

<b>Listing Compliance and Legal Regulatory</b> <b>BSE Limited</b> Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400 001	<b>Listing and Compliance</b> <b>National Stock Exchange of India Limited</b> Exchange Plaza, C-1, Block G Bandra Kurla Complex, Bandra (East), Mumbai – 400 051
<b>BSE Scrip Code: 532749</b>	<b>NSE Symbol: ALLCARGO</b>

November 17, 2017

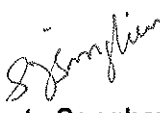
Dear Sirs,

**Sub: Investor Presentation**

Pursuant to Regulation 30(6) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations"), read with Part A of Schedule III of the Listing Regulations, we are enclosing herewith the updated Investor Presentation.

Pursuant to Regulation 46(2)(o) of the Listing Regulations, the aforesaid information is also available on the website of the Company i.e. [www.allcargologistics.com](http://www.allcargologistics.com).

Thanking you,  
Yours faithfully,  
For **Allcargo Logistics Limited**

  
**Shruta Sanghavi**  
Company Secretary



Encl: a/a

all cargo logistics Ltd.  
Ingenuity In Motion




 THE AVVASHYA GROUP

## Investor Presentation

# Allcargo Logistics – India's 1<sup>st</sup> Multinational Logistics Company

- **Integrated multinational logistics company** headquartered in Mumbai, India
- **Diversified presence across multiple logistics sectors** including ocean & air freight-forwarding, container freight stations (CFS), inland container depots (ICD), project cargo, equipment rentals, coastal shipping and contract logistics
- **Global network** of 300 plus offices across 160 plus countries
- **Strong management team** with experienced industry professionals

## Business Verticals

Multimodal Transport Operations (MTO)	Container Freight Stations (CFS)	Project & Engineering Solutions (P&E)
		
<ul style="list-style-type: none"> <li>○ Consolidation of Less-than-Container-Load (LCL) ocean cargo into containers for shipment across 4,000 port pairs globally</li> <li>○ Global brand – 'ECU Worldwide' with presence in 160 plus countries</li> <li>○ Diversified customer base with an asset-light business model</li> <li>○ Presence in Full Container Load (FCL)</li> </ul>	<ul style="list-style-type: none"> <li>○ Provides storage &amp; custom clearance services for EXIM cargo at major Indian ports</li> <li>○ Amongst top 5 CFS operators at JNPT, Chennai and Mundra</li> <li>○ ICDs at Pithampur &amp; Dadri; presence in Contract Logistics segment</li> <li>○ CFS at Kolkata to be operational soon</li> <li>○ Logistics Park at Jhajjar under consideration</li> <li>○ Land bank of more than 200 acres</li> </ul>	<ul style="list-style-type: none"> <li>○ Offers integrated end-to-end logistics services including transportation of over-dimensional &amp; over-weight cargo, on-site lifting &amp; shifting</li> <li>○ Diverse fleet of equipment needed for building &amp; creating infrastructure</li> <li>○ Presence in Coastal Shipping through 3 owned ships</li> </ul>

FY17 Revenue<sup>1</sup>  
% of Total

INR 4,756 Cr  
84%

INR 431 Cr  
8%

INR 457 Cr  
8%

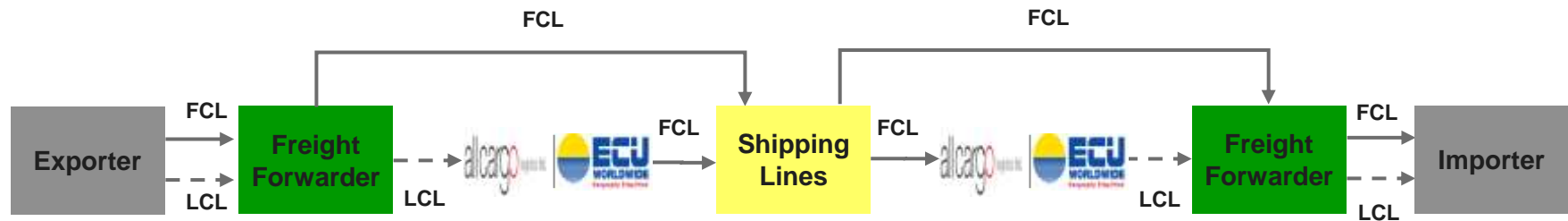
<sup>1</sup>Considering business segments only, Excluding Others and unallocable, Figures as per Ind AS



# Multimodal Transport Operations



# LCL Consolidation is a Multi Billion Dollar Global Market<sup>1</sup> With an Asset-Light Business Model



## Business Description

- Allcargo / ECU Worldwide receives Less-than-Container-Load (LCL) cargo from various freight-forwarders
- Cargo for each destination is consolidated into containers at bonded warehouses, to be shipped to either final destination or to hub ports from where it is trans-shipped to final destination
- After consolidating the LCL cargo into Full-Container-Load (FCL) consignments, Allcargo forwards the consignments to shipping lines for transportation to the final destination
- Besides LCL consolidation, Allcargo has also forayed into FCL freight-forwarding through acquisition of FCL Marine, a Netherlands based FCL freight-forwarding company

## Salient Features

- Asset-light business with high returns on capital employed
- Resilience to global market volatility; Global LCL consolidation industry has grown by 4-5% yearly in last 3 years<sup>1</sup>
- Creation of global network is an entry barrier
- Customer diversification inherent to business model due to neutral approach
- Provides opportunity to service FCL volumes

<sup>1</sup>Management estimates and Industry data



# ECU Worldwide – Allcargo's 100% Owned Subsidiary is the Largest Player Globally in the LCL Market

## Critical Growth Factors

### Global Presence With Owned Network

### Organic Growth & Inorganic Expansion

### Flexibility of Services & Operational Improvements

## ECU Worldwide's Unique Position

- ✓ Global network in 160+ countries with 300+ offices covering over 4,000 port pairs, provides ability to offer pan-global services to multinational clients
- ✓ Higher execution control with better visibility on the flow of cargo through presence at both ends of the cargo shipment
- ✓ Covers all major economies of the world and has the ability to capture incremental cargo with pick-up in global trade
- ✓ Large scale enables preferential freight rates with shipping lines and leads to operating leverage

- ✓ Being the largest player in the LCL freight-forwarding industry globally, ECU Worldwide is best positioned to benefit from increase in global cargo volumes
- ✓ Further expansion in high-growth markets will improve ECU Worldwide's market leadership
- ✓ LCL consolidation is a highly fragmented market globally with industry consolidation being witnessed in last few years
- ✓ ECU Worldwide has demonstrated strong capabilities in identifying suitable and value accretive acquisition opportunities

- ✓ Ability to offer FCL, air freight, warehousing & custom clearance for select locations and trade lanes
- ✓ Margin improvement through operational productivity enhancement & cost management, increasing outsourcing and streamlining procurement
- ✓ Centralized IT systems are being rolled-out



# ECU Worldwide Has Presence in 160 plus Countries and Covers over 80%<sup>1</sup> of the World



 Countries with ECU Worldwide Coverage

<sup>1</sup> Based on the Total Area of Countries Served by ECU Worldwide Services



