



# North Eastern Carrying Corporation Ltd

Q4 & FY17 Result Presentation

May - 2017

Except for historical information, all of the statements, expectations and assumptions, including expectations and assumptions, contained in this presentation may be forward-looking statements that involve a number of risks and uncertainties. Although NECC attempts to be accurate in making these forward-looking statements, it is possible that future circumstances might differ from the assumptions on which such statements are based. Other important factors which could cause these statements to differ materially including outsourcing trends, economic conditions, dependence on collaborative partnership programs, retention of key personnel, technological advances and continued success in growth of sales that may make our products/services offerings less competitive; NECC may not undertake to update any forward-looking statements that may be made from time to time.

Financials Q4 & 12M FY17

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Company Background

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# Financials Q4 & FY17

## Q4FY17 consolidated

- Revenue at Rs. 142.02 crore down by 3.14% over Q4FY16 Rs. 146.63 crore.
- EBITDA at Rs. 5.52 crore vs Rs. 6.70 crore in Q4FY16, margins at 3.9%
- PAT at Rs. 1.50 crore down by 24.62% over Q4FY16 Rs. 1.99 crore
- EPS at Rs. 0.3 per share not annualized

## FY17 consolidated

- Revenue at Rs. 548.69 crore up by 1.66% over FY16 Rs. 539.75 crore
- EBITDA at Rs. 19.76 crore vs Rs. 21.32 crore in FY16, margins at 3.6%
- PAT at Rs. 5.60 crore down by 0.71% over FY16 Rs. 5.64 crore
- EPS at Rs. 1.12 per share

- Secured a prestigious order from Tata Steel valued at Rs.450 crore to be executed over 4 years
  - The contract is towards carrying raw materials and mining products from Tata Steel's Joda and Sukinda mines to the Company's factories
- Partial truck load Sundry Movement, now contributes 49% of revenues
- Full truck load grew by 29% during the year
- We are Planning to Increase our warehousing space from 1.5 Million sq feet
- Continued focus on improving profitability by moving away from non profitable clients
- Top 5 customers contributed 20% of total revenues in FY17 and 22% in Q4FY17 vs 13% in FY16 and 27% in Q4FY16

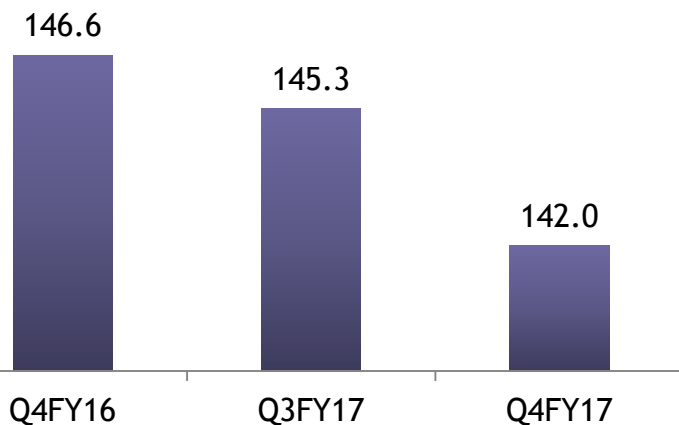
SPEAKING ON THE  
RESULTS, CO-  
PROMOTER AND  
WHOLE TIME  
EXECUTIVE  
DIRECTOR,  
**UTKARSH JAIN**  
SAID,

*“ On the back of a combination of several corporate initiatives and an enabling macro environment we look forward to sustained improving performance. Our emphasis is on expanding our presence across the country and delivering profitable growth. To this extent we are looking to leverage our proven capabilities in more critical segments like mining, FMCG and Pharmaceuticals and by expanding our presence and reach. In a post GST environment, we believe there is considerable opportunity for logistic companies having requisite size, capabilities and reach”*

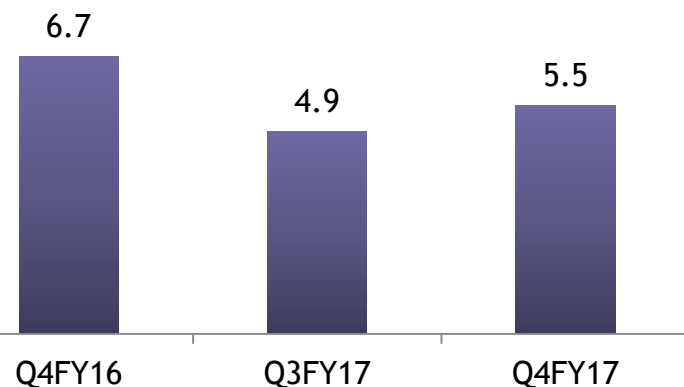
# Financial Performance - Q4FY17 consolidated

