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November 10, 2025

To,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort
Mumbai – 400 001
Scrip Code - 526612

National Stock Exchange of India Ltd
Exchange Plaza, C-1, Block G
Bandra Kurla Complex, Bandra East,
Mumbai – 400 051
NSE Symbol - BLUEDART

**Sub: Transcript of analyst/ investors conference call - Disclosure under
Regulation 30 of the SEBI (Listing Obligations & Disclosure Requirements)
Regulations, 2015**

Dear Sir/ Madam,

We refer to our intimation dated October 29, 2025, notifying on the schedule of 'Investors Call' organised through M/s. Motilal Oswal Financial Services Limited on November 03, 2025, to discuss the corporate performance for the quarter and half year ended September 30, 2025 and audio recording of the same submitted on November 03, 2025.

Pursuant to requirements of law, please find enclosed herewith, transcript of the Investors call which is also made available on the Company's website viz; www.bluedart.com.

Kindly take the same on your records.

Thanking you,

Yours faithfully,
For **Blue Dart Express Ltd.**

Tushar Gunderia
Head (Legal & Compliance) &
Company Secretary



“Blue Dart Express Limited Q2 FY 2026 Earnings
Conference Call”

November 03, 2025



MANAGEMENT: **MR. SAGAR PATIL – CHIEF FINANCIAL OFFICER --**
BLUE DART EXPRESS LIMITED
MR. TUSHAR GUNDERIA -- HEAD OF LEGAL AND
COMPLIANCE AND COMPANY SECRETARY -- BLUE
DART EXPRESS LIMITED

MODERATOR: **MR. ALOK DEORA – MOTILAL OSWAL FINANCIAL**
SERVICES

Alok: Good afternoon everyone and welcome to the interaction with management of Blue Dart Express. So firstly, I would like to thank the management for giving us the opportunity to host the call. So today we have with us Mr. Sagar Patil, CFO and Mr. Tushar Gunderia, Head of Legal and Compliance and Company Secretary. I would now hand over the call to the team to provide some opening remarks and then we can start taking the questions. Thank you and over to you, sir.

Tushar Gunderia: Yes, thank you Alok and welcome all investors for this earnings call and good afternoon everybody. A very warm welcome to all of you. As you are aware, the Board of Directors of the Company in its meeting held on 28th October 2025 approved the financial results of the company for the quarter and half year ended 30th September 2025.

The company declared its financial results for the quarter and half year ended 30th September 2025, wherein the company posted revenue from operations of INR15,493 million and profit after tax of INR795 million for the quarter and half year ended 30th September 2025 respectively. Blue Dart's quarterly performance reflects resilience in a dynamic and evolving environment reinforcing the strength of our business model and our agility in responding to market shifts.

As part of the strategic growth agenda, Blue Dart recently announced two significant initiatives, viz; the launch of a Digital Account Opening platform enabling businesses of all sizes to onboard and start shipping in under 10 minutes and also the unveiling of a flagship green integrated ground lab at Pataudi, Haryana designed to boost the company's express network with sustainable technology enabled infrastructure.

Together, these initiatives reflect Blue Dart's ongoing investments in digitization, green logistics and customer centric solutions, thus cementing its role as the preferred logistics service partner for India's growth journey.

The results have already been uploaded on the Stock Exchanges last week and also posted on the website of the company. I now hand over the call to Mr. Sagar Patil, CFO for further postings.

Sagar Patil: Thank you, Tushar. Good afternoon all. So, we have closed this quarter with positive revenue growth and also improvement in the debit margin with the improvement actions by management both on yield as well as on the cost front.

With that backdrop, I would request for the Q&A sessions. Thank you.

Alok: Sir, we take the first question from Kripashankar. Please go ahead.

Kripashankar: Yes. Good afternoon, sir. And thank you for the opportunity. So, my first question would be on the housekeeping questions. What would have been the tonnage and parcels for the quarter?

Sagar Patil: Yes. So, the shipments were 106.28 million shipments and the tonnage was 3,63,974 tons for the quarter.