# Successful M&A Strategy in MTO Business

**Econocaribe Consolidators (2013)** – 3<sup>rd</sup> largest NVOCC in the US with 9 offices and 22 receiving locations in the US and Canada

**FCL Marine Agencies (2013)** – Leading neutral NVO service provider in Full Container Load segment in Europe, USA and Canada

**2 Leading NVOCC Operators in China (2010)** – Extensive operations in Hong Kong, China and other parts of the eastern region

**ECU Line (Now ECU Worldwide) (2005-06)** – One of the Largest NVOCC in the World and 4 times larger than Allcargo, at the time of acquisition

- Acquisitions made to expand and consolidate network, gain footprint in major economies of the world and add more product lines for customers
- All acquisitions have been EPS accretive and cash flow positive from start of integration





# ECU Worldwide is Managed by a Global Team of Seasoned Professionals



**Shashi Kiran Shetty**  
*Executive Chairman*

- Started his career in the logistics industry in 1978 with Inter-modal Transport and Trading Systems, Mumbai from where he moved to Forbes Gokak, a TATA Group Company
- Holds a Bachelor of Commerce degree



**Suryanarayanan S**  
*Executive Director*

- Over 28 years of work experience in industries like engineering, shipping and logistics
- Qualified Chartered Accountant



**Marc Stoffelen**  
*Executive Director*

- Over 32 years of experience in shipping and NVOCC industry, has worked with companies like Euro Link, Ghemar and CMB/Combitainer
- Has a degree in Logistics



**Amol Patel**  
*Chief Digital Officer*

- Over 22 years of experience in digital innovation space, has worked with PayPal, ADC Technologies, Intel , International Meta Systems, Cirrus Logic & Sun Microsystems
- Has a BS in Electrical Engineering & Computer Science from University of California, MS in Electrical & Computer Engineering from Stanford University and MBA in Marketing & Finance from the Kellogg School of Management



**Ashwin Jaiswal**  
*Global CIO*

- Over 23 years of experience in Information Technology Management across diverse industries, has worked with Vodafone(UK), Telnor(Holland), Viag Interkom(Germany) Orange(Swiss) and Reliance Group
- A Management Graduate and an Electronics-Telecommunication Engineer



# ECU Worldwide is Managed by a Global Team of Seasoned Professionals contd...



**Thomas Heydorn**  
*Regional CEO*  
*Central & Eastern*  
*Europe*

- Over 30 years of experience in transport and logistics industry, has worked with companies like Rohde & Liesenfeld and Exel plc
- Holds master diploma in forwarding from AHV and is a certified trainer of ICC



**Shanta Martin**  
*Regional CEO*  
*ISC, GCC & Africa*  
*(SE)*

- Over 17 years of experience in various sectors including, healthcare, event management, publishing, hospitality and logistics, has worked with companies like Reed Elsevier and Accor
- A science graduate and holds an MBA in marketing from T. A. Pai Management Institute, Manipal



**Uday Shetty**  
*Regional CEO*  
*Asia Pacific*

- Started his career with ECU Worldwide in 2001, Joined in finance and accounts department and moved to RCEO role by 2013
- Qualified chartered accountant



**Tim Tudor**  
*Regional CEO*  
*Americas*

- Over 29 years of experience in shipping and logistics industry, has worked with companies like Australia New Zealand Direct Line, Direct Container Line and Vanguard Logistics
- Holds a degree from University Colorado



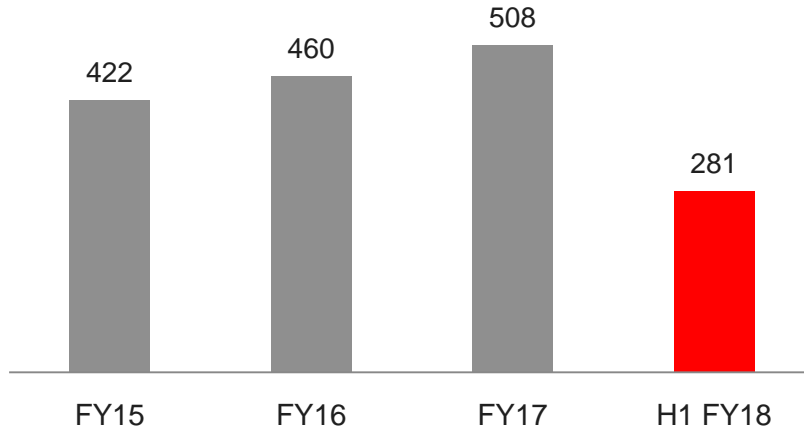
**Simon Bajada**  
*LCL Product Head*

- Over 30 years of experience in shipping and logistics industry, with ECU Worldwide since 1991
- Holds a degree in accounting

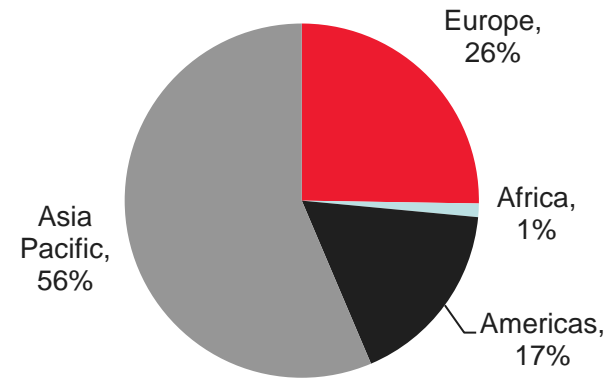


# MTO Business Volumes and Financials

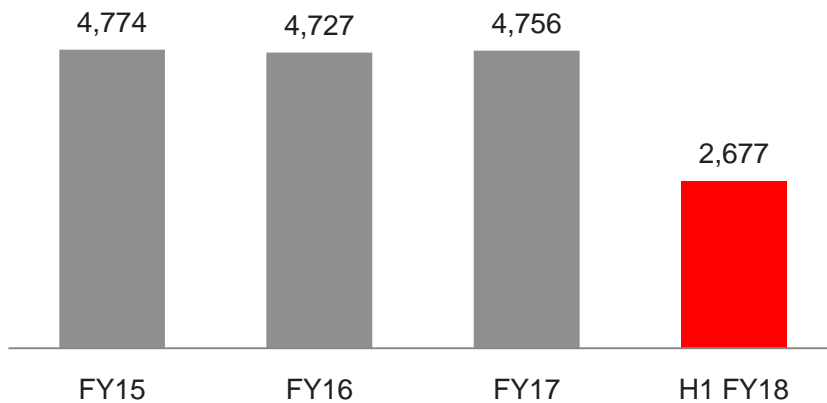
Global Volumes (000's TEUs)<sup>1</sup>



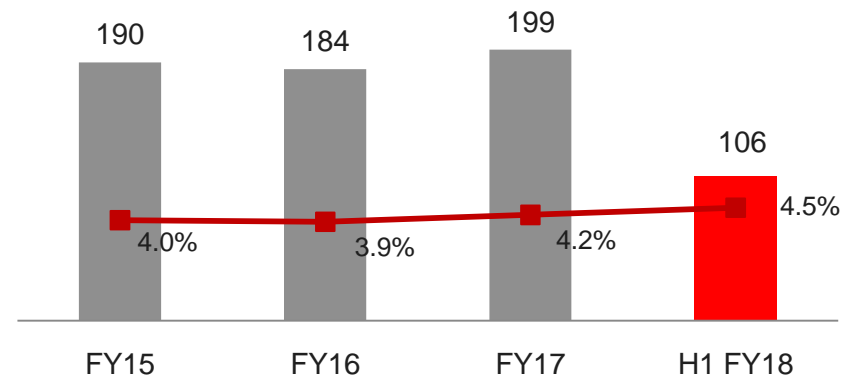
Volume Split as per Geography - FY17<sup>2</sup>



