



“Gateway Distriparks Limited
Q1 FY '26 Earnings Conference Call”

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LIMITED**

Moderator:

Ladies and gentlemen, good day, and welcome to the Q1 FY '26 Earnings Conference Call of Gateway Distriparks Limited and Snowman Logistics Limited. This conference call may contain forward-looking statements about the company, which are based on the beliefs, opinions and expectations of the company as on date of this call.

These statements are not the guarantees of future performance and involve risks and uncertainties that are difficult to predict. Should you need assistance during the conference call, please signal an operator by pressing star then zero on a touch-tone phone. Please note that this conference is being recorded.

Today on the call, we have Mr. Prem Kishan Dass Gupta, Chairman and Managing Director; Mr. Ishaan Gupta, Joint Managing Director; Mr. Samvid Gupta, Joint Managing Director. From Gateway Distriparks Limited we have Mr. Kartik Sundaram Aiyer, CFO; Mr. Rajguru Behgal, Chief Business Officer; Mr. Manoj Singh, Chief Strategic Officer. From Snowman Logistics Limited we have Mr. Padamdeep Singh Handa, CEO and Director; Mr. N. Balakrishna, CFO.

I would now hand the conference over to Mr. Prem Kishan Dass Gupta, Chairman and Managing Director from Gateway Distriparks Limited. Thank you. And over to you, sir.

Prem Kishan Dass Gupta: Thank you. Good afternoon, ladies and gentlemen, and thank you for joining us today. It is my privilege to address you at the outset of our quarterly earnings call. I hope everyone has had an opportunity to look at our investor presentation and press release that is uploaded on our website and Stock Exchanges.

I'm pleased to report that our performance during the quarter has seen strong year-on-year improvement. This is largely attributable to the absence of the Red Sea disruption that adversely impacted the first quarter of the previous financial year. Our volumes have been consistent, along with slight increase in market share in the regions where we operate. There are some geopolitical and geoeconomic conditions that remain, but we expect them to stabilize soon.

India has already closed a trade deal with UK and is expected to close similar deals with USA and EU, which will improve EXIM volumes. It may not lead to immediate impact, but it will be good for long-term business, as Indian exporters' competitiveness improves.

The business remains stable where our EBITDA per TEU for the Rail business was around INR9,100 per TEU, slightly down due to the higher empty and underframe running, lower double stacking and increased imbalance due to lack of exports. Our CFS business sees some improvement with an EBITDA per TEU around INR1,500. Our focus on expanding our Inland Container Terminal network continues. However, land acquisition continues to be a challenge. These delays are unfortunate, but we remain committed and are actively engaging on multiple fronts to finalize new locations by exploring domestic opportunities as well as asset-light models.

Snowman continues to maintain its position as the market leader and as it adds further capacity in Calcutta, Krishnapatnam and Kundli in NCR, we have plans to add more capacity in both own and light asset model and continue our expansion in the 5PLvertical as well.

With that, I now hand over to the moderator for the Q&A session. Thank you.