Rs. In Crore

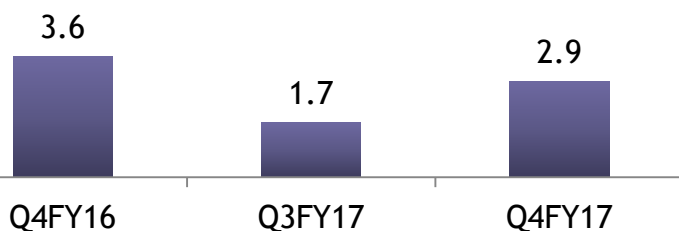
## Revenue



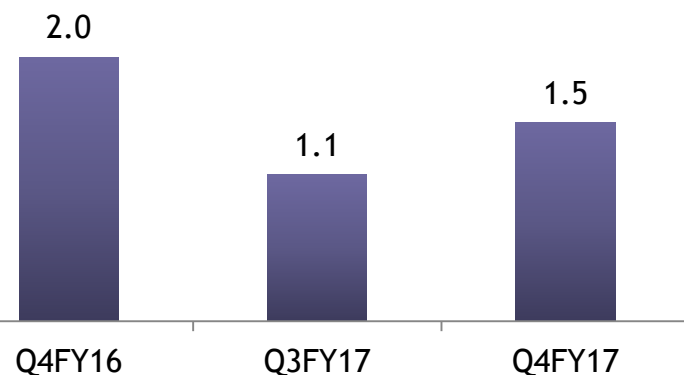
## EBITDA



## PBT



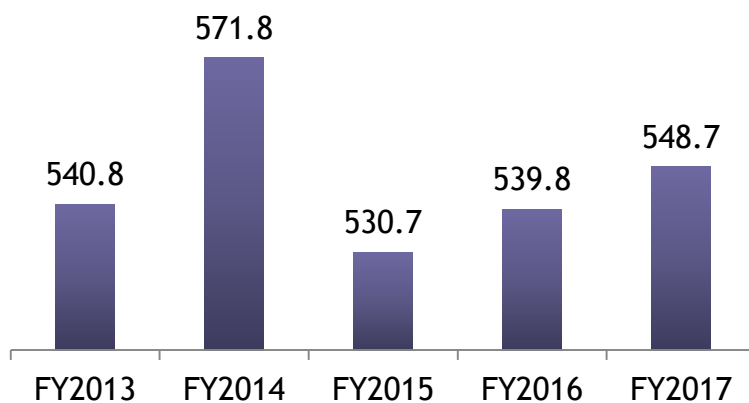
## PAT



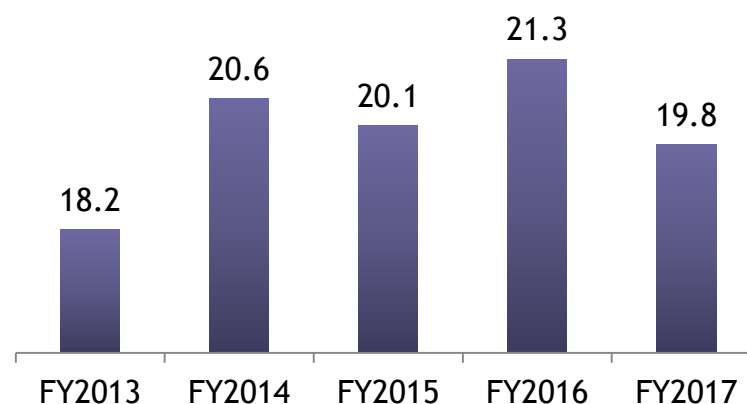
# Financial Performance - FY17 consolidated