Revenues<sup>3</sup>  
(INR Cr)



EBIT and Margin<sup>3</sup>  
(INR Cr)



<sup>1</sup>Includes both LCL & FCL and Import and Export; <sup>2</sup>For LCL; <sup>3</sup>Figures for H1FY18, FY17 and FY16 as per Ind AS, Figures for FY15 as per I GAAP



# Container Freight Stations



# Indian Container Cargo is Poised for Growth

## Expected Revival in EXIM Trade

- ✓ Container volume in India is expected to be 2x by 2020, driven by EXIM trade and an increase in containerization from the current 55% to >65% (versus developed countries' average of 70%)
- ✓ Revival in EXIM trade expected to translate into higher demand for containerization due to their efficiency
- ✓ The anticipated changes in the profile of traded goods (from intermediate to finished goods, including textiles, auto parts, pharmaceuticals and food products) will increase the opportunities for containerization

## Development of Infrastructure

- ✓ Infrastructural initiatives like Dedicated Freight Corridor and development of multi-modal logistics park, to further support growth of cargo containerization
- ✓ Several upcoming container terminals planned at both major and non-major ports - to further increase flow of container traffic

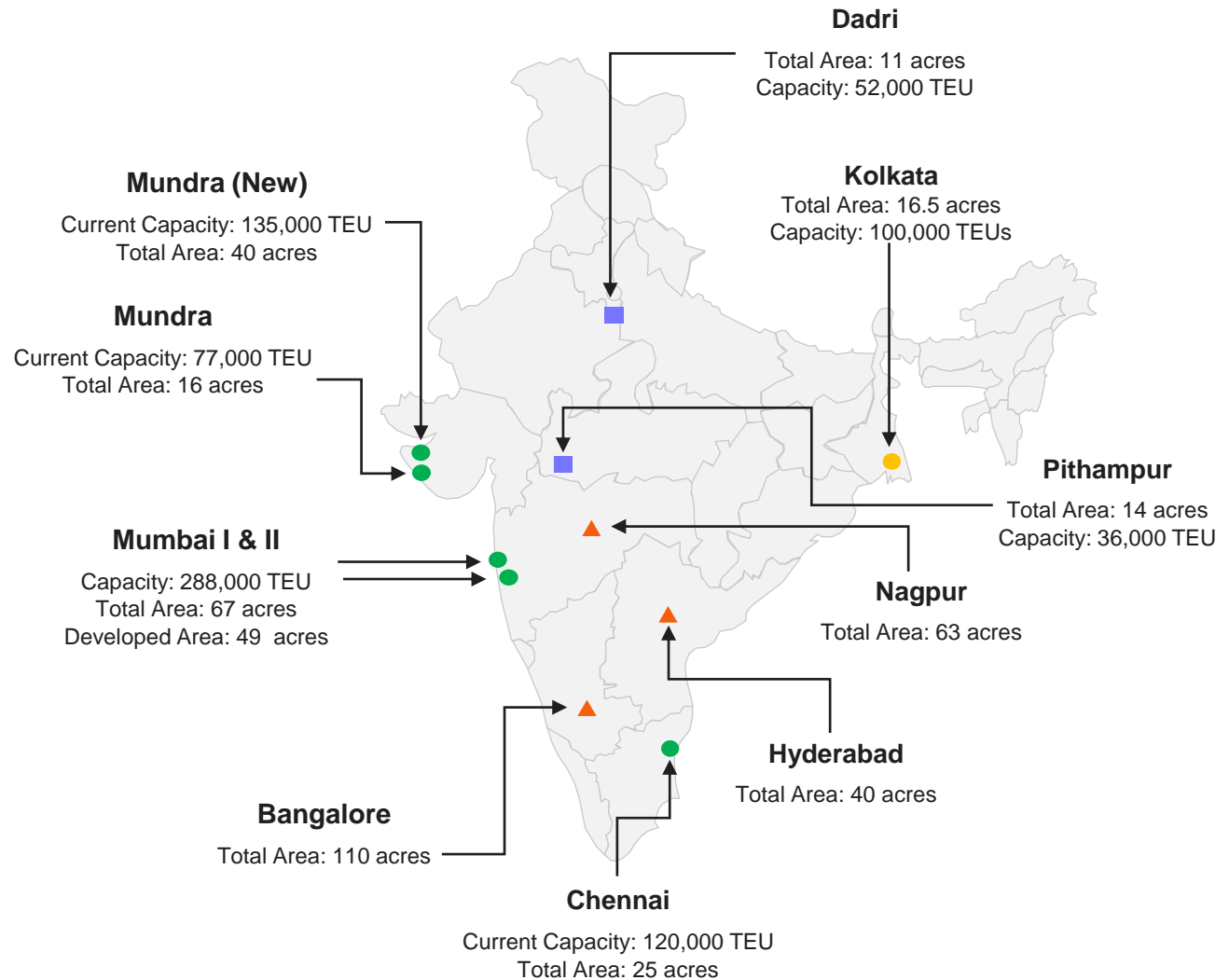
## Growth in CFS Volumes

- ✓ Strong growth expected in CFS container volume with container traffic growing
- ✓ CFS / ICD business expected to grow in coming years



# Allcargo is Present Across Major Container Ports of India

- Allcargo has leveraged its relationships with freight forwarders and major shipping lines by entering into CFS sector
- CFSs at JNPT, Chennai and Mundra with total installed capacity of 620,000 TEUs<sup>1</sup> p.a. and ICDs at Pithampur and Dadri with total installed capacity of 88,000 TEUs p.a.
- JNPT, Chennai and Mundra - key ports in India handling bulk of container traffic. The three ports together handle around 75% of total container traffic of India



● Current CFSs   ■ Current ICDs   ● Under Development CFS   ▲ Land Banks

<sup>1</sup>Includes recently started new CFS in Mundra on asset light model



# CFS Business to Support Allcargo's India Focused Growth

## Presence at Key Container Ports

- Being one of the largest CFS operators in India, Allcargo is the only company with significant presence at key container ports of the country, viz JNPT, Chennai and Mundra, a new CFS at Kolkata port is expected to be operational soon
- These ports are in proximity to main industrial hubs, carry majority of the volumes and are preferred choice for customers because of their strategic location
- They collectively handle around 75% of total container traffic of India

