THE GREAT EASTERN
SHIPPING COMPANY LIMITED
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BSE Scrip code: **500620**

Trading Symbol **– GESHIP**

Sub: Transcripts of Earnings call conducted on January 30, 2026

Dear Sir/Madam,

Further to our letters dated January 21, 2026 and January 30, 2026, please find enclosed transcripts of the earnings call held on January 30, 2026.

We request you to take the same on record.

Thanking You,

Yours faithfully,

For **The Great Eastern Shipping Company Limited**

Anand Prabhakar Punde
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"The Great Eastern Shipping Company Limited Q3 FY26 Earnings Conference Call"

January 30, 2026

MANAGEMENT: **MR. G. SHIVAKUMAR – EXECUTIVE DIRECTOR & 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 welcome to the Great Eastern Shipping Company Limited Q3 FY '26 Earnings Conference Call.

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. Please note that this conference is being recorded.

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 to go through Great Eastern Shipping's results for the 3rd Quarter and for the 9 Months of FY '26.

I have with me Rahul Sheth. We will go through a presentation quickly first, and then we will be happy to take questions. I will run through the presentation quickly. I am sure you all would have seen it. It was uploaded yesterday, so that we can have a maximum time for Q&A.

You would have seen the financial highlights. We had a net profit of INR 813 crores on a consolidated basis, standalone INR 650 crores. The net asset value has gone up again, and this has mainly gone up because of the operating earnings.

There has been no significant change in values of ships between September end and December end. So, this is all operating cash flows, which have helped to improve the net asset value. And we have yet again declared a dividend. This is the 16th consecutive quarterly dividend that we are declaring.

I won't go too much into the P&L. You would have seen this. We can go through it later if you have any questions. On a normalized basis, it is not too different from the reported numbers. Just to remind you, this is to take out the effect of the exchange rates and the derivatives that we do, and the derivatives are basically for converting our rupee debt into dollar debt, so that we match our debt and our assets.

Return ratios continue to be good. As I mentioned, NAV has gone up in the quarter, and it has gone up in the 9 and 12 months as well. This is the industry format. Basically, for shipping analysts, it helps to know what were the voyage expenses, and therefore what is the time charter equivalent rate. Because voyage expenses, or what are called direct operating expenses, are a pass-through. They are part of executing the voyage. We start our discussions from what is here, marked as A, which is time charter equivalent. So when we talk of $ per day, that is at this level, that is the time charter equivalent level.

Business overview, there are a lot of details here. Basically, the headline news is OPEC opened the taps again, which meant that there was more cargo to be carried around, more crude cargoes to be carried around, and this was known before because they had a schedule which was laid out.

Apart from OPEC, which was a move which was known since the middle of last year, there was also South America, which produced a lot of oil. Guyana and Brazil produced about 1 million barrels a day more than in the same period last year. I am talking of Q3 FY '26 versus Q3 FY '25. This oil is not necessarily getting consumed. It is going into inventory. Some of it is in floating storage as well, while it looks for a buyer.

But the net effect is that markets were strong. Crude tanker markets were strong. Product tanker markets also recovered in the quarter from where they were the previous couple of quarters. Asset prices were about 5% up, but when you adjust for age, etc., it is not too different.

The order book currently has been creeping up as the markets continue to be strong, and ship prices have been strong as well. So, the order book for crude tankers is currently at about 17% for crude and 19% for product tankers.

Coming to dry bulk, again, this is a sector which saw some strength, especially in the Capesize sector. This sector has also continued to be strong in January. We had a small dip, and then it's picked up steam again, which is unusual because seasonally this is the worst quarter of the year, but markets have been reasonably strong for the last week or two.

Again, iron ore trade did see substantial growth in Q3, about 40 million more of imports into China. Again, there is a lot of it is going into inventory at ports in China. So, there seems to be some stocking up.

Also, grain trade grew in Q3, and so bulk carrier asset prices were marginally higher during the quarter. And the order book is at around 12.5%.

LPG spot earnings were strong. Trade volumes were down. However, ton miles helped a little bit because U.S. exports were going to Southeast Asia instead of going to China through the Panama Canal, which means more miles. So, as earnings were pretty strong, asset prices were flat, but at very high levels.

The order book continues to be very high at 29%. I have already spoken about the asset price movement. The order book also I have mentioned. Again, it is creeping up. It was very low in 2023-24 for the crude and product tanker sectors. It has now gone up significantly since then. Still at pretty low levels compared to what it has been in previous highs.

And just to compare the order book with the old fleet, you can see the orange bar is what we would define as the old fleet, which is 20+ for all categories except LPG, and LPG is 25+. So, in LPG, only 11% of the fleet is old, but the order book is 29%. In dry bulk and product tankers, they are more or less even, the old fleet and the order book. In crude tankers, the order book is at 16% to 17%, while the old fleet is 24% of the fleet.

Scrapping has been very minimal for the last 10 years. So, we are talking of only about between 8% and 12% of the fleet getting scrapped in an entire 10-year period, which is very low. And that is a scrapping overhang which is there in the market, which is why you have such a high proportion of old fleet.

Coming to the jack-up market, this is the international market scenario. Markets are showing some recovery. Saudi Aramco has come back into the market. Two years ago, almost two years ago, they had off-hired about 24 or 25 jack-up rigs, or they had suspended contracts for those rigs. A lot of those are going back, are being called back by Saudi Aramco, and that again is starting to tighten the market a little bit. And this is a slide, of course, of how many old rigs are there in the market, old rigs and old vessels. And the order book is extremely low because very few assets have been ordered in the last 10 years.

For Greatship, because that is predominantly a time charter business, these are the repricings. We have one rig which is on a short-term contract in India itself. As it stands, her contract gets over in end of February. So, we will need to find work for her. We are in discussions and bidding for contracts.

The second rig, which is also on a short-term contract, comes off contract sometime in May, June, and we will see what to do about the future business for her.

The vessels, there is only one which is up for pricing in this quarter, and there are four which are up for pricing in the next quarter. So, we have a lot of coverage for the vessels.

This is on the breakup on the revenue days and the TC wise. I won't go too much into it. The net asset value, the growth over the last 5 years, we have seen this going up with a CAGR of 20% plus on both a standalone and a consolidated basis.

And just to look at what happened between December '24 and December '25, you will see that the net asset value has actually gone up, even though we have paid out a dividend. You can see the fleet value reduction is INR 44 per share, and we paid out INR 28 per share in this period. However, the NAV has gone up, and that is because of the green bar, which is a cash profit which has been produced.

