a certain point, they will now process all these tenders. We currently have an active tender going on. And given the world right now, oil is -- to secure your own supplies is quite in focus right now of everyone's radar.

**Moderator:** Next question is from Himanshu Upadhyay from Steadfort.

**Himanshu Upadhyay:** Yes. So we have the 2 in-charter ships. If I remember correctly, both are Suezmax. And what is the time?

**Rahul Sheth:** One is a Suezmax. Himanshu, just to correct you, one is a Suezmax, one is an .MR tanker

**Himanshu Upadhyay:** Okay. And when does the period end?

**Rahul Sheth:** We've still got some time, between 1 and 3 years, depending on which charter.

**Himanshu Upadhyay:** And is the lease rates also increased quite dramatically because at one point of time, the thought was, we will like to have more leased holder tankers where the fleet is pretty low. How is the 1 and 3-year lease rates have moved in the last 3 months or 2 months?

**G. Shivakumar:** Yes. So it hasn't moved anywhere near as dramatically for these kind of vessels. It hasn't moved anywhere near as dramatically as the spot rates did. So maybe a few thousand dollars a day, while the spot rates probably moved \$30,000, \$40,000 a day. So it hasn't really moved that much at all. Maybe in the Suezmax is a little bit more for some time. But in the MRs, certainly not. It hasn't moved much at all.

**Himanshu Upadhyay:** And one more thing on the LPG, where generally, we have been on the period charters. With spot rates improving, would we like to at some -- whatever repricing or renewals are to happen in this year, would we like to be on spot or we'd like to maintain our LPG focus on period only?

**G. Shivakumar:** Yes, we would like to run more on spot. We have made a small step in that direction with a floating -- with a floating rate -- part floating rate charter on one of our vessels. That will start this month sometime.

**Himanshu Upadhyay:** Okay. And one more thing on the offshore space, I mean logistics space. I think we have around 8 ships getting repriced this year. How is that repricing on the offshore support vessels moved? Or is the strength continuing in that market? Or some thoughts on that because that space has done pretty well for us in last 2 years?

**Rahul Sheth:** Yes. As of now, all the offshore rates are broadly very strong. I think for FY '27, we still have about 80%, 85% of the days covered. So some of those repricings will be more closer to the end of the year.

**G. Shivakumar:** So what's also happened, and you're right that the space has been pretty strong because that business has shown its best profit since FY 2016. And that's mostly contributed by the offshore vessels business.

**Himanshu Upadhyay:** And one thing on the jackups, okay? See, one of the liking or preference for us for Indian market was that we get a period charters, okay, and 2-year, 3-year type of contracts, okay? But see, on the order cancellations, what ONGC has stated that the price has moved quite high and hence, we are cancelling the orders, okay? So the thought process still remains with that, that -- in last 2 years, we have seen continuous cancellations. 2, 3 years, 4 cancellations have happened, okay?

So is it really making sense to be in this market only or we would like now to move outside of India also because -- in good times, we don't have the rates or ONGC does not give long-term rates. And in under spot, we are already losing out. So how does it look -- how are you thinking about that segment now?

**Rahul Sheth:** See, as of now, out of our 4 rigs, we have not really idled any of the rigs, sometimes between contracts. We actually had 2 out of the 4 rigs with parties other than ONGC. So we still see that the market is going to -- or at least as of now remains strong, and there is a focus on it. So I think it is worth holding on to our expectations.

**G. Shivakumar:** So we are -- you're right that ONGC cancelling, etcetera, is causing a little bit of -- requires a little bit of change in our strategy of just focusing on getting those 3-year contracts. And that's why last year, we consciously took 2 short-term contracts for 2 of our rigs. And these were in India itself. And we have done very well on those contracts also. So again, these are new relationships that we are building. And if these customers have more work, we are sure that they will come to us because of our track record with them.

**Himanshu Upadhyay:** And one more thing, the private contractors or private companies, which are giving shorter-term contracts on the jackup rigs, are those pricing near to international spot rates or they remain depressed in India market, the spot rates...?