- Moderator:** The first question is from the line of Rehan Saiyyed from Trinetra Asset Managers.
- Rehan Saiyyed:** Sir, in the first phase, your voice was breaking. So, I just want clarification on the P&L side. Like on the operating expenses increased Y-o-Y despite revenue growth. So are there specific cost headwinds in fuel, manpower, technology investment that we should expect to continue in FY '26 going forward?
- Samvid Gupta:** Sorry, there's some echo or some disturbance coming when you're speaking something louder. Can you try again?
- Rehan Saiyyed:** Sir, your voice is not audible?
- Moderator:** Can you just please use your handset to ask the question, please?
- Rehan Saiyyed:** Ma'am, I'm using handset only.
- Moderator:** Actually, there is some echo from your line.
- Rehan Saiyyed:** Yes. So, I want some more clarification regarding the operating expenses increased Y-o-Y despite revenue growth. So are there any specific cost headwinds in fuel, manpower, technology investment that we should expect to continue in FY '26?
- Samvid Gupta:** These are general increases. Yearly, there is manpower and minimum wage and fuel increases. The hikes keep happening. So it's part of that only.
- Rehan Saiyyed:** Okay. So it's like a recurring expense, we are seeing in this quarter?
- Samvid Gupta:** Yes. But then this quarter had more underframe and empty running. So, we do expect some improvement in margin going forward, as the overall imbalance also improves.
- Rehan Saiyyed:** Okay. And my second question is around the tech. The company has made significant investment in digital platforms and IoT-based monitoring. Could you please share any quantifiable impact on cost saving or service levels from this initiative so far?
- Samvid Gupta:** It's hard to quantify, but we continuously keep investing in IT just to stay ahead of the curve. Like we have OCR technology at ICDs now. We were the first to do RFID and GPS. But again, it's very hard to keep quantifying things like this. It's a continuous improvement that we keep working on.
- Rehan Saiyyed:** Okay. Okay. The last question from my side. In the year, you highlighted the use of rooftop solar and renewable energy integration at warehouses. So, could you share your targets for renewable power usage in the next 2 to 3 years, its potential effect on margins going forward?
- Samvid Gupta:** So all our -- majority of our warehouses, say, 80%, 90% of all our locations in both Gateway's, Snowman's put together have solar. We've done this under the opex model so far where someone else invests and we just take the benefit. We take like a discount to the grid rate. But now going

forward, we're evaluating, doing it ourselves where we invest in the solar and then it will be about INR2 or INR2.5 compared to something in the average is about INR4.5 right now.

Then we're also looking at electric vehicles for movement. That will also -- it's about -- the capex is almost double, but the opex is about one third, one fourth. So, there are savings there also. Other than this, we're also looking at LNG vehicles. So, that's also in similar lines to EV. We're already running CNG vehicles. We have about 65 vehicles -- 65, 70 vehicles. So, that also is focused more on the greener side.

- Moderator:** The next question is from the line of Achal Lohade from Nuvama Institutional Equities.
- Achal Lohade:** My first question is, if you could help us understand in terms of the competitive intensity, the overall EXIM growth, if we have gained, maintained market share?
- Samvid Gupta:** So the trends for the last couple of quarters has been roughly the same. So whatever market share we've been reporting, it's broadly along the lines of that only. No fresh competition intensity has increased. Anything like discount levels also remain more or less the same.
- Achal Lohade:** Right. If you could help us understand, if I see the numbers right, INR319 crores of revenue in rail segment, which implies a realization of INR34,200, which is down about 3% Y-o-Y. Is it entirely to do with the lead distance? Or is it to do with anything specifically on the pricing part?
- Samvid Gupta:** No. So it's more a mix of empty versus laden. So, we've done more emptys in the last quarter due to the imbalance. So, you'll see a decline in revenue per TEU because of that.
- Achal Lohade:** Would it be possible to get some sense how the emptys are usually and what was it in first quarter?
- Samvid Gupta:** We're not really sharing the breakup publicly for empty versus lading.
- Achal Lohade:** Right. But on an average, how much would that be typically? Would that be 15%, 20%? Or could that be 30%, 40%?
- Samvid Gupta:** I mean, that's like I said, we're not getting into the split of laden versus empty.
- Achal Lohade:** Understood. And you said margin was INR9,100 per TEU. I presume this again includes the other income. But ex of other income, how much would that be? Would that be closer to INR9,000 per TEU?
- Samvid Gupta:** Other income was very nominal this quarter. It's only about INR2.9 crores, out of which majority of it is business related only. So, we're not measuring it other side.
- Achal Lohade:** Right. And in terms of the outlook, how do you see that in terms of the margins?
- Samvid Gupta:** So, there is scope to increase double stacking. Possibly, we'll go back to INR9,500 in the coming quarters.