## Ability to Scale and Expand

- Opened a new CFS in Mundra on asset light model focusing on exports
- Only part of land at 2<sup>nd</sup> CFS at JNPT has been developed, offering opportunity to increase as demand picks up
- Land bank of more than 200 acres across 3 strategic locations viz Hyderabad, Bangalore and Nagpur

## Owned Fleet

- Owned fleet of trailers, RTGs, reach stackers and forklifts to support transportation of containers between CFS and port; and movement within CFS, proving a unique differentiator
- Timely transportation supports incremental revenue

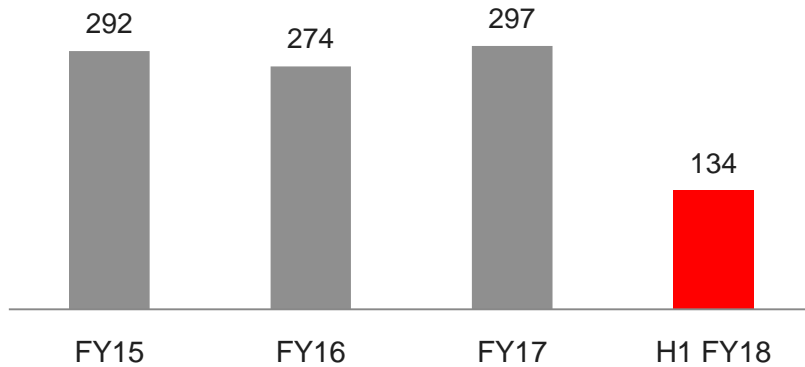
## Synergies from MTO Business

- Allcargo operates its business model with unique synergies between MTO and CFS business
- Allcargo leases container space with major shipping companies for its clients in MTO segment and on other hand, it gets clients of CFS segment from the same shipping companies

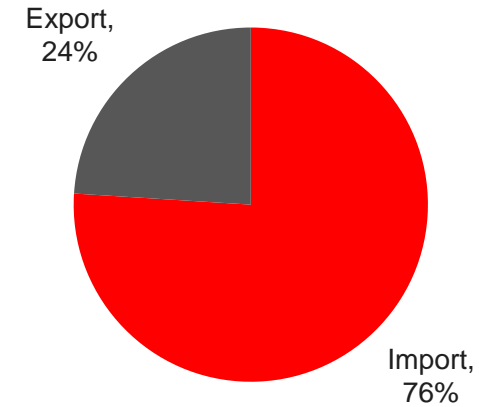


# CFS Business Volumes and Financials

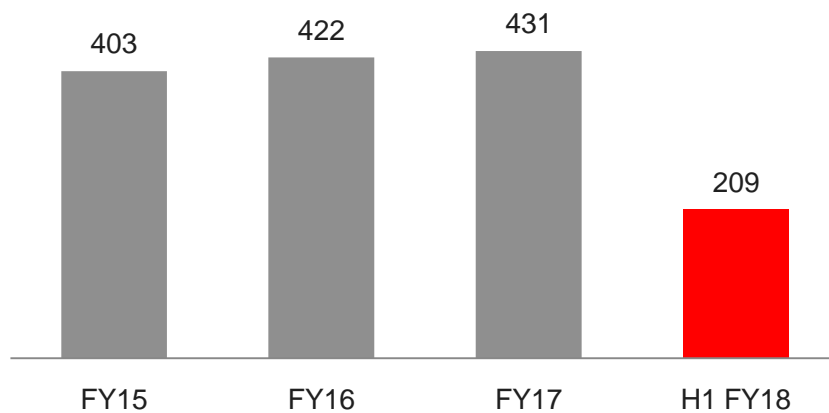
## Volumes (000's TEUs)<sup>1</sup>



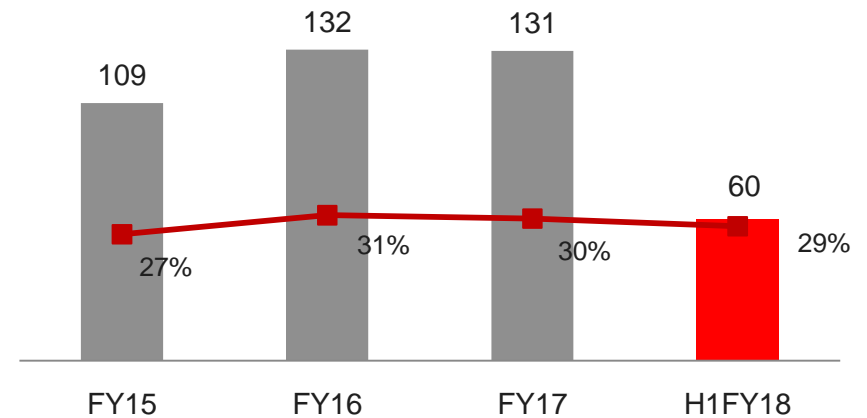
## Import - Export Mix – FY17<sup>2</sup>



## Revenues<sup>1</sup> (INR Cr)



## EBIT and Margin<sup>1</sup> (INR Cr)



<sup>1</sup>Figures for H1 FY18, FY17 and FY16 as per Ind AS and excludes figures for ICDs, Figures for FY15 as per I GAAP; <sup>2</sup>For all CFS and ICD facilities





## Focus on Contract Logistics

- Company has strengthened its position into contract logistics through 62% stake acquisition in Avvashya CCI (ACCI)
- ACCI focuses on managing contract logistics for key clients in Chemicals, Auto, Pharma and Retail sectors
- The business model of contract logistics will be asset light, hence return ratios would be accretive
- The segment of contract logistics is a potentially a very scalable model across the value chain
- Contract logistics is likely to witness strong momentum due to implementation of GST



# Project and Engineering Solutions



# P&E's Strong Long Term Growth Opportunity

- Infrastructure led growth especially in sectors like power, oil & gas, cement and steel – expected to increase demand for specialized transport solutions
- Government focusing and incentivizing on shifting cargo carried by rail and road to coastal shipping and inland waterways
- Government plans to take wind energy generation to 60,000 MW in the next 5 years from around 20,000 MW currently. Government also plans to have 100,000 MW of solar power capacity by 2022
- Government plans to set up 5 new Ultra Mega Power Projects, each of 4,000MW
- US\$ 45 Billion is expected to be spent oil & gas sector in India in next few years
- India's cement demand is expected to reach 550-600 Million Tonnes Per Annum (MTPA) by 2025. To meet this demand, cement companies are expected to add 56 MT capacity over the next three years
- India's steel sector is expected to grow from 91 Mn tons in 2015 to 300 Mn tons by 2025
- Currently metro rails are fully operational in only 2 cities of the 53 Indian cities with a population of more than one Million. Almost all the state capitals are having plans to build metro railways
- Significant capex expected not only on Greenfield projects, but also on repairs & maintenance, and transmission & distribution
- Demand for world-class quality supply chains to handle project cargo - expected to increase significantly



# P&E Business to be the Game Changer with Expected Revival in Infrastructure Spending

## **Integrated Logistics Solutions**

- P&E division combines equipment leasing, project movement and coastal shipping
- Allcargo focusing on providing integrated logistics solutions to clients through above businesses, and also harnessing synergies from MTO and CFS verticals
- Planning to build niche business offering translating into customer stickiness and higher margins