**G. Shivakumar:** No, no, I think they are reasonably good. The international spot rate is difficult to assess because each region is -- has its own cost structure and very different cost structures. These are just not comparable at all, at least for say, a 3-year contract, you can assess the cost structure and you can make those adjustments. On short-term contracts, it is very difficult to do that comparison. So we won't even try -- all we say is that these are decent rates, and they are quite remunerative, not high, but they are reasonably remunerative.

**Himanshu Upadhyay:** That means would they be nearer to the global rates or something like that or they remain...?

**G. Shivakumar:** Yes. Sorry, that's the point you're making, Himanshu, that we can't -- that there is no global rate. So for -- first of all, the liquidity in the short-term contracts is not very high of a number of fixings. Sometimes they don't get reported. So our contract itself may not have been reported elsewhere. So -- and the second thing is even if you get a rate reported, it's very difficult to know what is the cost structure in that contract on the mob and de mob, etcetera.

- Rahul Sheth:** Sometimes in those local markets, you have to share some of the top line rate with local partners. Sometimes there is -- you have to -- when you get on to these contracts globally or even in India, there are certain specific requirements by the charters. So you have to spend some money upfront to get those rigs ready for those contracts. So every time you get into that, you have to look at that entire process to really understand what does that headline rate lead to a comparable rate for India.
- Himanshu Upadhyay:** And one small question. Are all the logistics ship on the offshore side in India only or there are a few outside India also currently? How are they positioned?
- Rahul Sheth:** There are a few ships outside India and a few -- but most of them are in India.
- G. Shivakumar:** So we have 4 -- we had 5. We now have 4 vessels operating outside India, and this is all across the world.
- Moderator:** Next question is from Vikram Suryavanshi from PhillipCapital.
- Vikram Suryavanshi:** Sir, what we are seeing is that the order book has now started building up. So how is that shipyard capacity available for further ordering? And probably are we seeing that cycle of order book increasing going again because the kind of money shipping companies have made in the last 3 to 4 years and probably the situation what we are looking in terms of continued demand destruction. So if you comment on that in terms of order book and changing capacity would be helpful?
- G. Shivakumar:** Yes. So the order book is building up, especially for crude tankers in the last -- and that too, especially for VLCCs in the last few months. The yard capacity has not grown that much. It's just that the slots are getting filled up. The slots were not available for building these ships in this period for, I think, 3 to 4 years because all the slots were -- or the large slots were getting taken up by the big container ships and by LNG ships.
- Now that, that ordering is not as extreme, these slots are becoming available. So it's not a huge increase in shipyard capacity. It's just a movement that more of it is available for these large crude tankers. It's -- yes, it is building up. There is -- as we showed, there is still a significant part of the fleet, which is old. So that's something to consider.
- But yes, having more of an order book versus 6 months ago makes you maybe a little more concerned about what can happen to the market balance. But this is again '27, '28 kind of deliveries. And now if you probably need in 20, you will probably get a ship in '29.
- Vikram Suryavanshi:** Right. And in offshore side, are we seeing like some cold stacking fleet is coming back?
- Rahul Sheth:** Not really, not cold stack fleet. No, not really. We've not seen any real movement on that.
- Vikram Suryavanshi:** Okay. And just the last clarification on one of your comments because I think our preference is always to keep capacity more on spot. But however, if you are we open to short the market at

some point in the time or our preference will always be to play through the cycle in a vague market cycle?

**G. Shivakumar:** Preference always remains, sorry. Could you please continue?

**Vikram Suryavanshi:** Because I think probably the way we are seeing the super ship cycle, probably asset play could come with a much longer lag. So that's the reason I was asking.

**Rahul Sheth** So we predominantly remain spot. Of course, opportunistically, we do take time charters. But from what we have seen that even when the markets are very high, generally, when you go for a time charter rate contract, they are in backwardation, which means that just as an example, if the spot market is earning 100 and you want to time charter, say, for 1 or 2 years, the longer you go, the lower the rate becomes.

You may get it for \$80 or \$70 or some lower number. So upfront, you're giving up something to take that cover. So we generally don't prefer to take that. And as we have mentioned on these calls, the markets, especially in shipping are so volatile that very often, you can believe you can, that maybe 100 will average 60 and so you should take the cover at \$70 and eventually, the market ends up at 120. So when the markets are this volatile, I think sometimes shorting it can maybe do more harm than good.