- Kripashankar:** Yes. So, what I was saying is that the margin is a function of operating leverage or would you like to point out the sustainability of these margins in the upcoming quarter?
- Sagar Patil:** So, this quarter, we had a growth of 10% in number of shipments and 5.9% in the weight. So, the number of lighter shipments would have grown faster. In terms of operating leverage, our aircraft as well as on-road capacity of vehicles has continued to be good.
- There has been both yield as well as cost improvement in the areas where the management has seen the scope for improving, but it is largely, attributable to the favorable change in the mix, both customers, products, the profile of the shipments as well as lanes that has helped us to improve the margin for this quarter.
- Kripashankar:** So sir, what would have been the B2C growth this quarter, given that the average weight on the shipment has come down? You want to throw any light on that?
- Sagar Patil:** B2C growth would have been close to about 17 plus percent for the year-on-year same quarter compared to last year.
- Kripashankar:** Also sir, with respect to your air business, the mix of air versus ground, is it stacking growth in ground? Is it becoming much more resilient in comparison to air and what is the mix right now? Any guidance you want to share, given that you're adding a lot of infrastructure on the ground side? So anything you can share on the expectations on ground?
- Sagar Patil:** So the products as such, what we call as ground, primarily more ground, continue to grow faster as has been for last few quarters, both on B2B as well as B2C, while air continues to grow faster.
- Kripashankar:** Right, but you've added a lot of infrastructure also, at another place you've added another ground hub. And this comes on the heels of the Delhi infrastructure, which you had added during start of this year starting. So just getting more sense around, what exactly is the expectation on ground?
- Are we upping our service levels or are you planning to launch any new services in the ground category, which is where the infrastructure requirement has come up materially? Or is there any other thought process behind the infrastructure? What is the further expectation on infrastructure expansion? If you can highlight on that also, it will be helpful.
- Sagar Patil:** Yes, so last couple of years, we added mainly in north in Delhi, one Bijwasan, which has been more of an air hub. And last quarter, we also have launched a ground surface hub facility again in Gurgaon - Pataudi. This is a combination of both replacement or consolidation of a few multiple facilities. So, it's more of a consolidation cum expansion cum automation.
- Of course, when we add, there is also a better build up for the volumes to grow in the foreseeable future. But lastly, it's an ongoing expansion. And when we do that expansion, it's automation as well as consolidation, keeping that in mind, not for any significant or a new service to be added or a new specific product or that kind of opportunity. It's more of an organic growth, but keeping an eye on improvement in the efficiency that helps the both service quality as well as the cost efficiency.

- Kripashankar:** Got it. I had also asked on what would have been the mix between air and ground this quarter or what would have been the growth in the ground business? Anything you can highlight on that, sir?
- Sagar Patil:** Ground continues to be the main contributor to the growth. As far as the ground B2C is concerned, that is continuing to grow at a healthy rate, there has been almost 30% increase in the e-commerce that moves on ground, as well as the B2B surface that we call ground that also continues to grow.
- And for this quarter also, the shipments have grown by 23%, a bit of profile change over there where we have also moved a large number of small shipments over there. So as the increase in sales over there, it will be close to 3.5% to 4%. So that remains a prime mover or the growth driver. Even on air, B2C this time has grown by almost 10%. So while both air and ground are growing, the prime growth driver is ground.
- Kripashankar:** Understood, sir. Thank you. I'll get back in the queue.
- Alok:** We'll take next question from Sushil Parekh. Please go ahead.
- Sushil Parekh:** Yes, hi. So sorry, I have not covered the company earlier, but I have gone through the previous conference call transcripts. In light of that, I would like to understand that in 2023 earnings calls, we had mentioned that there are some new customer acquisition engines that we have deployed. So, I just wanted a follow up on that, that what is it that we have started to do differently since 2023? And what are the results that we have seen since then?
- Sagar Patil:** So, this has been more of an automation or the expedition of the customer additions, keeping not big customers, but primarily for the smaller customers, where a customer can sign up, open the account online by submitting their KYC, by choosing certain prepaid plans leading to a very fast way of onboarding the customer and start shipping.
- We have seen even earlier this year, in the last quarter itself, we have launched a Digital Account Opening platform and we saw a very good response. 2023, when you talk about it, it was a launch of prepaid customer where a customer could, without waiting for the credit verification, upload KYC documents, load a wallet and start shipping within a couple of days at the most.
- Sushil Parekh:** Okay, so was it more related to customer onboarding versus customer acquisition, if that's the case?
- Sagar Patil:** Yes, it was. All we can say it was customer acquisition through faster onboarding.
- Sushil Parekh:** Okay, great.
- Sagar Patil:** Primarily easing the way customer would get onboarded rather than waiting for moving the documents to and fro on the email, customer could upload the documents. We also had launched a digital signature of the customer agreements in 2023, besides the prepaid, so it was more of customer onboarding, but that helped us in faster acquisition of customers.