- Achal Lohade:** Right. And if I may ask, in terms of the volumes, how do we see last 2, 3 quarters? We are seeing -- rather 4 quarters, we are stuck in that 92,000 to 94,000 TEUs on a quarterly basis. If you could give us some sense in the near term and from a medium-term perspective, how do we see this?
- Samvid Gupta:** Generally, Q1 is weaker. I know last year was weak because of the Red Sea more than so. But for Q1, even to stay at the same level that we did for Q4, it's a good achievement. For even the rest of the year, we should see some growth coming in. We're still targeting a double-digit growth for the entire year.
- Achal Lohade:** Okay. Which implies a very steep ask for the balance 9 months. Is that still doable according to you?
- Samvid Gupta:** Yes, I think it's possible.
- Achal Lohade:** Okay. Got it. If I may ask a further question with respect to the DFC, what is the update you have with respect to the connection at JNPT and how does it impact us?
- Rajguru Behgal:** Yes. Rajguru, this side. So right now, we have the same status. The last stretch of 100 kilometers, it is just to get operational. So, what we are expecting as per DFC, so it will get operational by - - like on the side, we are telling 31st December 2025. But when we spoke to them, so we are expecting that it should get completed by 31st March 2026.
- Achal Lohade:** Right. And when it gets connected, does it benefit us, hurt us in terms of -- given we are not really much present at the JNPT?
- Rajguru Behgal:** So, it is too early to say, because there are multiple factors that will come into play - how the shipping lines are going to do their vessel rotation and how the cargo, which is going to Pipavav and Mundra, how the exporters, importers - they are going to ship. Because ultimately, it is the extra distance of 300 kilometers vis-a-vis Mundra and Pipavav. So, that will also come into play.
- And what pricing, shipping lines are going to come up and what the pricing the port authorities are going to come up vis-a-vis Pipavav and Mundra. So, that is something which will determine how much volume will get shifted. But we have a pan-India license and we have this advantage that after CONCOR, so we are only one of the private operators who have regular services towards JNPT. And definitely, we will foresee an advantage once this corridor starts.
- Moderator:** The next question is from the line of Aditya Mongia from Kotak Securities.
- Aditya Mongia:** I will go ahead with my question. The first question is you've talked about the double stacking portion declining for you in the quarter. Could you quantify the quantum of double stacking for the quarter? And why is it declining?
- Samvid Gupta:** So it's 39%, and it's basically declined due to lack of exports. There's also realignment of trade. Certain volumes have increased towards Mundra rather than Pipavav, which is further increasing their balance. Also, there's a slight echo on your line. So, I'll just request if you're on speaker or something, please use the handset.