## **Diverse Fleet of Equipments & Customer Diversification**

- A diverse fleet of over 800 equipment including cranes, hydraulic axles, trailers, reach stackers, forklifts, prime movers, barges and coastal vessels
- Diversified customer base, representing some of major infrastructure sectors of Indian economy with long term strategic value

## **In-House R&M Capabilities and Technological Support Systems**

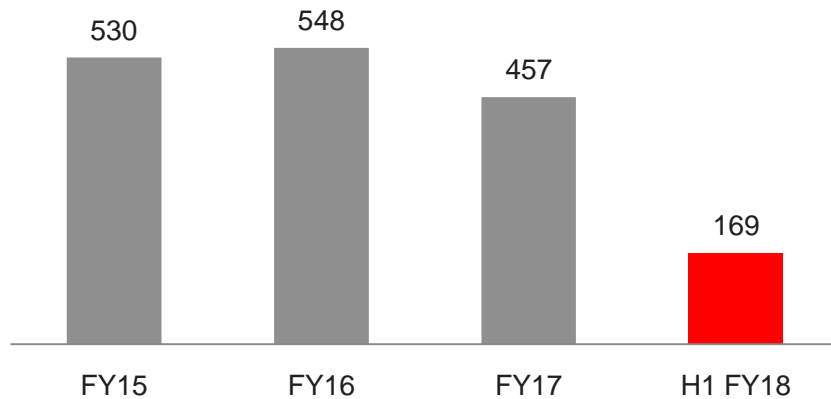
- Allcargo has developed in-house repairs and maintenance (R&M) division to efficiently manage all types of R&M of its fleets where-ever deployed
- All sites are closely knitted with On-line Real time web-based connectivity with integrated IT platforms including CRM (Marketing), EAM (Engineering & Operations) and FMS (Finance and Audit) with centralized HR software



# P&E Financials and Fleet

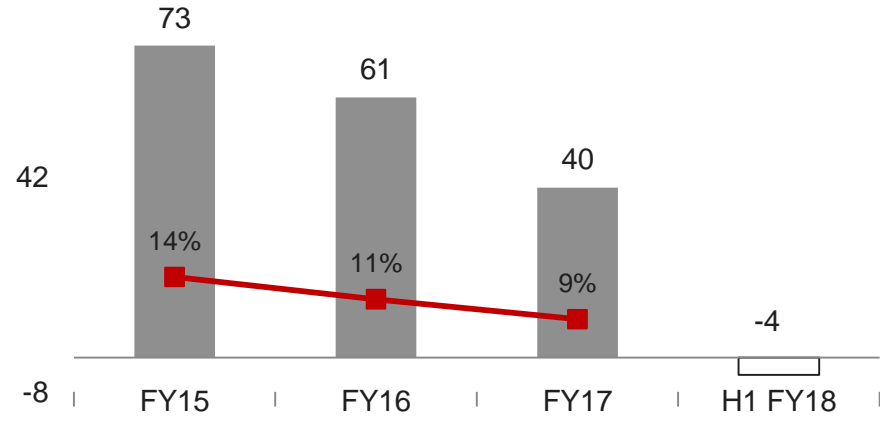
## Revenues<sup>1</sup>

(INR Cr)



## EBIT and Margin<sup>1</sup>

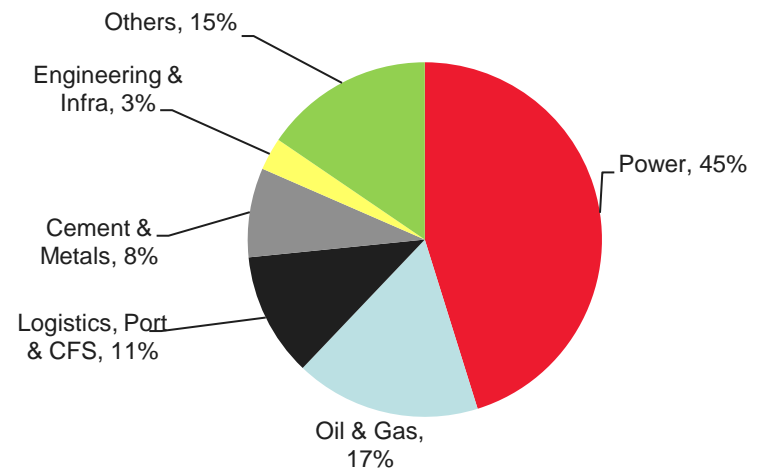
(INR Cr)



## Fleet Strength

Equipment Type	As on 31 <sup>st</sup> March, 2017
Cranes	135
Trailers	394
Hydraulic Axles	201
Reach Stackers and Forklifts	48
Prime Mover	21
Ships	3
Others	5
<b>Total</b>	<b>807</b>

## Industry Diversification (By Revenue) - FY 2017



<sup>1</sup>Figures for H1FY18, FY17 and FY16 as per Ind AS, Figures for FY15 as per I GAAP