Sushil Parekh:

Okay, I understand. And if I have to understand how the margins move, so I think we have also mentioned earlier that the variable margins goes up and down because of change in the mix between surface, air, but not the actual margins go up and down. So I think this was in the previous call itself. So, what is this actual margin that we are talking about? And how do we think when we are pricing our products, is it on cost plus basis in absolute terms or it's like cost plus some percentage basis when it comes to our pricing?

Sagar Patil:

So the pricing, every time you add a customer, it is not by looking at the cost because in our network, we carry a very diverse nature of or diverse types of shipments from documents to very heavy ones from air to ground. And we also try and maximize the efficiency of our facilities or network by combining wherever possible, all types of products without compromising on the transit time for the service quality being promised to the customers.

So that being the case, the costs are largely allocated when you look at the profitability for the internal purposes. However, the pricing is not typically on a cost plus basis. If we try to do that, given the large amount of origins and destination, the number of pin codes that we handle, the cost of servicing those pin codes will differ significantly depending on not only the distances, but also type of network that we have.

The density of the shipments that we have. So, to keep the pricing relatively easy and simple for the customer to plan their shipments, it is based on a pricing matrix. And then depending on how the product mix or the shipment mix, both in terms of not only the mode of the transport, but also the shipment profile, whether it is very light or very heavy, the variability of cost may go up and down during the month.

So, the effort in order to ensure that we are agile in terms of ensuring our profitability, the effort is always to variabilize the cost as much as possible, because we are already sitting on a very large base of fixed network, be it the facilities, the aircrafts or the network, the committed network. So, for example, from a month to month point of view, a good portion of the cost may become fixed.

However, as we move say beyond a quarter or so, we can look at the trends, we can look at the seasonality, our forecast of how our major customers or the customers at large may move. And we may try and variabilize some of the cost by reducing the runs or even reducing at times the service providers, the feed on the ground, depending on how the volumes pan out.

So, the pricing is not based on looking at the cost on a case to case basis, but yes, as we move along during the year, we look at how the business parameters across different levels move and then try and both correct the pricing where required or the cost or variabilize the cost wherever possible.

Sushil Parekh:

Okay. So this is very helpful, sir. Just on this particular point itself. So when we have spoken about fuel surcharge, we have a similar system on the surface transport as well, right? And not only air cargo?

Sagar Patil:

Yes, we do have a fuel surcharge on the surface network as well, Yes, product as well.

Sushil Parekh: All right, clear. Thank you. I'll get back in queue.

Sagar Patil: Thank you.

Alok: We'll take next question from Achal, please go ahead.

Achal: Yes, good afternoon, sir. Thank you for the opportunity. Sir, wanted to check first on the sectoral mix. Is there any way you could give us some sense in terms of like the end user industries, whether it is pharma or industrial or ready-made garments, textiles, etc. Any colour you could give in terms of the sectoral mix for us on an annual basis?

Sagar Patil: Not exactly. I would say we would get impacted by a major shift in any sector. Of course, except for the e-commerce, which remains a specific or a sector that relies a lot on the express network that we operate on.