Rs. In Crore

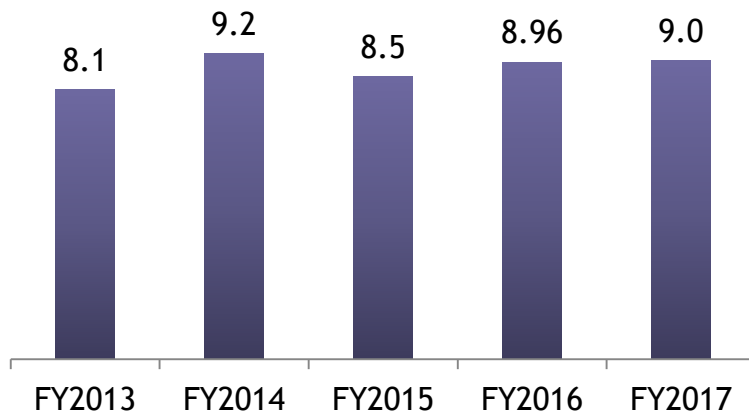
## Revenue



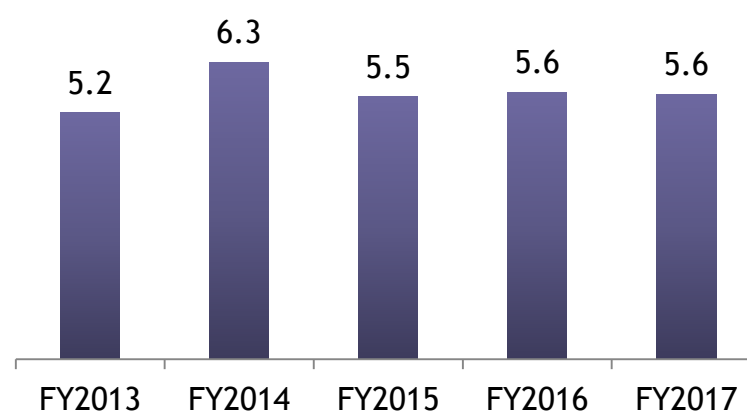
## EBITDA



## PBT



## PAT



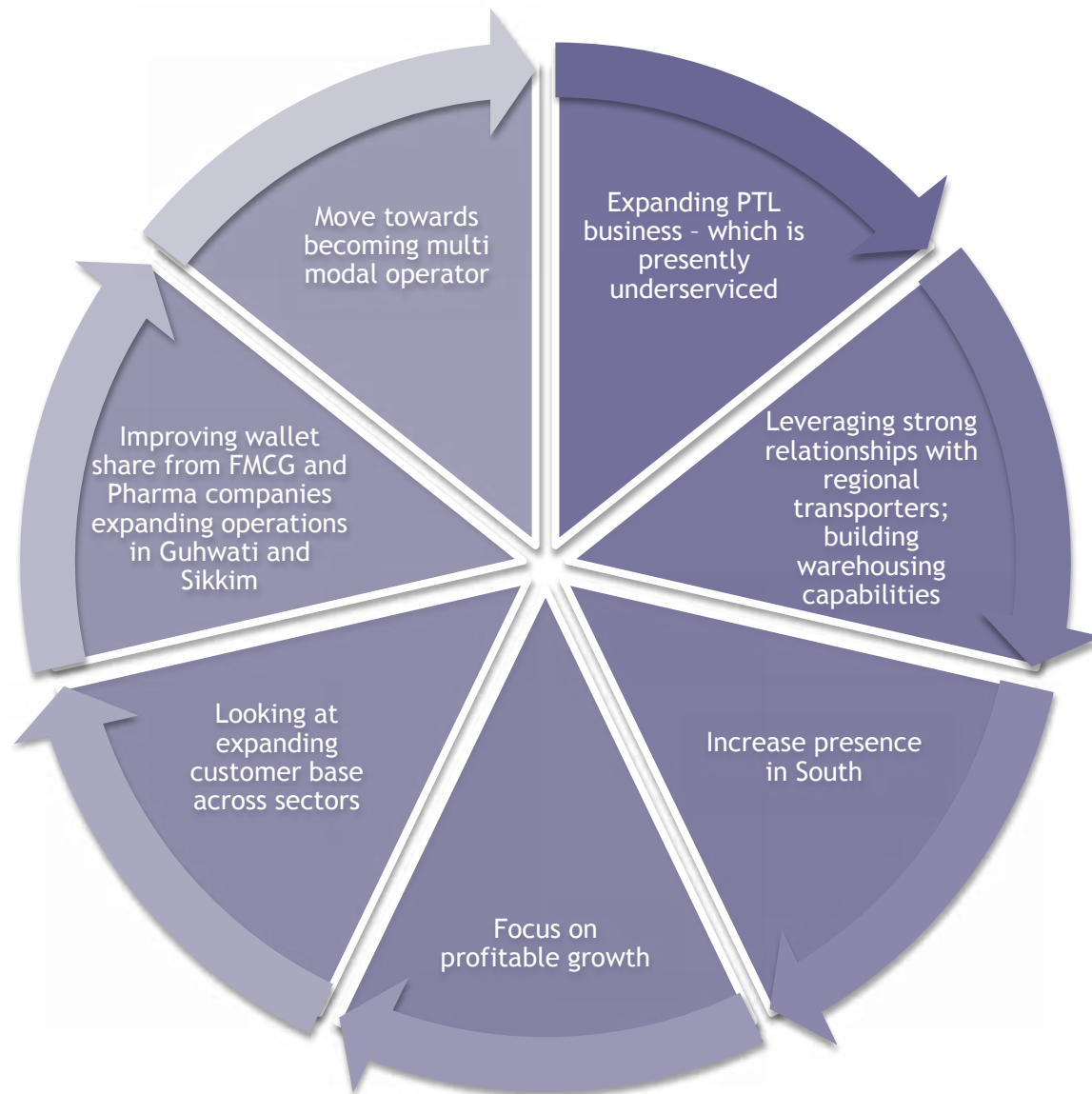
# Financial Table - Q4 & FY17

Consolidated

| Quarter ended March 31' 2017                  | Q4 FY17         | Q3 FY17         | Q-o-Q Growth | Q4 FY16         | Y-o-Y Growth   | FY17            | FY16            | Y-o-Y Growth  |
|---|-----------------|-----------------|--------------|-----------------|----------------|-----------------|-----------------|---------------|
|   | ₹ Lakhs         | ₹ Lakhs         | %            | ₹ Lakhs         | %              | ₹ Lakhs         | ₹ Lakhs         | %             |
| <b>Income</b>                                 | <b>14202.82</b> | <b>14533.47</b> | (2.27)       | <b>14662.73</b> | (3.14)         | <b>54869.49</b> | <b>53975.05</b> | 1.66          |
| EBITDA  | 551.65          | 488.71          | 12.88        | 670.16          | (17.61)        | 1976.30         | 2131.67         | (7.29)        |
| <b>EBITDA Margin</b>                          | <b>3.88%</b>    | <b>3.36%</b>    | -            | <b>4.57%</b>    | -              | <b>3.60%</b>    | <b>3.95%</b>    | -             |
| EBIT  | 473.76          | 419.17          | 13.02        | 588.53          | (19.50)        | 1706.04         | 1825.10         | (6.52)        |