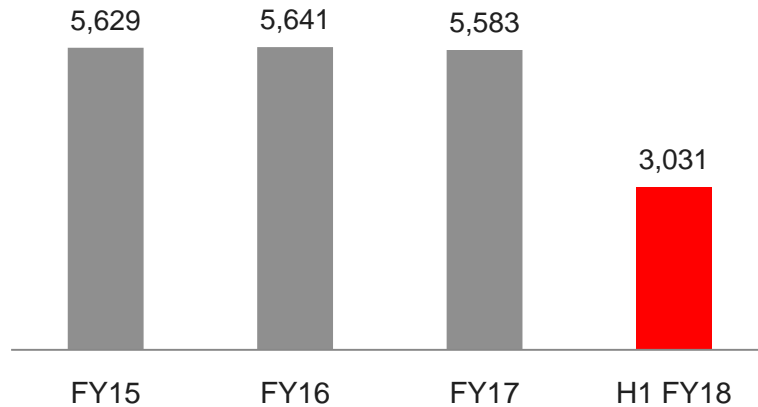
# Financials and Shareholding



# Consolidated Financials

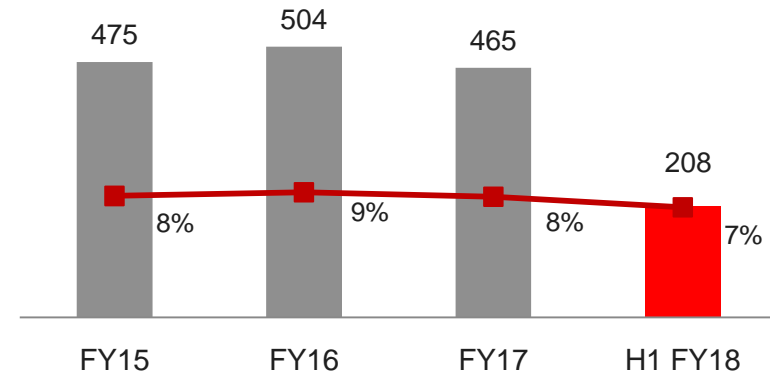
## Consolidated Revenue<sup>1</sup>

INR Cr



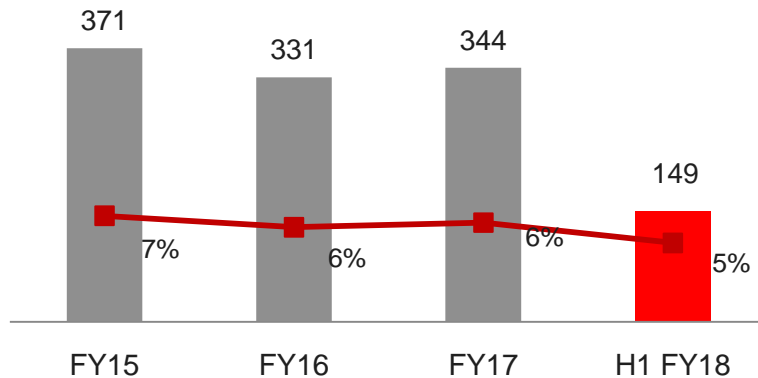
## Consolidated EBITDA & Margin<sup>1</sup>

INR Cr



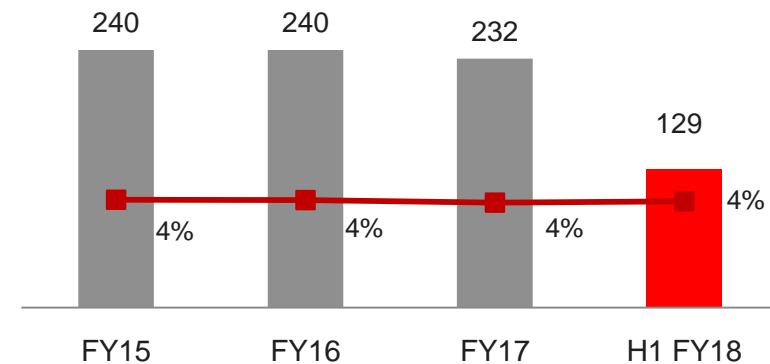
## Consolidated EBIT & Margin<sup>1</sup>

INR Cr



## Consolidated PAT & Margin<sup>1,2</sup>

INR Cr



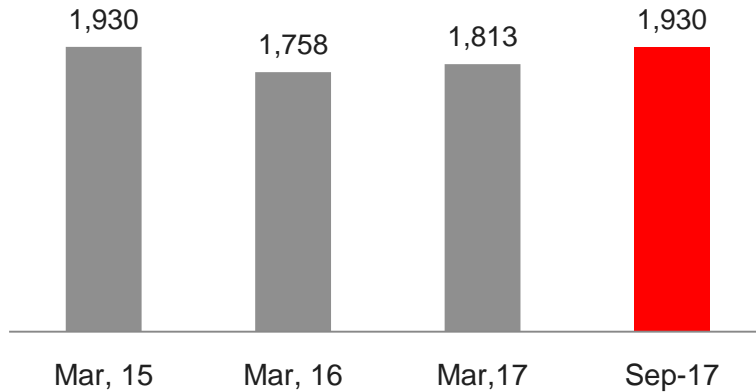
<sup>1</sup>Figures for H1 FY18, FY17 and FY16 as per Ind AS, Figures for FY15 as per I GAAP; <sup>2</sup>After Minority Interest;



# Consolidated Balance Sheet

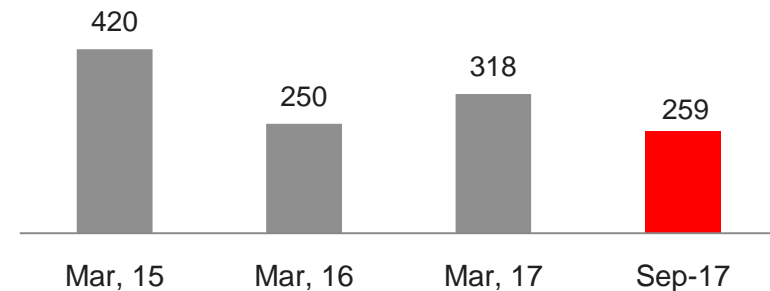
## Consolidated Equity<sup>1,2</sup>

INR Cr



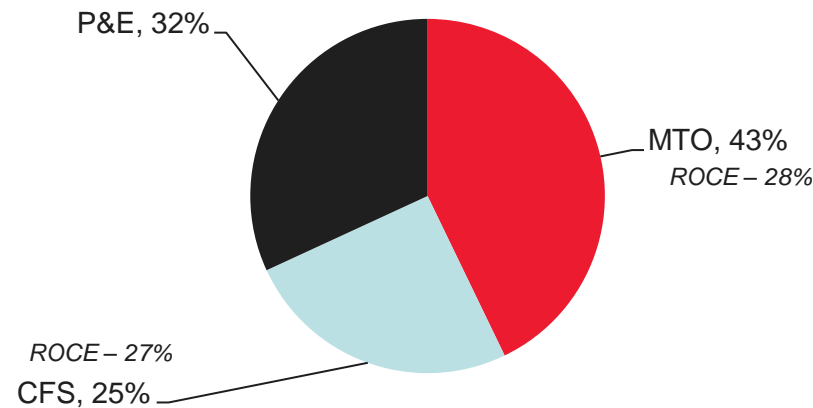
## Consolidated Net Debt<sup>1</sup>

INR Cr



## Consolidated Capital Employed<sup>3</sup>

As on 30<sup>th</sup> September, 2017 Total - INR 2,338 Cr (ROCE – 13%<sup>4</sup>)



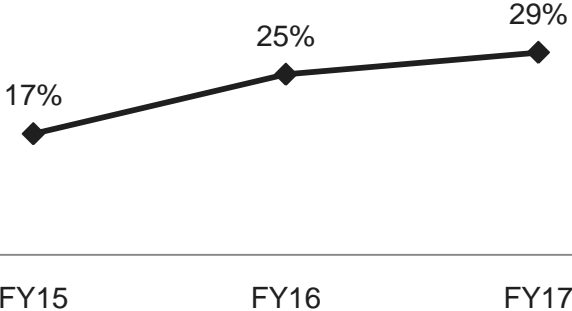
<sup>1</sup>Figures for September 17, March, 17 and March, 16 as per Ind AS and figure for March, 15 as per I GAAP; <sup>2</sup>Consolidated Equity figure for March, 15 as per I GAAP and is addition of shareholders funds + minority interest; <sup>3</sup> Breakdown Excluding Others & Unallocable, <sup>3</sup>Capital Employed = Segment Assets – Segment Liabilities; <sup>4</sup>ROCE calculated as EBIT / Closing Capital Employed