- Aditya Mongia:** Understood. I hope this is better from my side. The second question that I had was, if you could share the individual market shares that you typically do for the key markets of Ludhiana, NCR and others, that would be helpful.
- Rajguru Behgal:** Yes. So basically, we have been able to retain the same kind of market share. At NCR, we have retained between 16% to 17%. And Ludhiana, we have retained 27% and at Uttarakhand, that is 37%.
- Aditya Mongia:** Okay. The third question that I had was more on this guidance of INR9,500 of EBITDA per TEU. At some point of time, this was INR10,000 kind of guidance. Now, numbers have fallen to about INR9,100. I understand there is an empty mix issue. But just wanted to get a sense of how to think through the steps that need to be taken to get to INR9,500 and what is the outside chance of doing better than that?
- Samvid Gupta:** INR9,500 would be our normal only. So, that would just be with slight better trade volumes like export increasing and there were some double stack restrictions during the months of May and June. So, that is no longer there. So, we should probably get back there quite fast. INR10,000 plus, we had kind of said when it would be connected to Bombay, the DFC. And also, we had factored in Jaipur coming in. But still, that being said, we can still look towards the INR10,000 even when Bombay comes in.
- Aditya Mongia:** Okay. The last question that I had was, I just wanted to get a more comprehensive response on Jaipur and outside. What are the key cases, including an outside Jaipur, wherein there is some issue linked to land acquisition? And what have been the progress in the last quarter gone by? Because I see several disclosures inside, which talk about beyond Jaipur, certain other issues in Snowman and the CFS side of things. So it would be useful to get a comprehensive response from the company on the same.
- Samvid Gupta:** Yes. There's only one other land issue going on, which is in Krishnapatnam. So basically, GDL sold some land to Snowman and part of it got registered, part of it didn't get registered because there's some old survey from -- old records from the 1920s, which are being questioned by the local government over there. So, we filed an appeal over there to get this land registered, but it's not stopped any operations at all.
- So, we don't believe that this will have any effect for us. But it is an old case and we can't do anything about it. And we believe we're in the right because when GDL bought the land, it got registered without any problems. It's only when Snowman was trying to acquire from within GDL. So, that will get sorted out soon, hopefully.
- Jaipur, we've already disclosed what's there. There are no other land issues going on in the group. Generally, what we say, land acquisition remaining a challenge, that's the same issues that we mentioned that it is either pricing or clear title - that we don't want any encroachment on it. It should have specific road access, connectivity to the railway station, the right length and the width and near a manufacturing hub.
- So, those were the constraints. If you generally see lesser and lesser ICDs has been coming in, which is why we started exploring the asset-light model also, and we are in discussions with a

couple of people where we do the rail part, but they will run the terminal. So hopefully, we can update you on that soon.

Aditya Mongia: And any update on the sale of the land at the CFS? That will be my final question.

Samvid Gupta: Sorry, the CFS sales you're referring to?

Aditya Mongia: So the CFS portfolio, there were some land parcels or let's say some CFS that you would wanted to discontinue and sell as land for other purposes to players outside. Is there any progress being made on that aspect?

Samvid Gupta: So, we are in discussion with some people, but we've not found the right valuation. And it's not a distressed sale, so we don't want to sell it at anything. And meanwhile, it's still generating good cash flow. So only when the right valuation comes in, we'll consider selling it.

Moderator: The next question is from the line of Slade Alexander from Artha India Ventures.

Slade Alexander: Sir, my question is regarding the segmental revenue trends for Snowman. So for the transportation and warehouse segments, there has been a slight change, like a single-digit change quarter-on-quarter. But for the trading and distribution segment, I can see a change of around 54% quarter-on-quarter. So, that seems to be far more than the other 2 segments. So, could you please tell me some more about the nature of this thing, what mainly drove it and how sustainable that will be for the coming quarters?

Padamdeep Singh Handa: So, we have seen positive growth in our warehousing and distribution business that is attributed by the new customers we added last quarter and with the existing customers also, there has been a solid growth. So it is clearly reflecting on the segment and that also has given us some boost to our warehousing and distribution business.

Moderator: Sir, your voice is not clear properly. I'm sorry to interrupt sir.

Padamdeep Singh Handa: Okay. Is it clearer now?

Slade Alexander: Yes.

Padamdeep Singh Handa: It's a bit better now?

Moderator: Yes.

Padamdeep Singh Handa: Great. So, I was saying that we have seen good increase from our existing customers, plus a couple of new clients which were added last year -- I mean last quarter of last year and they have also started gaining some momentum. So overall, the segment of Snow Distribute wherein we do the entire 5PL has helped us gain that momentum and maintain it. And as we see the projections from all these customers, it looks like there will be a positive impact going forward as well.

Slade Alexander: Okay. So, can you please give maybe some guidance for the three segments? How much growth will be expected in the coming quarters for the revenue?

Padamdeep Singh Handa: So typically, quarter 1 is a little higher than Q2, if we see historically as well. And we expect to maintain the same pace, as what we have done in quarter 1 and continue thereon to meet our annual budgets.

Slade Alexander: So then -- so quarter 1 was high for trading and distribution segment, but then transportation and warehouses weren't as high. So are you saying that, that same trend will continue that it will just be single-digit growth for transportation and warehousing?