I have mentioned in the past that the net asset value converts into cash, and that helps to cushion it from a fall in the asset prices. Similarly for the consolidated NAV as well. Again, the stock price to consolidated net asset value, we are trading at about a 25% to 30% discount currently.

Again, showing that, we focus on timing the market. Last time we levered up in FY '17, '18, and '19, from 0 net leverage, in the shipping business, we went up to $360 million of net leverage.

And we have been net cash ever since middle of FY '23, and now we are more than $500 million+ net cash.

I won't go through these details. These are the governance details and what we are doing on CSR and ESG. So, that brings me to the end of the presentation, and we are happy to take questions now.

Moderator: Thank you very much. We will now begin the question-and-answer session. We will take our first question from Deven Sangoi from Tej Investments. Please go ahead. Sorry, since there is no response, we will move on to the next question from Rahil Dasani from MAPL. Please go ahead.

Rahil Dasani: First of all, congratulations on a good set of numbers. My list of questions was more around our offshore vessel segment particularly. I wanted to understand if you can share more about the OSV charter rate cycle that we are in right now. The understanding that I am getting is that there is a demand-supply gap, and the shipbuilding is slow, as well as the age of vessels in use already is high, which is even deepening that gap. So, if you can explain, where are we in this cycle currently?

Rahul Sheth: I will have to just give you a bit of background to this space. So, if you look at the offshore vessel sector, there are a large number of ships. There are about 3,000-odd ships. There are 500-700 ships in what we call cold layup. So, they have not been operated for a long time because, as you know, the offshore space had gone through a downturn. These vessels, we don't count as part of the operational fleet because someone will have to spend a lot of money to get them back into operations. As of today, we have seen no movement on that.

When you remove those ships from the fleet supply, we then calculate what is the utilization of the industry. The utilization of the ships currently are at about 65%-66%. It is called marketed utilization. Now, while that, in an absolute terms, may seem a bit low, for our industry, that is actually quite good. It doesn't mean that ships are not being used, but what happens is that offshore vessels are generally fixed for long-term contracts, and therefore, between contracts, there is a gap, right? While business is being negotiated or vessels are in dry dock being serviced.

Also, in this business, there are many pockets of the market. So, unlike mainline shipping, the ships don't necessarily always move from one market to the other all the time because there is a cost of positioning. So, 65% is generally relatively healthy.

The highest we have ever seen, and this goes back before 2015, probably 2012-2014, when the markets were the strongest, this utilization number would have been closer to maybe 70-72, something like that, right? So, if you look at it from where we have been at the peak levels, that is actually relatively on the higher side.

Secondly, we have seen some small amount of ordering that has taken place in the last couple of years, but on an overall fleet, it is still very small. Technically, when you look at the order book, there is a published order book that has been, but it has been there for a very long period of time, and those ships have not really gotten delivered.

So, we assume that, sometimes what happens is, people had ordered ships, but then the market had turned. People probably could not afford to take delivery of those ships. So, they are lying there somewhere. Many of these are orders sitting in China. So, it is quite opaque to know what is happening to those ships, whether those ships really exist.

And as you can imagine, no ship-owners are really going to touch a ship probably lying half-built somewhere 5 years later, right? Again, you need to be very confident in the market to spend that money to take for delivery. So, even the order book is very, very low, and because the order book is very low and has been low for the last multiple years, even the fleet age has crept up over the period of time.

So, from a supply perspective, it is relatively constrained. We don't know what will happen on those 500-odd ships which are in cold storage. Like I said, they are unlikely to come back. Also, they will be relatively old. And as of now, the demand is holding, and so the utilization levels are quite strong, and that is reflected in the earnings.

Rahil Dasani: And if I were to just get more specific on this, post-'21, 2022, we saw charter rates doubling. Is that sort of growth still continuing, or has it slowed down, or even we are seeing a dip in growth somewhat in the charter rates?

Rahul Sheth: No. So, see, firstly, just to clarify on that growth, the charter rates were very low for a long period of time, right? Generally, you would have seen it in the results of Greatship.

Rahil Dasani: Yes.

Rahul Sheth: So, the doubling happens because the base was so low. Okay? Now, from these levels, it is not like as if these rates we can keep saying that, okay, they have doubled over five years, so they will double again and double again. That is not going to happen unless the numbers would be astronomical.

All I can tell you is that over the last calendar year, about a year, year-and-a-half at least, since the rates have gone up a lot, they have broadly held up at these levels, and we have seen no dip. Again, pockets of the market reduce a bit, a little bit in utilization here and there, but broad story, they have held up.

Rahil Dasani: That is very clear. So, last one question before I get back to the queue. ONGC, Reliance, and Cairn have a lot of incoming projects. For example, ONGC has planned 10 development wells, as well as the PRP-9 project. Reliance has the KG-D6 block, plus the general offshore wind and the port construction demand. So, what sort of offshore vessels demand are we seeing across our set of vessels, like the PSV, MPV, OSV? If you can quantify it in number of vessels that we can expect from these few pockets of demand.

Rahul Sheth: Firstly, offshore wind, there is not much activity here. Secondly, on all these other oil projects, you have to remember that it takes a lot of time to develop all these projects out. Even we do not have any knowledge of how many more additional vessels will come up. All we can say is that the market is relatively well-balanced, and how it pans out over the next few years, frankly, is anyone's guess.

You have to remember, even when they start drilling and when they start looking at these fields, a lot of the oil companies have to see how those fields develop, what potentials they see, or how much money they are willing to put in. I don't think those companies would also be in a position to give you a firm number of how many more additional ships will be required.

Rahil Dasani: And just to get a more general understanding, for example, the KG-D6 block of Reliance came in 2024. So, how long does it usually take for the demand for our sort of vessels to come in?

Rahul Sheth: We won't be able to comment on that. We won't have sufficient knowledge to comment on this.

Rahil Dasani: That was helpful. I have a few more questions. I will get back in the queue.

Moderator: We will take our next question from Rajakumar Vaidyanathan from RK Invest. Please go ahead.

Rajakumar Vaidyanathan: I have two questions. The first question is for Shiv. Shiv, I am looking at your Slide 7, where you have given this return of capital employed, and so on and so forth. So, just allow me, just give me two minutes to explain the question. So, Shiv, if I look at your three drivers of your bottom line or the profitability, they are your core freight earnings, profit on sale of ships, and then your other income comprising of your interest income and then the FX gains, right?