As far as other sectors are concerned, for example, auto or electronics or pharma, the customers would typically rely on a mix of full truckload, part truckload, freight shipment that may have a bulk volume where express may not be always an economical way of moving, but wherever there is a part truckload or smaller express shipments which needs to be carried across large number of consignees or destinations or in case of auto, for example, if there are critical parts that need to be moved on priority.

So Express is something that we provide services to the customers primarily and that may or may not always depend on the seasonal industry growth. It depends on the customers and how critical their shipment needs to be carried on express because express typically as compared to a normal transportation or freight industry will carry a more price sensitivity than the cost and the price sensitivity. That's where it will depend on the needs of the customers and may not move with the vertical growth or that industry growth in a linear kind of manner.

Achal: Ffair point, sir. But just for our understanding from Blue Dart perspective, what is the sector that will mix for us?

Sagar Patil: So, we do have presence in a number of sectors critical for us being electronics besides retail. Also, when we say electronics, not only the mundane in comfort of our servers, but also the mobile phones, farm as well as automotive. And, yes, garments, mainly from e-commerce perspective, a smaller portion on a B2B kind of movement.

So, where we carry from warehouse-to-warehouse. But yes, the supporting movement or the supporting to the retail sector when they move from one warehouse to another warehouse or from a vendor to warehouse, those are the cases where we come more as a B2B movement of the shipments supporting the retail.

So, I mean, , this is mainly from the point of view of parcel movement. Of course, we also have a big focus on the document's movement. So BFSI is a big segment that we focus on. And given the presence all across supported by a dedicated fleet of aircraft, we're able to maintain a good amount of service quality irrespective of the geography that we service in.

So BFSI remains a big sector, but besides all the other industrial verticals where express shipments in a relatively lesser kilo per shipment, not a freight movement, but more of an express freight movement is where we cater to all the industries.

Achal: Got it. So, when you say documents, how large would documents be as a percentage of our revenue?

Sagar Patil: It would be close to -- so again, depending on the cycles of car renewals, debit cards, credit cards

Achal: On an annual basis, if you would, sir?

Sagar Patil: It would be close to 25% to 30%.

Achal: And that would be predominantly on air? Would that be a fair assessment?

Sagar Patil: Yes. So, depending on say, for example, if you were to carry a document from Mumbai to Pune, then we may not physically carry on air, but yes, it's a part of priority segment. So, wherever air is the faster mode of movement, it goes on air. Wherever ground is even faster than air, depending on the aircraft or the weekend seasonality, it may also go on ground. But it's an express product primarily on air.

Achal: Understood. So, E-com would be what? 25%, 30% of our revenue, sir?

Sagar Patil: Yes, close to 30%.

Achal: So, these put together is about 55% to 60% of our revenue. Is that understanding right, sir?

Sagar Patil: Yes.

Achal: Okay. Got it. So just a couple of clarifications. Is there any one-off or reversals of expenses in this quarter? I mean, I'm just asking from A, the gross margin perspective. If I look at, there is almost 200 basis points of improvement. And particularly, I was under the impression that the surface transport, which has grown faster is slightly lower margin on a gross basis. So, if you could clarify on that?

Sagar Patil: No, there are no one-offs or there are no extraordinary elements in this quarter.

Achal: Understood. So, if we were to sustain this kind of a revenue size or the mix, the margins can sustain at the current 7% PBT level. Would that be a fair assessment, sir?

Sagar Patil: Yes. As I said, it's a question of the mix of customer lanes. So yes, if favorable or better conditions or mix prevails, there can be favorable movement or sustenance of these margin limits.

Achal: Got it. And any benefit of the early festival season you could quantify in this quarter?

Sagar Patil: There would be some element, but it's a mix of both early festival as well as the GST related movement that could also come. Difficult to quantify, frankly.