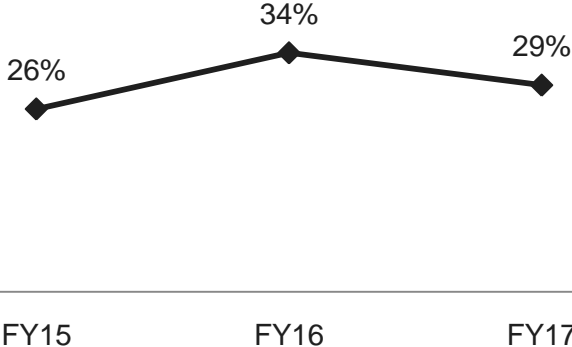


# Segmental ROCE<sup>1,2</sup>

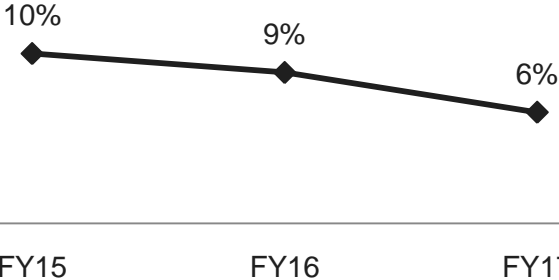
## MTO



## CFS



## P&E



<sup>1</sup>ROCE calculated as EBIT / Closing Capital Employed as per I GAAP for FY15; <sup>2</sup>ROCE calculated as EBIT / Closing Capital Employed as per Ind AS for FY17 and FY16





Thank You!



All cargo Logistics Limited is an India-based holding Company. The Company is engaged in providing integrated logistics solutions. It offers logistics services across multimodal transport operations, inland container depot, container freight station operations, contract logistics operations, and project and engineering solutions. Its segments include Multimodal Transport Operations, which involves non-vessel owning common carrier operations related to less than container load consolidation and full container load forwarding activities; Container Freight Stations (CFS)/Inland Container Depot (ICD) Operations, which is involved in import/export cargo stuffing, de-stuffing, customs clearance and other related ancillary services, and Project & Engineering Solutions (P&E), which provides integrated end-to-end project, engineering and logistic services through a fleet of owned/rented special equipment, such as hydraulic axles, cranes, trailers, barges, reach-stackers, forklifts and ships.

## Q1FY18 Result Analysis

- All cargo Logistics Limited revenue increased by 6.0% to Rs 14834.3 MN for June Quarter of 2017 as against Rs 13628.1 mn for the same quarter of the previous year
- EBIDTA decreased by 22.7% (YoY) to Rs. 1029.6 mn for Q1FY18 as against Rs. 1331.8 mn in the corresponding quarter previous year
- Profit after tax (PAT) for the Q1FY18 increased by 0.1% (YoY) to Rs. 635.7 mn from Rs. 635.0 MN for the corresponding quarter of the previous year.

**Outlook** :Indian logistics industry is moving towards a phase of major transformation Government's plans to cut logistics costs from the current 14-15% of GDP to 9-10%, through a modal shift towards water and railway and efficiency improvement, the sector is all set to experience a positive growth trajectory. Government also announced Sagarmala project for port modernization and augmentation, development of multimodal logistics parks, smart cities project and dedicated freight corridors. Successful and timely completion of these proposed projects will ensure cost effectiveness and operational efficiencies in the transport and logistics sector. With the effect of GST, instead of maintaining smaller warehouses in each and every state ACLL will be able to set up fewer and bigger warehouses. And follow hub and spoke model for freight movement from warehouses to manufacturing plants, distributors and retailers. Hence, a bigger opportunity awaits the company this help company to manage bigger routes and deliver accurately and efficiently. GST provides with ample opportunities to expand the contract logistics business in India. The Company's Expansion plans of setting up rail linked park logistic park in jhajjar (Haryana) and new CFS set up in Kolkata which will be soon in operation will help to take the business to next level of growth With a strong order book, we are hoping for revival in private capex along with the already increasing public capex, driving business growth for the company. Strong cash flows generated in the years to come, will be used to bring down the existing debt on the balance sheet. At a CMP of Rs. 168.9 ACLL is trading at a TTM P/E multiple of 17.7x, which is at a discount to the peer average of 36.2x. on the EV/EBITDA front too the Company is trading at a TTM of 9.9x which is at discount to the peer average of 16.6x. we expect the company to have a strong position in the Industry and it also has huge growth potential, thus we assign "Buy" rating on this stock.

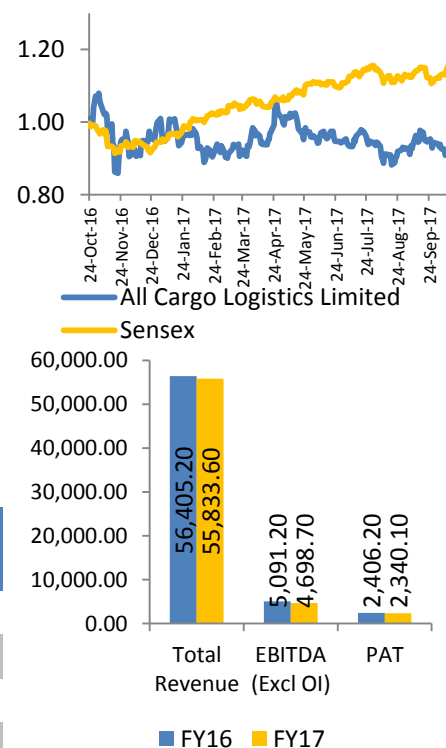
## Rating Matrix

CMP	Rs. 168.9
Rating	Buy
Holding Period	12-18 Months
Current Level	Investment
52 week H/L	Rs. 201.7/150.0
Upside Potential	25%
Face value	RS. 2
Sector	Transportation Logistics
Category	Small Cap
F&O Stock	No
Safe Level	N/A
Risky Level	N/A

## Shareholding Pattern

Particulars	Sep'17	Jun'17	Mar'17
Promoter	69.1%	69.1%	70.2%
FPIs	16.6%	16.3%	14.1%
Insti.	6.31%	6.3%	0.0%
N. Insti.	8.0%	8.3%	15.7%

## Relative Capital Market Strength



Particular (RS. Mn)	Q1FY18	Q1FY17	Change (YoY)	Q4FY17	Change (QoQ)
Total Revenue	14834.3	13989.0	6.0%	13628.0	8.8%
EBITDA (Excl OI)	1029.6	1331.8	-22.7%	1055.7	-2.5%
EBITDA Margin (%)	6.9%	9.5%	-2.58%	7.7%	-0.81%
PAT	635.7	635.0	0.1%	594.5	6.9%
NPM (%)	4.3%	4.5%	-0.25%	4.4%	0%

## Con- call Highlights

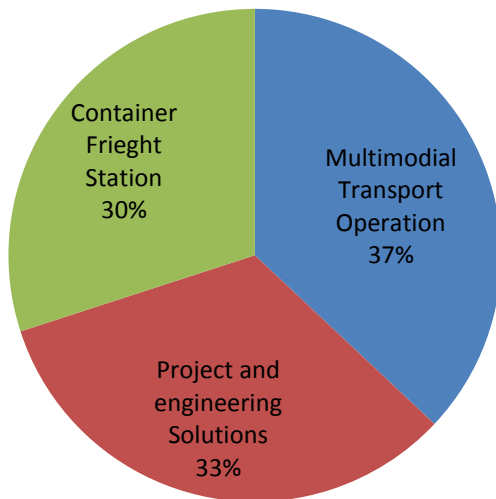
**Revenue growth :** This growth in revenues has been driven by global MTO business predominantly