G. Shivakumar: Yes.

Rajakumar Vaidyanathan: So, for a moment, if I back out your profit on sale of ships and the other income as well as the FX gain, your PBT comes to approximately INR 520 crores for the quarter, as against whatever INR 840 crores you have reported. So, if I take that as the numerator and then I am using your equity as your replacement cost, because you are giving the number based on the book value, which is whatever INR 1,000 approx. So, if you have to replace it with your NAV of 1,566, which is working out to almost INR 22,000 crores, so if I annualize, you guys are close to, you are making around 10% pre-tax return.

G. Shivakumar: Yes, see, the only thing is, in the INR 22,000 crores, then you will have to...

Rajakumar Vaidyanathan: This is one part. So, I am looking at this way. Second thing, I know all your segments are firing well, crude, dry bulk, gas, all the freight earnings are doing really well based on whatever you have put out. So, even in this scenario, if you guys are making only 10% return on whatever the replacement cost basis, that is my thing.

And my only worry is if all these tailwinds that you have in terms of a better asset market compared to your book values, then the rupee depreciation. Currently, it is a tailwind for you because you are holding more cash than loan. So, if that were to kind of negate, because rupee is already depreciated quite a bit, so you may not have this tailwind go forward. So, the question is, have we seen the best of earnings for Greatship as of now unless you guys really do something about the business in terms of acquiring more ships, and also you are dependent on the freight market? That is my question.

G. Shivakumar: So, couple of things. So, first of all, one adjustment I would make to the calculation. Fundamentally, I don't have a disagreement with the way you have approached it. But I would make one adjustment there. If you have taken out the other income, then you have to take out what results in other income, right? What you are trying to find out is, how much-

Rajakumar Vaidyanathan: Yes, I did that also, Shiv. So, basically, I removed the cash because I didn't have the cash number. Now that you told, it is about INR 500 million, so it is about INR 4,500 crores. So, if I back that out, your denominator is about INR 18,000 crores. So, even then your pre-tax is about 11%. From 10%, it moves to probably 11%.

G. Shivakumar: On a consolidated basis, we have INR 7,000 crores of net cash, which has to be taken out of there, which is INR 500 on the NAV. So, we are talking about INR 15,000 crores. Again, here and there, we can have 1% or 2%. We are talking of INR 15,000 crores, which is the market value of the sort of business, okay? Which is about where it is. It is about INR 14,000 crores if you just take the fleet values of shipping and offshore.

And so what we are saying is that you are making, and the number you put, and let's just say that we annualize the INR 500 crores, which is about INR 2,000 crores. And you are somewhere. It is not 10%. It is maybe 12%-13%. Okay? But yes, it is true, because the prices are so high, you are not going to make a current yield on those, on the current high prices, which is also the reason why we are not investing today. If you are making significantly more, current yield on the ships at today's prices, we would be looking at investing more.

So, the point you made is correct, and it is also showing why we are not really that keen to invest at today's prices. What can also happen, of course, is that INR 15,000 crores can drop off. If the market drops, that market value of that fleet can drop off. But yes, cash is a drag on the returns. And now let's look at the whole thing, right, including the cash. So, you look at INR 800 crores on the INR 22,000 crores number. And that is now bringing you closer to something which is not a very great return, which is being dragged down by cash.

Eventually, we hope that this cash will go from earning 3% in dollars, which is what we earn, to earning to a ship which earns more than 10% in dollars. And that is what we are waiting for. We are waiting for that opportunity. And yes, it is not a great situation to have so much of our balance sheet in cash, but hopefully it is temporary.

Rajakumar Vaidyanathan: So, in terms of the drivers, so I am just laboring on the same question, Shiv. Sorry about that.

G. Shivakumar: No, problem.

Rajakumar Vaidyanathan: So, I think, since the rupee depreciation is almost kind of close to its peak, so it would be kind of pertinent that you folks look at the cash, deploying the cash quickly so that the return ratios don't fall further. And again, it again depends on your core earnings as well because given the volatile markets, the shipping market is doing well today. So, if the markets have to turn for some reason, things stabilize, which everyone is hoping for, which everyone wants either way, but what I am saying is, you will lose all the tailwinds that you have currently today, all the three levers which is firing for you today, then if all of them have to turn down, then it will kind of suppress the earnings go forward. So, that is my only humble submission here.

G. Shivakumar: Yes. See, on a current yield, ships make a decent return. So, if we buy a ship today and earn today's earning at today's freight rates, you would probably make a 10% return on that $1 invested. The worry is that five years ago, before this market went up, especially for the tankers, the ship, equivalent ship value was 40% to 50% below where it is today.

Now, the question is whether you risk that drop in the asset price in the hope of making this 10% in current yield. That is the approach. That is the thing that we have decided that we will not do. So, in fact, we tend to buy when the current yield is very poor, because that is what gives you the capital appreciation later on. When the markets are weak, earnings are weak.

You will remember that in 2018-19, we actually declared a loss, and that was because we bought ships when the market was very low, and we went out and bought even more. We levered up and bought. So, while it is tempting to convert some cash into an asset which is earning 10%+ return, that is not something that we are looking to do currently.

Moderator: Rajakumar, may I request you to join back the queue, please, as we have other participants waiting for their turn?

Rajakumar Vaidyanathan: Yes.

Moderator: We will take our next question from Siddharth Chauhan from 360 ONE Capital. Please go ahead.

Siddharth Chauhan: I have two questions. Firstly, now we have net cash of INR 7,000 crores. And at what levels of cash, and obviously at these prices that you, as you rightly mentioned, you are not going to buy an asset. You are just going to replace an older asset with a newer one. So, then my question is that, what levels of cash would you start increasing, increase your dividend distribution to investors? That is my first question.

G. Shivakumar: So, we have increased our dividend distribution. Between last year and this year, we were at about 17%-18%. We are now little about 20%, probably closer to 25% for this year. So, that is one.

The second is, actually, we have also dropped off a little bit in cash since then, because you would have seen we have done several transactions in the recent past. We have done some of these modernization transactions. So, we have actually dropped our net cash position in the last month or so in December. We are deploying some cash. And now whether Rs 7,000 cr is a threshold, or8,000, or 5,000, it is a matter of opinion. We believe that we can deploy this cash well in the next market downturn, and that is why we are retaining it. In the meantime, we are paying out what we think are very decent dividends.