- Achal:** Understood. And just last question, in terms of number of employees, the 18,000 number, what you mentioned in the presentation is that the permanent employees on the payroll and what would be the quantum of contractual employees for us?
- Sagar Patil:** So the contractual employees, we don't call them, but these are the employees of the service providers. That number would go as much as 30,000.
- Achal:** Okay. Apart from the 18K what we have on our payroll, is that right?
- Sagar Patil:** 18K -- if you include product aviation as well, it will be close to 13,000 plus.
- Achal:** Okay. Got it. So 13K plus 30K. Have I understood right, sir?
- Tushar Gunderia:** Not exactly. You can say 13K because it varies from month-to-month. So you can say 12,000 to 13,000 and around 20,000 to 30,000 in that range.
- Sagar Patil:** That service provider employees is quite a fluid number depending on how the seasonality, the number of shipments significantly can go up and down by a few thousands.
- Achal:** Depending on the season. Yes. No fair point. I was just trying to understand what is the extent of fixed cost? Is there any quantification from a quarterly cost perspective? How large is the fixed cost proportion for us, including whether it is the infrastructure cost or people cost put together?
- Sagar Patil:** Fixed cost becomes a relative concept. So typically for a month, you can say 60% of the cost should be fixed. However, as you go longer than a quarter, another 10% -- 10% to 15% can be variable in addition to that.
- Achal:** Got it. That's super, sir. Thank you so much. I'll fall back in the queue for follow-up, sir. Thank you so much.
- Alok:** We'll take the next question from Mr. Nirmal. Please go ahead.
- Nirmal:** Thank you for the opportunity. Sir, we have achieved a growth in e-commerce of about 30%. I just wanted to know, was this on account of festive demand or is it like a seasonal growth that we get in Q2? And the second part of the question is, what sort of growth are we expecting in H2?
- Sagar Patil:** So, 30% is the growth in the ground e-commerce. And as the industry grows, we can look at playing a bigger role, but it will be difficult to assign any numbers from a future projection point of view.
- Nirmal:** Is this a seasonal growth that we get during Q2 in e-commerce?
- Sagar Patil:** Typically, this is the last, I mean, September, October, every year are a part of increase in the shipments, retail-related shipments, as well as the B2B supporting peak season. So, there will be some element of seasonality in this, as happens every year.

Nirmal: What sort of growth was there in e-commerce in Q1? What sort of growth did we achieve in Q1 in e-commerce segment, if you can share that?

Sagar Patil: In Q1?

Nirmal: Yes, sir.

Sagar Patil: Q1 also, the surface light, we had about 30% plus 32%, in fact, in June quarter.

Nirmal: Okay, thank you, sir.

Alok: We'll take next question from Mr. Dhruv, please go ahead.

Dhruv: Yes, hi, sir. Thanks for the opportunity, sir. My first question is around the split of the B2B and B2C segment. So, if you could give the split for this quarter and also just if you could tell us, what's the growth individually in B2B and B2C?

Sagar Patil: Between B2B and B2C, it remains for this quarter 70-30, 70% B2B and 30% B2C.

Dhruv: Okay, answer growth for this quarter?

Sagar Patil: Growth for this quarter, overall, B2C will be 18%, B2B about 2.5%.

Dhruv: Okay. And sir, this 2.5% growth in the B2B segment, I'm guessing that the lower growth will be owing to the air express business and documents business, and incrementally, how we should look at the growth trajectory for the industry here? Will it continue to be less than 5% or do you think that this industry can show some uptick?

Sagar Patil: It depends on overall how the economic growth of the country, the reliance on the express with the B2C has a growth driver for some time, so that remains while the B2B is growing positive.

Dhruv: Okay, sir. And sir, incrementally, how should we think about your margin? So, you've reported a 7% PBT margin in this quarter. In the next two years or three years, if you could just guide us, is like a 200 basis points margin expansion possible or will Blue Dart hover around this number?

Sagar Patil: All the effort will be to improve the margins from the current level.

Dhruv: But I mean, a critical part would be mix or are there operating leverage levers available where Blue Dart is working on?

Sagar Patil: So, it won't be based on operating leverage, because by and large, our facilities are very well optimally utilized. However, there is also a time. So, for example, when it comes to the air capacity, we largely fly at night. At the same time, when it comes to the ground facilities, there are certain times during the day where the facilities will be utilized to the -- especially in the evenings and in the mornings.