**Moderator:** We have a text question from Divy Agrawal from Ficom Family Office.

The first question is, could you help us understand the reason behind it? And also, what is the fleet exposure between spot market and time charter contracts? Second question is, should we expect the benefit of higher freight rates to be reflected more meaningfully from Q1 FY27 onwards?

**Rahul Sheth:** So we are generally, you know we, our time chartering activity will be below 20%. Like I just mentioned, we always prefer to remain spot. And still a long quarter to go. We're not going to forecast the Q1 numbers.

**Moderator:** Thank you. Next question is from Harsh C, an Individual Investor. What parameters does management take into account while doing the switch transactions? The vessel value seems to have increased when compared to last year. Despite that company acquired higher amount of ships. How much impairment would have to be recognized on new vessels as market corrects?

**G. Shivakumar:** So we look at the timing of the switches is dictated by the ships that need to be sold. When the ship needs to be sold, that is we cannot use it to service our customers in the international market. We look to sell the ship. If we are looking to sell a ship, we will also look to replace the ship with a more modern vessel, which can be used to trade in the international market with our customers.

So the timing is more decided by the ship that needs to be sold. The price is actually just a function of how many transactions we did last year, and if you're looking at how much we spent in FY25 versus FY26, it's because 2 bulk carriers, which we sold last year, we did not replace in

FY25. We actually replaced them in FY26 because it is just a question of timing the purchase of those ships and getting some good ships to buy. So that's one factor which can happen, which is just a timing mismatch between 2 years.

As to the impairment, we don't know whether we will have to recognize any impairment at all because this is a function of what happens to the market price of the ship. It is also measured by the earning capacity of the ships. So there are a lot of factors which get into the impairment into the impairment calculation. And so it's difficult to comment on whether we will have at all and how much if we do, how much will have to be recognized.

**Moderator:** Thank you. We'll take our next live question from Rajesh Jain an individual investor. Please go ahead.

**Rajesh Jain:** Hi sir thanks for the opportunity. So I just joined late. So if the question is already answered, you can let me know. I mean, I can go through the recording again. But I just wanted to know that when the ships got stuck in the Strait of Hormuz, okay? So did GE Ship lose any revenue for the stuck days? Or was the trip on a per day basis and it continued to earn for the stuck days?

**G. Shivakumar:** Okay. We have 1 ship which is not on a per day basis and which, and where the time is on our account. So the lost days are on our account. So we lose revenue on that ship.

**Rajesh Jain:** Okay. So that is on 1 ship, but I believe there were a few other ships which were stuck for a few days.

**G. Shivakumar:** Yes. All other ships are on time charter, so they continue to earn in that time.

**Rajesh Jain:** Okay. So they would have continued to earn on a per day basis even for the stuck days for the time charter.

**G. Shivakumar:** Yes, that's correct.

**Rajesh Jain:** Okay. And sir, I have a strategic question. So if the company wants to be in spot market, which is your preferred mode, right, and that would be to take advantage of the disruptions or volatility, right? So shouldn't you be more positioned on the longer haul routes instead of the regional routes because I think the longer routes give more volatility and more upside and are more prone to disruption, right?

**Rahul Sheth:** No, there's no pattern between the short and long-haul routes. It all depends on how the trade is evolving. And then based on how the trade is evolving, we evolve our trading patterns accordingly.

**G. Shivakumar:** And also, it is not that we trade only on short-haul routes, we do long-haul trades as well.

**Rahul Sheth:** We are agnostic to which route we take. We change it based on our view on what which routes would be better to trade in.

**Rajesh Jain:** Yes. But I was looking at your fleet composition. So for example, you own, let's say, maybe 2 Capesize, but you own a number of Kamsarmax or the shorter distance type of vehicles, right? So you are positioned more on the shorter routes. By looking at your fleet profile, I got that impression basically.