Padamdeep Singh Handa: So in transportation, we are strategically managing a little lesser numbers because we wanted to weed out the low-margin businesses. So in transportation, as I said, we strategically made a little -- I mean it's an informed decision wherein we wanted to weed out the low-yield margin or negative margin businesses. And thus, the growth is not reflecting. But as per our targets from next quarter onwards, we are going to work back on that, and it is going to show a positive trend.

Slade Alexander: Okay. And for warehousing as well?

Padamdeep Singh Handa: Warehousing has been doing good. We just onboarded our two facilities, which is Calcutta and Krishnapatnam. They will definitely be adding revenues, plus we have taken a warehouse on asset-light model in Kundli, which will also start contributing from the month of August. And then a couple of them are in pipeline as well in new locations. So, that will help to add furthermore.

Slade Alexander: Yes. Sorry to be repetitive, but if you could give like some figure, what would be expected from these new warehouses like in percentage terms or absolute terms, just an estimate?

Padamdeep Singh Handa: I mean, if I say for the quarter, just an estimate, maybe we'll have a utilization percentage increase by approximately 7,000 to 10,000 pallets.

Moderator: The next question is from the line of Kunal Tokas from FVC.

Kunal Tokas: My first question is about the 5PL business. It would be great if you could tell us what the scope of your work is geographically for some of your clients like Tim Hortons or BR or Kopi Kenangan?

Padamdeep Singh Handa: So typically, we do the end-to-end supply chain management for them. And in that, it includes right from procurement activities. For customers like IKEA, we also do the factory audits of the vendors. It includes warehousing, distribution. I mean, distribution per se goes to their outlets. So right from procurement to planning to execution, everything falls in our portfolio there.

We also do for a few of the clients, I mean, we do evaluate vendors. We do find out new vendors and offer them products. And then for customers like IKEA, Tim Hortons and Kenangan, we do a little bit of import as well from across the globe and then bring it to our bonded warehouse and then distribute it to them or sell it to them.

Kunal Tokas: And what regions would you be handling for those clients? Are you catering to them on a pan-India basis or handling specific geographies only?

- Padamdeep Singh Handa:** So for Baskin's, there are specific geographies, but all other -- I mean Baskin's and Unilever are specific geographies, whereas for IKEA, Tim Hortons and Kenangan, we are doing pan-India basis.
- Kunal Tokas:** Just to confirm, you said for Tim Hortons, BR and Kopi Kenangan, you do pan-India?
- Padamdeep Singh Handa:** Tim Hortons, IKEA and Kenangan.
- Moderator:** I'm sorry to interrupt, sir. Your voice is not audible properly.
- Samvid Gupta:** Can you hear me now? Is this fine?
- Moderator:** Yes. Now it is better.
- Samvid Gupta:** Tim Hortons, IKEA and Kopi is pan-India. Baskin and HUL is regional.
- Kunal Tokas:** Okay. Understood. And second question is about a comment you made, early in the call, that you are pivoting to a model where you own the asset. Does this also apply to your transportation business in Snowman?
- Padamdeep Singh Handa:** So, we have a mix of it -- we do own trucks and we also take on asset-light model. So, the same model pertains to transportation as well, wherein we own approximately 300 vehicles and then a similar number is on lease basis or on trip basis with us, which is through our SnowLink platform.
- Kunal Tokas:** And as you grow, do you want to maintain a certain ratio or will you onboard more third-party vehicles rather than your own?
- Padamdeep Singh Handa:** So, more will go towards the third-party vehicles and then we will maintain our fleet almost approximately to the numbers we have today.
- Kunal Tokas:** Okay. And just a last question on warehousing. So the 6% growth rate, can you decompose it in terms of new capacity added and rate increases or decreases, whatever was the result?
- Padamdeep Singh Handa:** So, in the last quarter, we have seen rate hikes from most of our customers and we have been able to achieve that. That has ended up giving us a better yield than last quarter and last year same quarter as well. In terms of the capacities added, approximately 15,000 pallets is what we have added.
- Kunal Tokas:** I understood what you were saying, sir.
- Padamdeep Singh Handa:** So, I was telling that we have.... Ok you understood, Fine fine.
- Moderator:** The next question is from the line of Disha Giria from Ashika Institutional Equities.
- Disha Giria:** Yes. Sir, in your presentation, you had mentioned that there are certain new opportunities available in the domestic segment for Gateway Distriparks. So if you could just specify them a bit?