So those peak hours at which the customers hand over the shipment and express delivery, they're already optimally utilized. So not very significant operating leverage based on fixed costs, even

the capacity utilization already being good. So the improvement in the margins will be more of a function of yield improvement, as well as any cost improvement in terms of rationalizing the network design, wherever the product makes, as well as the densities allows on a case-to-case at a location-to-location kind of level.

Dhruv: And so just one question on capex. So how should we think about your capex for FY '26 and for the next two years? Any significant capacity addition or freighter addition are you looking at?

Sagar Patil: Capex for us is a normal phenomenon in terms of given the large number of facilities that we have and as they come up for either renewal or they come to a level where there is a need to add capacities, we keep on adding across the locations. As far as air network is concerned, we keep on evaluating different modes of network not only for the number of aircraft but also almost on a regular basis as to how many sectors we need to fly, how many flights.

So, I mean that's a continuous exercise and depending on how the economics develops in future, we can always be looking at maneuvering our capacities be it addition or reduction or change of mix of the fleet.

Dhruv: But any number that you would want to share sir incrementally or it's going to be in the similar INR250 crores sort of INR250 crores to INR60 crores sort of that zone.

Sagar Patil: I think it's a similar kind of nature. We don't have any -- because even after we added two major facilities in Delhi, it's not that our capex has gone up very significantly. If at all the addition happens more of the ROU asset lease assets level, the capex is even for autos is not very significant if you add for a few facilities.

So the capex will be in the similar kind of range unless we find some opportunity to add anything significant currently, I mean, we'll always update the stakeholders whenever we have those kind of plans. But as of now it's the normal capex that will continue.

Alok: We'll take next question from Mr. Vipul.

Vipul: Am I audible?

Sagar Patil: Yes, Vipul.

Vipul: Okay. So on your slide number 19, you have this operating cost per kilometer. These three metrics you have mentioned in the left hand corner. So can you give those figures? Is it possible to share those?

Sagar Patil: This you are talking about the investor presentation?

Vipul: Yes, sir.

Tushar Gunderia : So what is the question, please?

Vipul: I want all those three figures.

Tushar Gunderia: We have already uploaded investor presentation actually today. It is available on the website. So if there is anything you can always call me, Vipul.

Vipul: No. No. You have just mentioned but you have not put the numbers.

Tushar Gunderia: Numbers? So we have put, Vipul.

Sagar Patil: Numbers are mentioned in the presentation.

Tushar Gunderia: You can go through it and if there is anything you can always call me. Call me on my mobile.

Vipul: Okay, sir. Let me check.

Tushar Gunderia: Otherwise, please call me on my mobile. Or you can give me your number. I will call you.

Vipul: Sure, sir.

Alok: We'll take next question from Mr. Anshul Aggarwal. Please go ahead.

Anshul Aggarwal: Great. So question is on yields. So while, please correct me if I'm wrong, generally when surface grows faster than air, blended yields sort of blended realizations per kg sort of trend downwards. But this quarter, despite surface continuing to growing faster than air, the blended realizations have slightly inched up. Is there something that we need to sort of build in as part of future momentum as well in yields, surface could sort of see an uptick or if you could just shed some light on this?

Sagar Patil: So when you say yield, you mean to say the margin percentage?

Anshul Aggarwal: No, per kg realizations on a blended basis.

Sagar Patil: Yes. So surface this time we had an increase in the number of shipments versus the number of. So if you look at from a RPK point of view, realization per kg, there will be increase because we have more and more lighter shipments. That comes at a higher realization per kg. So that mixed within even surface would have the RPK to go up.

Anshul Aggarwal: Okay. So we have not taken any hikes or any change in pricing for surface or any product as such?

Sagar Patil: So not in general in the market, but customer to customer case, we do keep tracking the customer profitability and wherever we see either for a customer or even for a customer within a certain lane, if there is a need for price increase, those actions would keep on happening throughout the year. But no specific big bang price increase as such besides our GPI that we have.

Anshul Aggarwal: GPI would come in from January, the coming year, right? January calendar year 2026. Alright. Second question that I had was any color on uptick in utilizations in the new freighters or Guwahati as a center? Are we seeing more of express business happening from Guwahati versus the direct port to port deliveries that were sort of doing in the previous few quarters?