**Rahul Sheth:** No, it's, you're seeing the size of the ships, right? Because there's one Kamsarmax, 80,000 and Capes 180,000, but that doesn't mean that they do shorter routes. Kamsarmaxes, for example, do routes from China to Latin America and back, that can be 100 days. Capesizes can do those routes for different cargoes, but they can also do Australia, China, which is about 30, 40 days.

So even Capes can do shorter routes. So there is no linkage between the size of the ship and the route size. If you take on the Suezmaxes, which are large crude tankers, they can do routes from Middle East to Jamnagar. Those round voyages are 20 days, right? So there's no linkage between the size of the ship and the length of the route.

**Rajesh Jain:** Okay. And sir, in this, I mean, post-Iran war, were the tanker rates attractive enough to, from the clean to dirty switchover? Did it actually happen? And if yes, did GE Ship actually do the switchover from clean to dirty? Was it a profitable proposition?

**Rahul Sheth:** We have seen ships trade. Many shipowners have converted a lot of the LR2s into Aframax. Generally, the switching only really happens on this sector where the LR2s and Aframax switch between clean and dirty. And we also have switched a couple of vessels to dirty.

**Rajesh Jain:** Okay. And I believe the time when you want to switch back from dirty to clean, there is some cost of that, right? I mean, so overall, it is very profitable even after accounting for the cost of switching back, right?

**Rahul Sheth:** Yes, that's right.

**Rajesh Jain:** Okay. Fine, sir. And just one more question. So now your consol NAV is close to 1,800 and do you feel it is sustainable for the next few quarters? So even if the fleet value drops, okay, but your earnings will keep propping up the NAV, right? So at a very high level, the NAV should not drop significantly even if it doesn't increase, right? I mean the chances are more of increasing the NAV. But even if the cycle turns or these disruptions go away, still the NAV would more or less sustain at least the current levels, right?

**G. Shivakumar:** So let's look at this. It depends on how a drop in value of ships, whether it happens in a short period or a long period. What you are describing is when the drop, let's just say, a drop of \$200 million happens in the fleet value. Now you know what our earnings were in the last year, our cash earnings were more than \$300 million. And therefore, it can absorb this drop of \$200 million in a year. This we are talking about a year.

Now if the same \$200 million drop happens in 1 quarter, then you cannot absorb that if your run rate is \$75 million a quarter. But yes, the advantage in our business is this NAV and the point you've identified is correct. The NAV keeps converting into cash because the ship earns cash. And therefore, a significant portion of the ship price or the NAV will keep coming in as cash

flows, which is a point we made in the presentation that a large part of it is NAV improvement is actual cash earnings.

**Rajesh Jain:** Okay. Fine. My last question. So, I was going through the con calls of some U.S. listed shipping companies, Scorpio Tankers and there are quite a few more, okay? They are also trading at a similar price to NAV, okay, maybe 1.1 or a similar range. But they have announced very large buybacks, okay? So, I think the last quarter, they did buyback of \$100 million. And I think this quarter, they have announced \$500 million, right, if I'm not wrong. So when they see value in announcing buybacks at a similar price to NAV, why does GE ship not see value in announcing buybacks at a similar point? Yes, this is my last question.

**G. Shivakumar:** So, I won't comment on -- because different companies have different approaches. Our approach is of a value buyer. There are also companies. So first is, I don't know who's done this \$100 million and \$500 million buyback. I haven't really seen. But different companies have different approaches to investment. Our approach is a fairly conservative investor where we buy at certain levels. This goes for whatever it is, whatever capital allocation we make, we buy only at certain prices, even in ships.

Different companies just -- some companies just will just keep buying irrespective of the market, buying ships, I'm talking about. So, everybody has different investment philosophy, and we really wouldn't like to get into whether ours is better or theirs. This is something which has served us well over many decades, and so we stick with this.

**Rajesh Jain:** Okay. Can I squeeze in one more question? Or should I...

**G. Shivakumar** Quick one, yes.

**Rajesh Jain:** So compared to March ending rates, I mean, we have been hearing or reading in the industry that tanker rates subsequently shot up significantly in April and May. And even the dry bulk -- the entire spectrum of ships across the dry bulk, they have also started participating in this freight movement. So, your comment on that and whether gas-based ships, okay, they are the only ones which have not participated in this freight increase and have all other sectors seen significant increase compared to the March rates?