**EBITDA level decline:** This decrease has been primarily because of higher operating cost in P&E businesses as company have moved to an asset-light model, continuous slowdown in project logistics business, notional currency impact that comes from the consolidation of our global MTO business. Operating cost of managing the Mundra CWC - CFS this was not part of Q1 FY17 and the consolidation of relatively lower margin ICD at Kheda, this quarter, post All cargo's acquisition of the 100% stake in this ICD and conscious decision to move away from lower ROCE business that leads to strategic sale of low-yielding assets in Q1 FY18 all have led to decline in EBITDA level

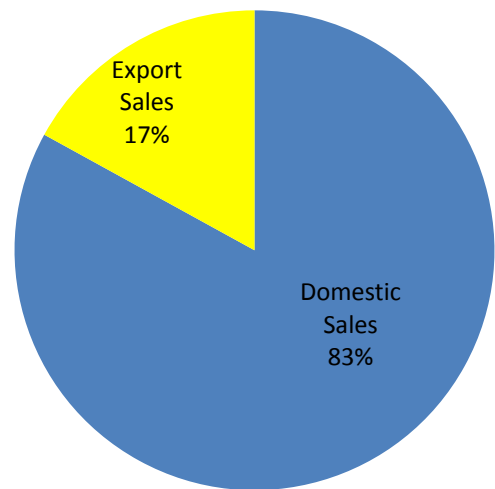
**Market leader in LCL business:** The return on capital employed for this business stands at 29%. We have always outperformed the global LCL market, and we plan to continue outgrow the global LCL trade and remain market leaders

**Expansion Plan:** On the expansion plan, the logistics path project in Jhajjar is well on track, and we await rail approval. Now before the rail approvals also, there are various levels and the first level approvals from rail authorities has been given in principle, we are now awaiting the final approval Our new CFS in Kolkata is ready and awaits necessary approval to commence operations by next quarter.

**Revenue Segmentation**



**Export Contribution**



## Industry Overview:

The logistics sector will have to keep up with the pace of growth for the make in India initiative and GST to succeed. Given that Indian economy is consumption driven, demand for organized logistics is increasing. With the effect of GST instead of maintaining smaller warehouse in each and every state, the logistics company will be setting up lesser and bigger warehouse and follow hub and spoke model for freight movement from warehouses to manufacturing plants, distributors and retailers Hence there is a bigger opportunity for integrated logistics service provider who can manage these bigger routes and deliver accurately and efficiently.

The Cargo and Logistics Industry in India can expect to grow at CAGR of 16% in the coming years with inflow of new investments that in turn will create new opportunities for the logistics sector. The 'Make in India' campaign will see investments connect India to global production networks and would generate significant new business for logistics in India. This will make India an attractive location to do business as compared to others in the region

Particulars (Rs. Mn)	FY13	FY14	FY15	FY16	FY17
Revenue from operations	39262.7	48594.3	56288.0	56405.2	55833.6
Gr (%)	-8.3%	23.8%	15.8%	0.2%	-1.0%
EBITDA (Excl OI)	3590.2	3959.3	4820.4	5091.2	4698.7
EBITDA Margin (%)	9.1%	8.1%	8.6%	9.0%	8.4%
PAT	1823.3	1544.4	2471.8	2406.2	2340.1
NPM (%)	4.6%	3.2%	4.4%	4.3%	4.2%
Net Worth	15856.6	17931.2	19077.9	17363.9	17922.2
Total Assets	30648.0	37838.7	34467.1	29830.3	31800.8
Debt	4551.0	6127.3	4749.0	3326.5	5133.9
Cash flow from Operations	3244.2	3107.2	4162.3	4401.6	3585.2
D/E (x)	0.3	0.3	0.2	0.2	0.3
Current Ratio (x)	0.74	0.89	1.26	1.07	1.0
<b>Profitability ratios (%)</b>					
ROCE (%)	17.5%	16.4%	20.2%	24.5%	19.9%
ROE (%)	11.5%	8.6%	13.0%	13.9%	13.1%
ROA (%)	5.9%	4.1%	7.2%	8.1%	7.4%
<b>Efficiency ratios (x)</b>					
Receivable days	50.4	56.9	52.4	53.5	63.6
Inventory days	3.59	3.3	2.83	2.7	2.88
Payable days	35.6	36.7	36.4	34.9	37.2

## Peer Comparison:

Companies	CMP	ROE (TTM)	12MR(%)	M. Cap (Rs. Mn)	EPS (TTM)	BVPS	EBIDTA Margin (%)	NPM (%)
<b>Allcargo Logistics Ltd.</b>	<b>168.9</b>	<b>13.1%</b>	<b>-6.8</b>	<b>41498.7</b>	<b>9.5</b>	<b>72.9</b>	<b>7.7%</b>	<b>4.1%</b>
Blue Dart Express Ltd.	4179.7	32.6%	-19.4	99184.3	58.9	181.0	12.7%	5.2%
GATI Ltd.	121.1	7.6%	-15.4	11910.2	4.5	58.4	5.8%	2.6%
Sical Logistics Ltd.	225.8	8.7%	12.1	12559.0	7.7	88.8	17.0%	4.5%
<b>Average</b>	<b>1173.9</b>	<b>15.5%</b>	<b>-7.4</b>	<b>41288.0</b>	<b>20.2</b>	<b>100.3</b>	<b>10.8%</b>	<b>4.1%</b>

Companies	P/E (x)	P/Bv (x)	P/Sales (x)	EV/EBIDTA (x)	D/E	PAT (Rs. Mn) (TTM)	EBIDTA (Rs. Mn) (TTM)	Sales (Rs. Mn) (TTM)
<b>Allcargo Logistics Ltd.</b>	<b>17.7</b>	<b>2.3</b>	<b>0.7</b>	<b>9.9</b>	<b>0.2</b>	<b>2,346.40</b>	<b>4,347.00</b>	<b>56,578.10</b>
Blue Dart Express Ltd.	70.9	23.1	3.7	29.2	0.7	1,398.40	3,417.30	26,895.00
GATI Ltd.	27.2	2.1	0.7	14.9	0.5	437.90	966.00	16,776.10
Sical Logistics Ltd.	29.2	2.5	1.3	12.7	1.7	430.70	1,622.40	9,527.50
<b>Average</b>	<b>36.2</b>	<b>7.5</b>	<b>1.6</b>	<b>16.6</b>	<b>0.8</b>	<b>1153.4</b>	<b>2588.2</b>	<b>27444.2</b>

### Choice's Rating Rationale

The price target for a large cap stock represents the value the analyst expects the stock to reach over next 12 months. For a stock to be classified as Outperform, the expected return must exceed the local risk free return by at least 5% over the next 12 months. For a stock to be classified as Underperform, the stock return must be below the local risk free return by at least 5% over the next 12 months. Stocks between these bands are classified as Neutral.

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- **Investors are advised to sell the stock if the recommended upside potential achieves.**
- **If recommended upside potential remains under-achieved, investors are advised to consider the update report on suggested stock.**

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