- Sagar Patil:** Yes. So the new freighters, they cater to not only Guwahati, but has been merged in our All India Network. Yes, we introduced or added one sector that is in terms of Guwahati. So especially after the last year, sometime in August, September, post September 24, the utilization has even after adding the new aircrafts has come back to the normal level of 85 plus percentage on a volumetric way.
- These volumes into Guwahati have been at optimum utilization again in the range of 85% to 90%. Volumes from Guwahati to the rest of India has also gone up not optimum, it will be, I mean, not full, but more than 50%, 50% to 60% is what with the core products is what I'm talking about. But what we track is the overall network utilization or aircraft utilization, which has been at an optimum level, more than 85%.
- Anshul Aggarwal:** Got it. Just one last question on B2B business. Any particular reason why the growth has been so muted in B2B business and any particular call outs that you would want to share with regards to strategy in the B2C business? Why has the growth sort of accelerated in B2C, whereas in B2B, which is predominantly sort of a bread and butter business, we are seeing such muted trends?
- Sagar Patil:** So B2C remains the growth driver and within B2B as well, surface keeps growing faster. Probably the improvement in the transit times with the GST, EVB related movements has also been making ground more efficient. So that is where for us also that has been the area or that has been the mode where we grow faster.
- So when you combine B2B as a mix of both surface and air, where air is a higher realization in the pricing, whereas ground is a lower realization in pricing. When the ground grows faster versus air, the blended mix of the two would seem as if B2B is growing slower than the B2C. But it's more of a mix change that is also happening over there.
- While from a percentage margin point of view, ground also remains as profitable as air, but as a mix in terms of yield per kg, it would show as if B2B is growing faster or slower as compared to B2C because of this change in the mode there.
- Anshul Aggarwal:** Sorry, I didn't quite get that. So when ground grows faster, does B2B grow faster or B2C grows faster?
- Sagar Patil:** Ground is also a B2B product. Our surface B2B is also a ground product. So B2B is a mix of documents as well as air B2B movements as well as the surface B2B. And within these three products, surface B2B has been growing faster. .
- Anshul Aggarwal:** In that sense, did air degrow in the B2B business, in the current quarter? Because the overall B2B growth has just been 2.5%.
- Sagar Patil:** Yes. And within that, the surface has stood at 3.5%. Though the number of shipments has grown by 23%, the number of lighter shipments has gone up in surface B2B. So, the revenue growth is 3.5%.
- Anshul Aggarwal:** For surface, got it. Yes. Thank you so much.

Alok: We'll take next one from Krupa Shankar.

Krupa Shankar: Thank you for the follow-up, sir. One question. So, what we are picking up is that on the e-commerce side, the realization has increased per shipment. So, is that something which you've also seen over the last quarter or so?

Sagar Patil: Sorry, come again, over the last quarter?

Krupa Shankar: So, the price per shipment in e-commerce, what we are picking up is that for the industry, it has gone up on a YOY basis. Is that something which we are also seeing, given that growth in B2C, shipments have also been good. But if you look at overall shipments, it's been up 10%. So, have you seen an increase in realization on Y-o-Y basis in the e-commerce business?

Sagar Patil: So, if you are talking about versus last quarter, which is June '25.

Krupa Shankar: Yes.

Sagar Patil: We do not see any significant increase in the yield because our GPI cycle is typically during the year. And any change in the yield would be a function of more of customer or lane mix than the price increase.

Krupa Shankar: So, what I meant was last year, September quarter.

Sagar Patil: Okay. Last year, September quarter, the -- again, there would have been a GPI that would have been done in most of the customers. However, depending on the customer mix, the number may or may not show the same type of increase. So, effectively, I don't see a very big increase in the realization, though we would have done the GPI for the customer, the customer mix, so if they are -- if there are a smaller trade lane or a lower price customer grows faster, then the overall yield may not show an increase at the product level.