**Rahul Sheth:** No. In fact, actually, LPG has done one of the best. The rates are still extremely high. LPG has done...

**G. Shivakumar** Yes, close to all-time highs...

**Rahul Sheth:** Close to all-time highs. No, probably the all-time highs.

**Rajesh Jain:** That's great. Okay. And the tanker and the dry bulk, they are also at higher levels compared to March and significantly higher levels. Can I say that?

**Rahul Sheth:** Dry bulk is, crude and products are not as high as the peak we saw in March and April, but they're still very, very strong.

- Rajesh Jain:** Okay. All right, sir. Okay. Yes, that is very helpful. Thank you.
- Moderator:** Thank you. Next question is from Anuj Sharma from SteadFort Investment Managers. Please go ahead.
- Anuj Sharma:** Am I audible now?
- Moderator:** Yes.
- Anuj Sharma:** Yes. So, my question is on the offshore rig. Is there a possibility that ONGC comes out with a tender, but due to our short-term engagement, our rigs are not available for those options?
- G. Shivakumar:** Yes, it's certainly a possibility. It is not so currently. We have a rig available. And generally, ONGC gives 180-day period for delivery of the rig into the contract. So that's not something which is likely to arise. I mean it could happen. But because it's a short-term contract, by definition, it will hopefully get over in 180 days.
- Anuj Sharma:** My next question is on the jack-up rigs. So, the order book continues to be low. Is it due to uncertainty in demand or the shipyards are not ready with capacities to deliver? What's more of the probability?
- Rahul Sheth** Maybe a bit of both.
- G. Shivakumar** Yes, a bit of both. Yard capacity has got completely curtailed.
- Rahul Sheth:** Because since 2014, we've not really seen any real orders for the jack-up. But having said that, we've always seen in our business that if there was sufficient demand for those jack-ups, someone will come to build it. There could be yards, which we've not heard of, but China does have a lot of other capacity, and I'm sure someone would build it. But at least as of today, we've not seen a lot of interest in trying to even go and ask those yards to build. I think the rates will be substantially higher before that level of optimism comes to go and build more rigs.
- Anuj Sharma:** All right. And just on ONGC options, any time lines, any new time lines for the options or nothing.
- Rahul Sheth:** No, they've not given. We have an ongoing tender, but how long it takes to be processed, we are not sure.
- Anuj Sharma:** Okay thank you so much.
- Moderator:** We have a text question from Nirav Sheth from Emkay Global. What is the better option? First, running ships on long-term time charter with debt or second, running ships on spot without debt. Over the long term, what gives better ROE?
- Rahul Sheth:** This is a good question. We have actually studied our history and tried to see that which model would work better. We've always found this latter to be better. And it's not without debt, it's with less debt. So, it just depends on your level of debt. We have shipping companies. If you look at

global shipping companies, they -- a lot of companies run largely spot, but the amount of debt they take varies.

And one can always debate what that level of debt should be. If you want to compare that to the first model, what we have seen and what I mentioned earlier on this call that we have seen spot rates tend to outperform the time charter rates for a variety of reasons. And so then to compensate for that, you would have to take a lot more debt. We find that a riskier strategy. And I think we're just better at playing the second option.

**Moderator:** Thank you. Next question is from Meet Parikh from Mihir A. Shah Company. Previously, management had guided that the buyback was not tenable due to adverse taxation. Now that the tax norms have changed, why not consider a buyback?

**G. Shivakumar:** It's a function of the price really. And as with everything, the -- in this capital allocation as well, it's a function of the price. So, you're right that one of the biggest impediments has been removed. But again, everything is at a price and when appropriate.

**Moderator:** Thank you. Next question is from Alok Yadav, He's not mentioned his company name. Can the management confirm the outstanding loan from GESCO to GIL for March '26? As per financials, there was a loan provided from INR425 crores and repayment of INR125 crores, but the outstanding loan seems to be more than INR425 crores, which was the original loan. What's the time line by when GIL plans to become debt-free?