Siddharth Chauhan: So, that means, in case if this cycle continues for, let's say, for the next two years, then we will actually build up our cash balances. This is what I understand. Is it right?

G.Shivakumar: Yes, build up our cash balances to the extent of what we are not able to invest in our modernization. We have been modernizing our fleet while we have not done capacity expansion. We have been selling our older vessels and buying some more modern vessels. So, yes, cash balances will build up to, till such time we believe that we may not be able to deploy the money profitably at a future cycle. But we are not close to that, not anywhere close to that.

Siddharth Chauhan: And secondly, any plans to invest in LNG fleet? Because you see a lot of LNG ships which are under shipbuilding and coming, and there is a huge supply which is going to come up in the next few years. What is your thought on that?

Rahul Sheth : So, see, the LNG business is very different. What happens is, a lot of these LNG ships, firstly, they are very expensive. So, you can't just buy one ship. They are right now currently for $250 million a piece. You can't buy in the secondhand market. You have to buy new building. If you go for a couple, you are going to spend a substantial amount of your investable surplus just to do this business, which will take away from other businesses, right?

Secondly, in LNG, what we have seen is the contracts are longer duration. They don't have the spot market as our traditional businesses. So, what happens is, when you buy such an expensive ship and you get 10-year contracts, generally they become project financing kind of returns. So, what at least as of now, we see that that building will provide sub-optimal returns from tanker, bulker, LPG. So, at the moment at least we are not going to even consider that business.

Siddharth Chauhan: Very well. Thanks a lot. And all the best.

Moderator: We will take our next question from Deven Sangoi from Tej Investments. Please go ahead. Deven?

Deven Sangoi: I have one question, that there has been a lot of news of late on the dark fleet on the crude tanker side, and various Europe, Russia-Ukraine, America, all are seizing this dark fleet. What is the impact on the freight rates, when such, this has been the problem for crude market for a long and large part of this crude, which was sanctioned, was moving through this fleet. So, how does it change the outlook in near and medium term, sir?

Rahul Sheth: So, we can at least tell you what has happened up until now. So, since the war, which has been about now almost four years, whenever the U.S. or Europe or the U.K. have sanctioned these ships, they have gone out of the international trading fleet. But at the same time, a large amount of the Russian trade has gone out. So, you have got something gone out from the demand side, you have got something gone out from the supply side. And so the sanctions, of course, has had an impact, but for us, the denominator, numerator have more or less moved together.

Of course, there is a disruption of the Russian trade, where the inefficiencies of the trade, which we have explained before, has been a very large reason for the rise in the market. Now, the difference that we have seen over the last six months is that the sanctions have become a lot tighter, and because these sanctions have gone off not only on the vessels, but have also gone on people, have gone on refineries, you have got Nayara, which has been affected. You have got pressure coming from the U.S., even on India taking in more Russian oil. That has had a very big difference.

And the main difference has been that earlier Russian crude was still moving. They used to export 3.5-odd million barrels before the war. They were doing that even during the war. However, in the last six months, we have seen that maybe 500,000-750,000 barrels per day of Russian crude is not being able to find a destination, largely because India is not taking that much crude. And because of that, eventually, oil needs to be, the refineries need to be, their demand needs to be met.

So that 750,000-odd barrels has been met from the international trading fleet. And so there has been an increased demand from countries like Middle East, South America, which is largely Brazil and Guyana and those kind of countries, and that has lifted the market. So, if you have seen the last quarter, which is this quarter, October to December, and even as of January, the crude market has significantly risen based on this tightness. Now, how this all pans out over the next six months, nine months, is anyone's guess.

We saw somewhere in the news, of course we don't have data on that, but we saw somewhere in the news that even Reliance is going to take another 150,000 of Russian barrels. So, how that is all working, frankly, we are not aware.

Deven Sangoi: And sir, today, VLCC new build and the second-hand price of less than five years, the difference is only 5% or less than 10%. And a lot of smart guys or smart operators globally are switching the second-hand or the older ship for the newer one. Do you plan to do anything as far as the crude is concerned?

Rahul Sheth: You mean switching? So, it just depends on what age you are switching from, right? So, if you are selling a 15-year-old tanker and you are buying a 10-year-old, 5-year-old, it is just based on the mathematics that we are doing.

The view that we take also is that, if you buy a ship today, I think, I am not sure exactly how, the data point that you are referring to, but there are a lot of large owners that have done a lot of new building, right? And that new building comes over across multiple years, right?

Now, they may be getting a new building because some of the older ship is going out, or they may be net expanding. Largely as an industry, there has not been a major expansion over the last few years. So, one would assume a lot of the older ships were coming off. But it is just a matter of choice, whether you would like to, like, say today, if you have got a ship that is old and we buy a new building ship, then that ship comes three years from now, right?

Now, if that ship is coming three years from now, what will the charter rates be three years from now? If the bull cycle is currently present, and we don't know whether it will last six months, one year, two years, or three years, but the expectation is that if the market is strong now, better to get the earnings now, and therefore, the second-hand prices tend to rise disproportionately to the new building prices in a strong market and it tends to work the other way around in a weak market. Has that answered your question, or?

Deven Sangoi: Yes. Sir, last question, why is the scrapping, despite of more than 18 years fleet, both on all the sides, whether you take it dry bulk, wet bulk, or even crude, it is pretty high percentage what we have seen in last three decades, but the scrapping doesn't happen. What's your plan?

Rahul Sheth: So, basically what happens is, so see, whenever shipowner is coming to a survey, which, at the older end, it is every three years. You have to put in a lot of money to do pass the surveys. If you can make up the operating costs and the dry dock costs, and the markets are substantially stronger than that, then owners tend to pass the survey.

There are certain protected trades, like, say, in the dry bulk trade, where you can sell. Maybe those trades are not available to people like us, but we can sell an old ship, players like us, to another player who has a protected trade and run a very old ship. The dry bulk fleet is not as old as the tanker fleet. In the tanker fleet, we have seen a large number of tankers land up in the sanction trades.

So, if you see the vessels that are carrying the Russian oil, a large percentage of them are the older tankers, you know? So, the market has to be conducive to support it. Eventually, products have to move, right?

Deven Sangoi: Right.

G. Shivakumar: And typically, people tend not to scrap. So, that is the main thing. When rates, if rates drop, then you will see ships getting taken out.