Alok: We'll take a couple of questions from the chat. Also, one question is on the GST cut impact. So, have we seen any visible improvement in the volume of cargo after the GST cut? And do we see some really material improvement coming in Q3 because of that?

Sagar Patil: So we did see some uptick in the last 10 days of September. However, difficult to segregate whether it was on account of GST or it was on account of peak on account of the festive season coming in the early October. But yes, we did see increase.

Alok: Okay. And also on the aircraft utilization. So, at this stage, what would be the utilization levels be of the of the aircraft capacity, which we are having, including the old and the new ones?

Sagar Patil: So, in terms of capacity, it is a function of how many hours you fly. So, and that is where when I think last time also in -- there was a question with respect to the capacity quoted in the annual report remains same. So, what we think there has been a capacity of 500 plus tons and that remains in the height.

I mean, it has increased, but it is still between 500 tons and 600 tons as such. So, it's a function of how many sectors and how many hours you fly the aircraft. So even after adding those two

aircraft, we have continued to show 500 plus tons because it has gone from 500 tons per day to 560 tons per day. But in -- it's not a physical capacity of the aircraft, but how much do you fly?

Alok: Got it. Sir, we'll take one question from Mr. Achal.

Achal: Yes. Sorry, I just got a little bit perplexed with this. You said B2B, B2C is 70-30. Growth in B2C was 18% and B2B was 2.5%. These are revenue growth number or volume growth number, sir?

Sagar Patil: Revenue.

Achal: So if I do a rough math, I get a blended revenue growth of about 13%.

Sagar Patil: Blended revenue growth of 13%, this is for the quarter.

Achal: For the quarter. Sir, 18% into 70% and 2.5% into 30%.

Sagar Patil: You can do the math again. These revenue for B2C has gone up by 17.9% and 2.5% is the growth in B2B revenue and the blended is 6.6%.

Achal: Okay. My bad. Actually, I mixed it up. Okay. Sorry. So second question I had was with respect to the price, if you were to give us some indication in terms of for a same per kg shipment, how much would be air and how much would be surface typically for any particular leg or sector, if you could quantify?

Sagar Patil: It will be actually very subjective for the given weight break. So if you send a small shipment, then the RPK will be very, very high it will look like because over there the shipment is the service element of the cost goes up. It will not be appropriate to quote any number because the variation across weight break and across the sector will be very significant.

Achal: Right. No, I'm checking from the customer perspective. If he has to decide between whether he wants to do air or surface movement, what would be the cost difference from their perspective?

Sagar Patil: So for a customer, the shipment of 20 kilos, when it is sent on air, it may cost five times higher than when it is sent on ground.

Achal: Okay. Understood. But as you said with the improvement in the infrastructure, whether it is EV bills or GST or road infrastructure, etcetera, more and more cargo is being moved on road. So there is a yield pressure, but the cost is also low, but the percentage margin is similar. Have I understood right, sir?

Sagar Patil: Percentage of margin is similar and yes as the customers improve their own infrastructure or their ability to forecast, the need for utilizing a costly mode of transport will be less. So, we don't move as such, I would say cargo on air, it's more of air shipments which are more time critical than freight.

Achal: Got it. Understood. And in terms of the competition, are you seeing further intensity actually increasing with respect to air or things are as they were, what they would say a year back on the air front?

Sagar Patil: We don't see a big change over there. We do have the advantage of having our own fleet, so we have a control on what we carry and how fast, I mean, we can carry it consistently without worrying about getting offloaded. So, from that point of view, there is a very significant advantage that adds to our credibility and that kind of structure remains in the industry.

Achal: Got it.

Sagar Patil: I don't see a big change.

Alok: Thanks so much. So we are almost at the end of the session. So, I'll just hand over the call to the management for any closing comments.

Tushar Gunderia: No, nothing specific from our end. So, if any of the investor would like to know any further details or clarifications, they are always welcome to approach Sagar or me and we'll get back to you.

Alok: Thank you.

Tushar Gunderia: Thank you for setting up this call and thank you all of you. And Mr. Vipul Jain, you can call me back.

Sagar Patil : Thank you.

Tushar Gunderia: Okay. Thank you.