**G. Shivakumar:** There were 2 loans. One was INR65 crores and one was INR425 crores. As of 31st March, the loan outstanding was INR392 crores. There was also an old preference share, which was subscribed by the parent, which is INR272 crores as of March 2026.

**Moderator:** Thank you. We'll take our next question from Rajesh Jain, an individual investor. Please go ahead.

**Rajesh Jain:** So, any particular reason you have never bought in the last few years since I started tracking your company, you have never purchased a VLCC because we keep hearing in the news a very sharp spike in VLCC sometimes, they are probably the major beneficiary of some freight increases compared to the other vessels. But you have never owned a VLCC till now. Can you comment on that?

**Rahul Sheth:** We have owned the VLCC in the past, and there is no particular reason that we have chosen not to stay out of that segment. And I'm sure that in the future, we will be in that segment. But if you see from 2022 when the Russian war took place and the market significantly tightened, that was a Suezmax and Aframax story. So, for the first few years, from '22 till maybe '25 end, the Suezmaxes and Aframax have outperformed the VLCCs considerably. The VLCCs really came into their own maybe in the last 6 to 9 months, yes, something like that. And since then, those rates have gone up a lot. But if you take over this 4-year period, it has been better served to be in the other two segments.

**G. Shivakumar:** But again, this is not to say that we don't want to own VLCCs.

- Rahul Sheth:** Yes, I'm sure in the future, we'll get into it. But again, it depends on getting the liquidity of the ship and what you're buying. If you get better deals on the Suezmaxes, we may buy more Suezmaxes.
- Rajesh Jain:** Okay. But my note, by not owning a VLCC, don't you lose out on -- I mean, I just wanted to correct my understanding. So, are there certain routes on which VLCC are more suitable and you lose out on -- or you don't participate in those trips because you don't own a VLCC and no other ship type can fulfill that trip basically? Is it like that or not?
- Rahul Sheth:** No, not exactly. Like say, for example, VLCCs do a large amount of trade from the Middle East. But the Suezmaxes also do trade on the Middle East. So, if you're taking cargoes from the Middle East to India or somewhere else, the Suezmaxes also, maybe the VLCCs do more of that trade than the Suezmaxes.
- But what you've seen over a long period of time, you have to look at the price at which you've entered each one of those sectors. That is more relevant than saying, okay, I need to be participating in one particular trade over the other.
- G. Shivakumar:** And what also happens in the case of the VLCCs is that they hit the headlines more often. But Suezmaxes also tend to move in tandem with VLCCs because typically, VLCC carries 2 million barrels of crude oil, while the Suezmax carries 1 million barrels. If there is too much of a differential between the two, customers will tend to -- will try to split the cargo between -- from 1 VLCC to 2 Suezmaxes. So, then the price will become more or less -- the pricing, the freight rates will become closer then. So, it can't be too dislocated for too long.
- Rajesh Jain:** Okay. Sir, two more short questions. So, when are the gas carriers coming up for repricing? I believe all your gas carriers are on time charter, right?
- Rahul Sheth:** That's right. One I mentioned earlier on this call, we are fixed and she'll be delivered shortly. The other one is in the next few months. So, we have some time to decide.
- Rajesh Jain:** Okay. And is it safe to say that they will be repriced at least maybe -- I mean, assuming current rates, they will be repriced at least 50% higher than the earlier time rates?
- Rahul Sheth:** We can't comment on what rates we will get once she's free.
- Rajesh Jain:** Okay. So, in other words, are the current time rates today, 50% higher than the time rates they were contracted for earlier?
- Rahul Sheth:** No.
- G. Shivakumar:** No.
- Rajesh Jain:** Okay. They are lesser than 50%.
- G. Shivakumar:** They were contracted at very good rates.