Rahul Sheth: See, because scrapping can happen for two reasons, right? One is that, ships do reach a particular life where beyond which it is difficult to trade. But we don't see 18-year-old ships really being scrapped. Now, between 21, 22, 23, you can play on the margin a bit. If the market is strong, the oil majors, the terminals, everyone will take the ship because no one wants a shortage of the ships.

Moderator: We will take our next question from Kirtan Mehta from Baroda BNP Paribas Mutual Fund. Please go ahead.

Kirtan Mehta: I just wanted to understand your perspective in terms of the crude price has sort of jumped to around $70 level, indicating a potential sort of the risk on the Iranian barrels, as well as some of the disruptions in the U.S. From the shipping side or ship-crude ship tanker rate, are you also seeing similar risk getting priced into the shipping tanker market?

G. Shivakumar: Nothing has happened on freight rates related to this. So, this hasn't had an impact on freight rates. Obviously, it will be a big event for tanker markets, but nothing has happened.

Rahul Sheth: No, we have not seen really any correlation between the two.

G. Shivakumar: Or Iran risk. If Iran risk is getting priced into freight rate. Not yet.

Rahul Sheth: No, no, not yet.

Kirtan Mehta: Another question was about the cash that we have been managing. Are we seeing any signs of some of the markets opening up during FY '27? Any green shoots, early green shoots?

Rahul Sheth: Honestly, it is very difficult. As of today, the prices are not at our levels. But to make a forecast in FY '27, what those price levels will be is anyone's guess.

Kirtan Mehta: Probably the last question was about basically the way we show is that at a consol level, our stock price is probably around 25% discount to the underlying NAV. But if we adjust the cash from the NAV, which you mentioned it, around INR 500 per share, then, actually, the discount is much wider on the ship prices, which is a variable which could be probably of the order of

40%-50%. So, is this more sort of reflecting the mid-cycle value of your shipping asset in your view? Or is it a discount to even the mid-cycle shipping value at this point?

Rahul Sheth: If it is 40% below, is that number correct?

G. Shivakumar: Yes, it is below the mid-cycle value. It is probably mid-cycle.

Rahul Sheth: Yes, it is probably mid-cycle. If it is 40%, then yes, then probably.

Kirtan Mehta: That's all from my side.

Moderator: We will take a follow-up question from Rahil Dasani from MAPL. Please go ahead.

Rahil Dasani: I wanted to pick up one of the points from your introduction. If you can share more into what you said about Saudi Aramco, them giving back the rigs two years back, and now they are procuring it again. It wasn't really clear for me. If you can explain it more better, is it only rigs or all offshore procurement had stopped two years back and now it is coming back again? If you can share more into that.

Rahul Sheth: Offshore procurement will be a very large topic. Calculating that entire data and as for share, that would be impossible.

Rahil Dasani: No, of course, what I mean is our set of vessels, AHTS or PSV.

Rahul Sheth: So, I mentioned to you earlier on the offshore utilization, right? Vessel utilization. So, I can share with you a similar statistic on the jack-up rigs, right? Again, on the market and without using the cold layup jack-up rigs, right? The utilization is about 85%, 84%, something like that, right? And the peak that we have seen historically is about 90%. So, that 5%-6% is the gap between where we are today and the top of the market in terms of the utilization. Now, that 5%-6% on 440 rigs is only about 20-30 rigs, right? Thereabouts.

So, we saw that Saudi Aramco had taken a large number of rigs pre-2024, and then there was some internal discussion, and they had a capacity, they had declared, that they would like to increase their max capacity of production from 12 million to 13 million barrels, which is why they have taken a large number of rigs. Then in Jan 2024, they said, "We are going to reduce this 13 to 12 million." That is why they released some of those rigs. I think they released about 30-35 rigs, something like that.

Now, what they have declared is that 12 million barrels and this, we have to remember, Saudi declares a max production capability. But in history, they have generally not produced, for a sustained period of time, more than about 10, 10.5 million barrels per day, okay? As of today, they have still kept their target of 12 million barrels. They have not increased it to 13. But the difference is that two years ago, they were physically producing 9 million barrels per day, okay?

Today, they are producing 10-10.5 million barrels per day. One of the impacts of that has been on the crude tanker market because they are exporting a lot more oil.

So, if you see how much Saudi Aramco has actually produced and exported over the last, frankly, 15, 20 years, it is now close to its peak, which is 10-10.5 million. Now, maybe they could increase it a little bit more for short periods of time, but not sustainably. So, we are seeing the first green shoots in their change of policy, where they are saying, let us take 9 more additional jack-up rigs, which are going to be taken across the Calendar 2026. The exact timelines, as you can imagine, they don't declare it.

But what happened to some of those rigs that they let off, they have this clause where they can suspend the rigs, but they don't eventually, they are not redelivering it to you, to the owner. The rates may be zero, but they are, like, on standby. They are waiting there. And they have given some notices to those owners to come back. So, 9 of those rigs are coming back, which increases the utilization by 2%.

So, there are some green shoots in that market tightening further, but again, as you can imagine, how Saudi Aramco decides how to change its CapEx plans, that can change, those internal discussions, we can't be privy to.

Rahil Dasani: Of course. But in line to the procurement of the rigs, are we also seeing a proportionate procurement of other sort of vessels excluding the rigs in the offshore segment from Aramco?

Rahul Sheth: We didn't see the utilization of the offshore vessels actually coming off in the last two years. And that is mainly because the number of rigs you have, you need to have a proportionate number of vessels. That clearly is there. But even though the rig count came down, we didn't see the vessel count coming down, mainly because the vessels are also used for additional activities. They are already used on producing wells. They are also used to lay construction cables, pipelines, etc. There are a lot more activities happening in the sea. So, because of that, we didn't actually see those utilizations come off.

Rahil Dasani: And another thing is, how easy is it for a new incoming competitor or peer to buy these vessels and just start competing in tenders? Or is there some long approval process from the side of our customers, like ONGC or Reliance or Cairn, or some other complexities to enter this offshore segment and compete with us?

Rahul Sheth: The private charters, see, firstly, we have to depend on how much liquidity is there in the market to actually buy these ships. As we mentioned earlier, the order book has not been a lot. So, for the last 7-8 years, it is very difficult to get modern assets, right? So, the liquidity would be relatively low if you wanted to buy a lot of second-hand ships. Maybe you have to pay up the price.