Samvid Gupta: So while EXIM volumes remain stable, we are looking at different ways to increase our volumes. So within our existing customers and network, there are some opportunities. We have to procure domestic containers. Right now, we have a fleet of 800, but it's a bit aged. So, we're looking to get some new containers and then start moving things in the domestic segment. We've already crossed about, say, 600, 700 TEUs on it - last month average. So, we should be expanding on this front.

Disha Giria: Okay. My next question is, over the past 1, 1.5 years, you had an expansion plan. The stepping stone of it was the Jaipur ICD. Now, it has been delayed due to the land issues and everything and connectivity issues. Meanwhile, there's another competitor who is willing to enter into the same industry and has a very huge FY '30 target, which they plan on achieving.

So, how would you compete with the additional competition? How will you meet your expansion initiative? Because you already have 2 big players in this industry, that's CONCOR and Adani. With the third big player coming in, how are you going to compete? And how will it impact your expansion strategies?

Samvid Gupta: Which announcement are you referring to for FY '30? Can you just elaborate a little?

Disha Giria: I'm talking about JSW's logistics expansion plan.

Samvid Gupta: Okay. See, people have been announcing ICDs since before we started also. So, we've been focused on our growth story. We've had problems in the last couple of years that we have not been able to identify the right location. But we do have plans and it's not just 1 or 2 locations. We've identified probably the next 6, 7 ICDs that we want to open up.

But it will take some time, and we don't want to get stuck in a situation like Jaipur again. So, we are being extra careful. We're looking at some asset-light models also, apart from domestic, where we mentioned earlier that someone else operates the terminal, but we operate the rail. So, no capex from our side. Sorry?

Disha Giria: In the Gati Shakti scheme.

Samvid Gupta: No, these are some private freight terminals that someone is looking at. Gati Shakti also, so far, we've not found anything suitable. But if some good proposal comes in the Gati Shakti scheme also, we'll be happy to look at that as well.

Disha Giria: Okay. All right. But there has been issues in our expansion plan and it has delayed it significantly. If I am correct, the Jaipur ICD at the start was supposed to be operational by FY '25, then it got delayed to '26 and then now '27 expected time line. And if we plan on having the 6, 7 more ICDs, how will that pan out? Any time line as such?

Samvid Gupta: Yes, it takes 2 years to build up an ICD. So 6, 7, I'm talking over a period of 5 to 7 years, not even immediate. We are focused on two in the near term. But this is just not an issue with us. It's an industry-wide issue. If you look all across, everyone is struggling to find land to expand in the right locations. We can expand in a place which has 500 or 1,000 TEUs per month, but it

won't make sense. So, we're trying to target key market areas along the Northwest and Central parts of India.