- Rahul Sheth:** Very high rates.
- Rajesh Jain:** Okay. Nice. That's great. Okay. Sir, any detail you can give on your in-chartered ships because we see that line item, but that's a black box. What are the ships you have in chartered, okay? What are the categories and what are the tonnages? I mean any details on the in-chartered ships? And do you plan to grow this segment?
- G. Shivakumar:** So we have two ships on in charter, both are tankers. One is an MR product tanker, one is a Suezmax crude tanker. There are only 2 vessels on in charter. It was done to -- because there was a certain opportunity as part of a switching strategy. Instead of buying a ship, we in-chartered. And yes, we could look at it. We used to have a significant in-chartering operation 15-plus years ago. And if the opportunity arises, certainly, we'll look at going more. Everything is subject to price, of course.
- Rajesh Jain:** So your operating margins on owned ships versus in-chartered ships, obviously, they will be quite different. But can you give some idea what is the operating margin on in-chartered ships?
- G. Shivakumar:** There is no number here. So let's say, you in-charter a ship at \$30,000 a day. Now the ship could earn \$25,000 or it could earn \$35,000 or it could earn \$50,000 a day. So, because we don't have a fixed -- it's not that we have...
- Rajesh Jain:** I'll rephrase my question. Sorry to interrupt you. I'll rephrase my question. So, I was asking about the actual operating margins, let's say, for the March quarter?
- G. Shivakumar:** It will be much, much lower for an in-chartered ship because in the operating margin of an owned vessel, basically, you only deduct the operating expenses, correct? when you're looking at the operating margin. When you're looking at an in-chartered ship, you have to deduct not just the operating expenses of the owner, but also his capital recovery, his interest, his depreciation, maybe his loan repayment cost as well. And therefore, the cost base itself becomes much higher.
- So, the quick answer is the operating margin profile of an in-chartered ship is very different. The operating margins will be much lower than for an owned vessel because by definition, they would not be chartering to us at operating at opex.
- Rajesh Jain:** Correct. So, for example, your operating margin for the owned vessels was, let's say, 58% or 60%, something like that. So, for in-charter ships, would it be like 15%, 20%?
- G. Shivakumar:** Again, it depends on the rate. If you in-chartered it in 1 quarter, it could be in-chartered at \$30,000. One quarter, it could earn \$25,000 in the next quarter, it could earn \$40,000. So there is no -- so it is very difficult to put a number to answer your question.
- Rajesh Jain:** So I'm asking only about the actual numbers of the March quarter, not production or...
- G. Shivakumar:** So, they are positive. Let's say that you have a Suezmax in our own Suezmaxes. So, let's say, we have two -- we have an in-chartered Suezmax. We have an owned Suezmax. The owned Suezmax operating expenses could be maybe between \$6,000 and \$8,000 a day. The in-charter

rate is not \$6,000 to \$8,000 a day. They would earn very similar rates. It's not very different. One is an eco-ship, so there may be a marginal difference in their earnings.

Let's say, both of them earn \$60,000 a day. In the case of the owned vessel, the operating margin is \$60,000 minus \$8,000 a day. In the case of the in-chartered vessel, and I cannot mention the actual rate at which we have in-chartered the ship, but let's call it \$30,000 a day. So your margin is only \$30,000 a day on the in-chartered vessel. So that's the difference between the 2 because the cost base of an in-chartered vessel by definition is higher than the cost base of an owned vessel for the operating budget purpose.

**Rajesh Jain:** Sir, I was going through the cash breakeven level of some of the U.S. companies, U.S.-listed shipping companies, they disclosed it was close to \$11,000 per day for their entire fleet. So can you disclose your cash breakeven levels for your entire fleet today?

**G. Shivakumar:** Our book breakeven levels are probably around \$12,000 a day between \$11,000 and \$12,000 a day. Our cash breakeven is probably in the \$9,500 a day, something like that.

**Rahul Sheth:** Maybe \$9,000 a day because we also have a lot of other income from the treasury. Yes.

**Rajesh Jain:** So anything beyond that \$10,000, \$11,000, \$12,000 a rate, I mean, primarily, it flows to the bottom line, right? I mean...

**G. Shivakumar:** This is cash breakeven. It will flow to cash flows. But yes, book breakeven will be maybe \$12,000 a day for the fleet across the fleet.