And secondly, a lot of the private charters, yes, in tender-driven businesses, generally, more peer participants can participate. But with private charters, there is a level at which operators prefer to work with owners who they know about, and there are sufficient owners with a long history where they don't have to maybe go to a new player because there is a shortage of supply, and the new owner has the vessels. And so, if that kind of situation arose, then it would be easier for the oil companies to say, "Okay, I don't have the ship. Let me go to new incumbent players." But of course, new incumbent players can always come into the business. No one can stop them from that. It is not like as if there is such a barrier that they could not bid for those contracts at all.

Rahil Dasani: Of course. No, but from what I understand…

Moderator: Rahil, I request you to join back the queue, please.

Rahul Sheth: It is fine. Let him just finish this question. I think he just had a leading question.

Rahil Dasani: So, the understanding that I got from the marine insurance industry is that usually to enter these sort of customers, like ONGC, like Cairn, like Reliance, the tender requirements, the tender requires a time limit or contract period of experience of a similar contract of maybe 3 to 4 years. Is that the right understanding? Or is that…

Rahul Sheth: That is right. You need certain amount of experience. Correct. That is correct.

G. Shivakumar: Or you need a partner who will provide that experience. If you are completely new, you need a partner who will…

Rahul Sheth: Tie up with you to give you that experience. But even on the jack-up rigs, right? Even if you are tendering into the ONGC contract or even if you are tendering into some other place in the world, it is not as simple because what happens is, those rigs have to sit on the seabed, and there are a lot of additional equipment, the design of the rig, etc., etc. Those adjustments need to be made. They can happen, but they happen at a cost and a time.

So, there are certain barriers to moving. And therefore, someone who's already in that region could be slightly more competitive than a new person who wants to enter. And if you go to countries like Malaysia, Kuwait, or these other countries, then they have local partner rules. So, you have to look at those also aspects. Nothing is impossible, but they all come up with its own risk, its own cost.

Rahil Dasani: Perfect, sir, this helps me out a lot.

Moderator: We will take some text questions. There is a question from Harsh C, an individual investor: What's the spot versus time charter breakdown for shipping segments? What were segment-wise TCE, and how do they compare to average/bench segment earnings during the quarter? Basis last quarter's call, understand short-term contract for one rig was ending in Q4 FY '26, has a new contract been arranged for same?

G. Shivakumar: Typically on the shipping segments, we have about between 15% and 20% of the capacity on time charter. This is a normal situation in each of the sectors, which is products and dry bulk. In crude, we are 100% on spot currently. In LPG, we are 100%. In the last quarter, we were 100% on time charter. The segment-wise TC compares well with the benchmarks.

We are in line with what most of our peers in international markets are earning, because these are pretty transparent markets. Sometimes you get the advantage of good timing, and sometimes you are unlucky. But we are more or less in line with the international peers.

And yes, the short-term contract of the Greatdrill Chetna is scheduled to get over in end February. We are in discussions with customers and potential customers on the next contract, but we have not yet tied up anything yet. So, hopefully we will tie up something on that soon.

Moderator: Next question is from Amit Khetan from Laburnum Capital. The question is, the strength in the crude tanker markets is not yet reflected in the product tanker markets going by our realized rates. If the crude segment continues to be strong, will there be increased switching of vessels from product to crude thereby tightening the market for the former?

G. Shivakumar: Yes. The answer is yes, there will be increased switching. We have already seen switching in LR2s, which are the most common vessels to move between crude and product trade. So, there has been a significant amount of switching from LR2s to Aframax trade, which has now pushed up the LR2 rates as well, because then the LR2 market has tightened. The MRs don't switch so much, therefore that impact has not yet come on the MR tankers. But on the LR2, certainly the impact has come after the switching has happened.

Moderator: The next text question is from Rajakumar Vaidyanathan from RK Invest. The question is to Mr. Rahul. As the Financial Year '25-'26 comes to an end, what are the areas which has actually done ahead of your expectations? What are the areas/strategies that have gone behind or below your expectations? What are the plans regarding foraying into container segment?

Rahul Sheth: For FY '26, clearly the outperformance has been in the crude sector. You know, LPG has also surprised us to the upside, but we have been fixed on contracts. The charter rates that we fixed out have been very good, but the spot market continues to remain strong.

Dry bulk, on the other hand, in the last quarter has been much stronger. We have been in the spot market, so we have been able to take advantage of that. Some of the data points, at least as of the beginning of the year, were pointing to a slightly weaker market, but the market has remained quite strong across the board for the Capes and the Sub-Capes.

On the container space, so as of now, we have no plans. The container markets, we can just share one interesting point, which we have not actually seen for a long period of time, is that the freight box rates, and that is the rate. So, the container business is slightly different from the traditional shipping businesses that we are in, where you have got liners. You have got the companies like MSC, Maersk, etc. And then you have got potential players like us. We are called tonnage providers. We give our ships to people like MSC and Maersk, and Maersk, MSC sell the box rates to companies like Amazon, et cetera, that want to move goods all across the world.

So, we have seen those box rates come down substantially over the last year and the year before that. But we have seen that the rates that they are willing to pay the tonnage providers staying unusually strong, and that difference is probably at the highest differential we have seen over a long period of time.

Now, whether the box rates will come up or whether the charter rates will come down again is anyone's guess. The fleet supply on the container side is very strong going forward. So, maybe, maybe, the tonnage rates come down and maybe the asset values of the tonnage, sectors come down. But yes, and yes, I think that's it.

Moderator: We have a live question from Vikram Suryavanshi from PhillipCapital. Mr. Suryavanshi, please go ahead with your question.

Vikram Suryavanshi: So, I am not sure whether you answered it, because my internet was on and off. So, particularly on offshore support vessel, we have seen good improvement and utilization of MPSSVs now I think is fully. Is that like a long-term contract we have got, and how is the outlook on this, I think, offshore vessel side, if you can give outlook?

G. Shivakumar: Yes. So, the MPSSVs are both fixed on short-term contracts. These are 6 to 9-month contracts. So, they have got that employment. The outlook, so Rahul mentioned earlier, the rates have gone up significantly from where they were, say, 3 years ago, and they continue to stay at those levels. They are pretty profitable.

Again, this is not like a homogeneous market where you can say, "This is the rate for a mid-sized PSV." It depends on the kind of business, which you are doing and the specific requirements of that job. So, the same vessel in two different businesses could earn as much as $3,000 a day more in earnings. But the market continues to be strong, and it continues to provide good profitability.

Vikram Suryavanshi: And how would be the renewals in gas segment coming up?