- Moderator:** The next question is from the line of Prithvi Ranga from Avendus Spark.
- Prithvi Ranga:** Just a couple of bookkeeping questions from my side. Sir, if you can -- sorry, I missed out on the earlier part. So if you can just...
- Moderator:** Sir, your voice is not clear properly.
- Prithvi Ranga:** Can you hear me now?
- Moderator:** It's still muffled and there is some background noise from your side.
- Prithvi Ranga:** If you can just give me segmental EBITDA per TEU for the rail and CFS business and also a broad outlook on the capex going forward this year and through FY '27, that would be great.
- Samvid Gupta:** Sorry, I can't really understand. If you are on speaker, I'd just request you to go to handset.
- Prithvi Ranga:** Yes. Just a couple of bookkeeping questions from my side. Am I audible now?
- Samvid Gupta:** Yes. Much better.
- Prithvi Ranga:** Yes. If you can please share the EBITDA per TEU segment-wise for rail and the CFS business and also a broad capex outlook for FY '26 and through FY '27, that would be great?
- Samvid Gupta:** So, rail is at INR9,100 and CFS is at INR1,500. We had announced at the start of the call. The capex plans remain the same. Basically, we are looking at about INR30 crores of capex per year. This is not counting any new terminals. As and when a new terminal comes in, that will be at an average of about INR150 crores per terminal. So, we've earmarked INR300 crores for two terminals. And then the balance works from Jaipur, whenever that comes in will be about INR60 crores, INR70 crores.
- Moderator:** The next question is from the line of Bharat Gupta from Fair Value Capital.
- Bharat Gupta:** Sir, a couple of questions with regard to Snowman. So, we have added some capacity with respect to the pallet size. So, can you just describe like what kind of a opportunity size you're looking at over the next 3 years? What kind of the capex we will be incurring? And also in your opening remarks, you mentioned about the pricing hikes you have taken in this segment. So just can you describe on the same?
- Padamdeep Singh Handa:** So, I mean, our plan is to continue to spend something around INR100 crores from our investments into our own facilities and then build couple of asset-light models alongside. So, maybe 3 to 4 facilities in next 2 years and in next 3 years, probably 5 to 6 facilities is what is on the horizon right now. And the other question was on?
- Management:** Price increase.

Padamdeep Singh Handa: Price increase. So price increase, I mean, it's in the range of 5% to 7% in general. Looking at segment to segment, it varies, but that's in general what is coming at present.

Bharat Gupta: Right. So overall, in terms of the pallet size, I think 1.5 we have currently. But overall, if you look 3 years down the line, how do you see the overall level of pallet reaching up?

Padamdeep Singh Handa: We'll go beyond 200 plus -- I mean, 200,000 pallets plus.

Bharat Gupta: Right. And sir, secondly, just to get a sense about what's your thought process with respect to 5PL, given out it's a low-margin business as compared to the warehousing, which is one of the traditional business for us? And what kind of risks are associated because we are involved in the complete value chain for all the customers we are catering to? So how do you read it? Like what's the strategic thought process behind investing in 5PL right now?

Padamdeep Singh Handa: See, 5PL gives us additional stickiness to the customers. That's the first part of it. It adds to my warehousing. It adds to my distribution business, which is the core for Snowman. And then we add upon other opportunities of creating margins from the trading of products. So net-net, it's a very healthy business to be in.

We have to be thoughtful of the customers we pick and we are very careful on with whom we are engaging and then the long term -- I mean, we look at the longevity of the relationship as well - before we and the customer we get into a knot and start operating.

Bharat Gupta: Sure. Last question, sir, if I can squeeze in. With respect to the quick com and e-com, just to get a sense, what will be the revenue contribution coming out from this towards the logistics chain? And I believe this has been one of the segments, which has exponentially been growing. So, how do you see that trend playing out with respect to the industry and with respect to us?

Padamdeep Singh Handa: Quick commerce is also e-com and Quick commerce is a part of our business as of now, and they have been contributing to the extent -- I mean, we have an exposure with them and we are doing fairly well. That's what I can tell you at present.

Bharat Gupta: Any quantification, sir, with respect to our overall revenue exposure towards them?

Padamdeep Singh Handa: I would not be, segment-wise numbers and all, we will not be sharing.

Moderator: Ladies and gentlemen, that was the last question for the day. Participants that have missed out due to the time constraint can reach out to the management and SGA team for the Gateway Distriparks and Snowman Logistics for any further information. With that, we conclude this conference. Thank you for joining us. And you may now disconnect your lines. Thank you.