**Rajesh Jain:** Okay. So beyond \$12,000, the entire number flows to the bottom line?

**G. Shivakumar:** That is correct.

**Rajesh Jain:** Okay, sir. Okay. And that is across the entire fleet, right?

**G. Shivakumar:** That is a blended rate for the entire fleet.

**Moderator:** Next question is from Karan Bhatelia from MAIQ Capital.

**Karan Bhatelia:** Congratulations for a great set of results. Sir, you have reached a significant cash position this quarter, but we are also seeing the freight rates staying at multiyear highs and which in turn has also increased the vessel prices. Now given the parts of the fleet are aging, I'm just trying to understand your philosophy as to whether you are comfortable to buying tonnage at these levels to capture the current yield or do you feel the IRR is too thin or if you decide to wait for a correction, maybe what is the plan for the excess cash which you have generated?

**G. Shivakumar:** So see, if it is a question of switching, where if we had to sell a ship and replace it, then we will do it because we have a certain market presence, which we have to maintain. So that is something that we will continue to do. Your question, I take it is on buying an incremental ship that is for

growth. Is that right? Switching, we will do because we have decided not to go below a certain level.

**Karan Bhatelia:** Okay. Either way, Shiva, either increasing or maybe replacing it? I mean we have been replacing a lot at least...

**G. Shivakumar:** Replacing we will continue to do. Increasing we will not do for current yield. Yes.

**Rahul Sheth:** Because when you're doing a switch, it's a very different thing from doing incremental. When you're switching, you're buying at a high level, but you're also selling at a high level. When you're buying incremental, you're just buying at a high level. So you have to look at them very, very differently.

**Karan Bhatelia:** Correct. But sir, don't you think we also have the opportunity to capture the current yields?

**Rahul Sheth:** Yes, but current yields can change. You have to look at the business from a more longer-term point of view.

**G. Shivakumar:** Typically, current yield is a bit of a trap, and we've seen cycles...

**Rahul Sheth:** So you have to see what best serves you more in the long term.

**G. Shivakumar:** We've bought -- I think we've done best on the projects where we bought when current yield was close to 0.

**Moderator:** We'll take one text question from Meet Parikh from Mihir A. Shah & Company. At what level of discount to NAV would the company consider the value of buyback to be attractive? Also, would a lower fleet age lead to better TCYs?

**Rahul Sheth:** We can't comment on the first part of this question. And the second one, would a lower fleet age lead to a better TCY. No, not really. There is something on the fuel economics, but I think the price at which you entered and the segments at which you enter, I think that's the most important.

**Moderator:** We have Meet on the line. Meet, has your question been answered?

**Meet Parikh:** Yes, my question has been answered.

**Moderator:** There's one more text question from Harsh C, an Individual Investor. Would like to understand the management's thought on reasons because of which the spot market outperforms time market over a longer period. Is spot market better suited to be the vessel to marginal commodities traded, which usually balances demand and supply and hence, have better pricing power?

**Rahul Sheth:** A bit of a difficult question to know why it outperforms. It's just that in the spot market, because our business is driven by a multitude of events and sometimes those events can take up the market up significantly. So as you can see, when the Russian war took place, the freight rates changed 2x, 3x. So when you can have that kind of change in the underlying market, then when you are generally taking a time charter activity, they will be within a narrow band.

And if the market moves that dramatically, then you'll be caught short. And so of course, we can't say that every time that happens. But if you look at a longer period of time, when it does happen, because the markets move up that significantly, then over a longer period of time, you see the spot outperform the time chartering market.

**G. Shivakumar:** So on a slightly more philosophical note, maybe because the person who's fixing out on time charter is taking less -- the charter is helping him to reduce his risk, maybe then that leads to slightly lower returns overall. So we see that in very long-term charters. Now whether it's true for 1-year charters is a different matter. But the spot market operator typically tends to be taking more risk.

**Moderator:** As there are no further questions, I now hand the conference over to Ms. Anjali Kumar for closing comments. Over to you.

**Anjali Kumar:** Thank you, everybody, for joining in and for those very insightful questions and answers. As usual, the transcript of both the audio and the text transcript will be there on our website very shortly. Thank you so much for joining us. And for any future questions, please feel free to e-mail to us, and we'll be happy to answer them.

**G. Shivakumar:** Thank you everyone.

**Moderator:** Thank you. On behalf of The Great Eastern Shipping Company, that concludes this conference. Thank you for joining us, and you may now exit the meeting.