G. Shivakumar: So, we have one vessel. So, we have contracted to sell the Jag Vishnu. So, she's come off her contract. She is operating on, currently she is doing a spot voyage, and we will deliver her in the next month or two to the buyers. We have purchased a modern LPG ship, which has come with a contract attached, which goes till about a year from now.

We have two vessels, the Vasant and Virat, which come off contract within the next 6 months. We will see at that time whether we want to put them on time charters or whether we want to run them on the spot market. So, we haven't had any recent pricings, if that is what you are asking.

Moderator: We have a follow-up question from Rahil Dasani from MAPL. Please go ahead.

Rahil Dasani: Sir, considering the shortage, the supply-demand gap that we are seeing in the offshore segment, are we looking to aggressively expand in this segment? Or do you think that in the current market situation, it is not a good strategy to add offshore vessels?

Rahul Sheth: Offshore vessels, we will look at ships to buy. It does not necessarily mean we may go ahead with it, because in the offshore space, you have to be a bit careful of the type of ship. You know, one of the concerns, like I mentioned, that not many ships have really come and delivered between 2016 and today. So, by definition, you are going to buy a 10-year-old ship.

Now, offshore vessels have also an age limit all across the world. In certain places, 15 years, in certain places, 21 years, mainly because they do vary. They are may be smaller ships than mainline shipping, but they have got more equipment on board, because the kind of activities they perform are far more complex. And because of those complex activities, and in the sensitive areas in which they operate, you cannot have any issues going wrong. Because the impact of that, from a safety angle, from a fire angle, from a damage angle, is very, very high.

So, when we are looking at ships, and like I told you, the liquidity is not very high in this space. So, if we do look for ships, it has to be the correct price, it has to be the correct age, it has to be the correct specification, and it has to also be in the correct region. Because let's say someone is selling a ship in a region where the demand may be a bit lower, and I have to pay a lot of money to move it all the way to an area where the demand is better, that also adds up a lot to the costs.

And in this business, it is not necessarily, in mainline shipping, ships are naturally moving from one place to the other. They are actually moving all across the world. In this business, in offshore, it is much less so. And so you need a lot of tick boxes to happen. But if we do see the opportunity, of course, we may look to buy a ship or two. But a lot has to be signed off.

Rahil Dasani: Makes sense. And just one last question from my side. I am a bit new to this industry, but I know that the last cycle peaked out in 2015-16. So, if I were to compare that cycle to our current cycle, where again, the rates have spiked, and I know the charter rates as of date are not close to what they were in 2014-15. But what led to that drop post 2015? Was it new ship building, or what was that reason? And how is the current timeline different to that, if at all it is?

Rahul Sheth: So, in 2014, offshore vessels are not too far off from those levels. But on the rigs, there is a bigger gap. Compared to that, in those days, the rig rates were substantially higher. But what exactly happened was that from, just to give you a bit of history, right? All the oil originally was onshore, and then over the years, onshore oil started plateauing. And so everyone moved offshore, and that is why we saw in the beginning of the 2000s, actually late 90s, 2000s, a lot of activity started building up for the offshore space because all the incremental oil, to meet the incremental demand, had to come from the offshore fields.

But then there was another development, which was shale oil, and shale oil got produced in America. There was 0 barrels, broadly 0 barrels of oil being produced in America in 2000. And by 2014, there was 8 million barrels of oil being produced from those shale regions.

Now, like I mentioned earlier, Saudi Aramco produces 10 million barrels. So, this was like a full Saudi Arabia coming up, all from onshore oil. Because they had so much more oil, the break-evens were lower, it was easier to produce, right? A large part of the incremental demand from 2014 till now came from onshore shale oil.

And now what we are seeing is that a lot of shale oil is peaking out. And there was a theory that all the shale oil can come up in other countries, like UK, which was a failure, China, which was largely a failure, Argentina is largely a failure. We are seeing some barrels coming from Argentina, but it is like 100,000-200,000 barrels, nothing major.

But over the last 10 years, they have not been able to produce that onshore oil. So, people have started realizing that you need now, meaning oil demand. Then there was again, a worry that oil demand will peak, which has clearly not happened, and we don't see that happening in the foreseeable future. And so, therefore, to meet this gap, you need oil again, and that oil is again coming back to offshore.

Rahil Dasani: A very broad question, but are we worried about the cycle fizzling out in the next two, three years, or this is a much more stable place that we believe we are in right now?

Rahul Sheth: Again, difficult to say. The way in 2014, Saudi Aramco changed its view, it happened overnight. So, these kind of events do tend to happen. Our business is dependent on a few major players in the world and how they look at demand. But at least on the offshore vessel front, I can tell you in FY '27, we are largely fixed out at these rates, at about 80% is our coverage. And most of our rigs also are covered for FY '28.

Rahil Dasani: Fair enough. That would be all from my end.

Rahul Sheth: The coverage is not as high as the offshore vessels, but we have got decent cover.

Moderator: We have a text question from Rajakumar Vaidyanathan from RK Invest. With the recent developments in Venezuela, do you see any upside for the Rigs market due to increased deployment or demand?

Rahul Sheth: This will take very long to assess. We don't know the condition of, this, Venezuela used to produce 3.5 million barrels. They are now producing, like, under 1 million barrels. All those wells, what conditions they are in, whether they are investable or not.

Exxon actually made a statement saying that a lot of those fields are uninvestable. Because when you leave those kind of fields for long periods of time without taking care of them, there is a change of the geology below where you could have more gas and therefore it is more difficult to extract the oil out.

And so, frankly, this, people have to go in the country, assess it, then see whether it is viable, and then only if they feel like it is viable, then only will they start asking for rigs. So, this could be a very long time away.

Moderator: There is one more text question from Harsh C, an individual investor. With increased geopolitical uncertainties, does the management plan to move from current 100% Indian-flagged fleet to a mixture of Indian plus other flags? Same for largely Korean, Japanese build vessels to more Chinese build in the tanker segment.

G. Shivakumar: Actually, it has nothing to do with geopolitical uncertainties. Sometimes for operational reasons, we have flown different flags. Our base fleet will continue to be Indian flag. So, for operational reasons, we may do other flags for a small part of our fleet.

When it comes to where the ships are built, if it is a good quality ship built in a good quality yard, we have no preference specifically for any country or of country of build of the ship. So, what we are looking for is good quality ships at good quality prices, and we don't think of all of these other factors really.

Moderator: We have a live question from Shreyans Gathani from SG Securities. Please go ahead.

Shreyans Gathani: So, I had a question on how, just trying to understand how you take a decision between going on time charter or doing a spot rate on a ship, and is there a threshold IRR above which you just go time charter or just trying to understand the strategy?

Rahul Sheth: Honestly, it is quite complex. From our historical understanding, we have seen that you are better off in the spot market than the time charter market. Because what tends to happen is, let's just take Suezmaxes, right? You could fix out a vessel at $40,000 per day, and then the market does $60,000 even for a quarter, and it affects your breakevens for the charter rate for the entire period. And now, in a market, it is like the stock market, right? You don't know what the price is going to be tomorrow. You can take a view over a period of time, but on day-to-day fluctuations, prices can be up 10%, down 10%. It is difficult to say.

But historically, it says that you are better off being spot, and that is the strategy we largely keep in mind. From a risk management perspective, and a bit of it is based on our own analysis, market view, etc., we do take time charter decisions, but we keep it on the margin.

And as a business overall, you can take more time charter fixtures and be more financially leveraged, or you can be more spot market, and then take the volatility of the freight rates and financially be more conservative on the financial leverage, and that is the option we tend to prefer.

Shreyans Gathani: So, I am asking because as this cycle, as maybe it is coming to a very long period of a super cycle, maybe not as big, but if there is certain prices that we can just lock in at good rates, is that something that you look at or no?

Rahul Sheth: We do look at it, but remember, if, let's say, the spot market on Suezmaxes could do $60,000 or $70,000 and you are fixing for a year, you have to take a much lower rate to get that. So, the cover that you are getting is not coming free of risk, right? So, it may look good on paper that I have taken a cover for a year, but I have given up a lot of upfront earnings. And the longer I go, the more steeper backwardation I need to take. So, sometimes it is actually better not to take the cover, earn the earnings upfront, and take the volatility of the market when it comes.

Shreyans Gathani: That's helpful. That's all from my end.

Moderator: We will take a follow-up question from Rahil Dasani from MAPL. Please go ahead.

Rahil Dasani: I really hope this is my last question. I just wanted to get some understanding on the stimulation vessel. As of last year, the demand of these vessels were very high, and what the customers of these vessels have been doing is they are procuring PSVs and OSVs and upgrading them to the stimulation vessels. So, how are we looking at this market?

Because I believe India, as of date, has only five of these, and two are not in a functioning state, if I can say that. So, are we trying to focus on this segment? Because I believe the charter rates here are very healthy, and so is the demand.

Rahul Sheth: So, we have got two vessels that are doing well stimulation work. But you remember, the well stimulation, like I said, the offshore market is very different from shipping. Because these vessels are very specific, you have to get into negotiation with companies like Schlumberger, Halliburton and those kind of companies. Then they work on a project. Sometimes the equipment for this well stimulation that they put on the ship, the equipment is theirs, it is not ours. But the equipment can cost more than the value of the ship, you know? And it takes like months for them to install it where your ship is being paid and they are not earning on that. So, they have to have the project. Then they will talk to players like us or others, who they value to be partners with. And then those projects come to fruition. It is not as simple to say, "Okay, there are two ships less, so the demand is not being met, therefore we have to get them."

G. Shivakumar: So, we have been operating one of our vessels as a well stimulation vessel for the last 10 years plus. So, we have been in this market for quite some time. Another vessel went into this business last year. So, we are very much there when and because we are talking with these high-quality customers all the time, and of course, they are happy to deal with us as a high-quality service provider as well. When these opportunities come up, they are speaking with us as well.

Rahil Dasani: That's helpful. And sir, like you said in the earlier response, that vessels with the age of more than 15 years are being less preferred due to several reasons. And based on our fleet age that we have shared in our presentation, I guess the anchor holding tugs as well as the PSVs, as well as the MPVs, are aged north of 15 years. So, how is it affecting our ability to win contract from the likes of ONGC, Cairn, Reliance, et cetera? Or is it not as much of an issue for us?

Rahul Sheth: As of now, it is not an issue. You have seen it from the earnings, we have been able to suitably employ them. Charters will also take a view given that the market is aging, right? It is not like only we are aging and everyone else is not. If that was the case, then okay, fine, there could be a problem.

But considering the whole industry is aging together, right, and we have very good relationships with all, ONGC, of course, government, but even some of the international private charters who can take any owner, we have very good relationships with them, even if our vessels are slightly on the older side.

Rahil Dasani: So, I guess it is more of a supply issue, and the preference would of course be more towards the younger vessels, if at all they are available.

Rahul Sheth: That is right.

Rahil Dasani: And on an average, considering the age of your offshore fleet, what is the optimum utilization you can achieve of the 365 days in a year? How many days does our fleet operate, and does it need more repairing or more docking time, or how does that work?

Rahul Sheth: No, the amount of extra repair time that it requires to a newer ship is on the margin. We keep our ships very well maintained, and we spend a lot of time and effort to make sure that we limit the downtime. And whenever the statutory surveys are taken, are undertaken, from an older, newer ship, there is very marginal difference in time, but we do spend a lot of money to ensure they are kept in good nick, so that during the period where they are operating, we have very, very limited downtime.

Rahil Dasani: That's the final last question for me.

Moderator: We have a text question from Vinay M. Significant free cash flow has been generated since your last share buyback. Why did you choose to issue dividends rather than create additional value for shareholders by more pursuing aggressive buybacks? This especially when buyback price could have easily been way below the NAV.

G. Shivakumar: So, we have chosen dividends because this is something that goes to every shareholder. Buybacks go to the shareholders who tender in the buyback. We have also had this issue in the last few years, where the tax treatment of the buyback has made it somewhat unviable as an option.

So, it is something that is there in our minds at an appropriate price, just as we would like to buy ships at an appropriate price. We look at buybacks as a replacement for the capital allocation decision. If we can buy the stock with the underlying ships at a certain price, then that is how we compare buybacks themselves. So, it is not a way for returning cash. If we have to return cash to shareholders, it is by way of dividend.

Moderator: Thank you. As there are no further questions, I now hand the conference over to Mr. Shivakumar for closing comments. Over to you, sir.

G. Shivakumar: Thank you, everyone. That was an interesting session. As always, the transcript will be up in a couple of days' time. We will also be posting the recording of this call. Our investor relations and corporate communication contacts are in our presentation. Please reach out if you want to meet to discuss anything further. Thank you very much.

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