| <b>EBIT Margin</b>                            | <b>3.34%</b>    | <b>2.88%</b>    | -            | <b>4.01%</b>    | -              | <b>3.11%</b>    | <b>3.38%</b>    | -             |
| Financing costs                               | 185.27          | 254.12          | -            | 223.75          | -              | 805.45          | 929.40          | -             |
| Taxes   | 138.67          | 54.28           | -            | 165.75          | -              | 340.74          | 331.91          | -             |
| <b>Net Profit after tax</b>                   | <b>149.82</b>   | <b>110.77</b>   | <b>35.25</b> | <b>199.03</b>   | <b>(24.72)</b> | <b>559.85</b>   | <b>563.79</b>   | <b>(0.71)</b> |
| <b>NP Margin</b>                              | <b>1.05%</b>    | <b>0.76%</b>    | -            | <b>1.36%</b>    | -              | <b>1.02%</b>    | <b>1.04%</b>    | -             |
| EPS (basic & diluted not annualised)          | 0.3             | 0.22            | -            | 0.4             | -              | 1.12            | 1.10            | -             |
| <b>Paid up share capital One Rupee Share)</b> | <b>5019.73</b>  | <b>5019.73</b>  | -            | <b>5019.73</b>  | -              | <b>5019.73</b>  | <b>5019.73</b>  | -             |
| Depreciation                                  | 77.89           | 69.54           | -            | 81.63           | -              | 270.26          | 306.57          | -             |

# Balance Sheet -FY17 consolidated

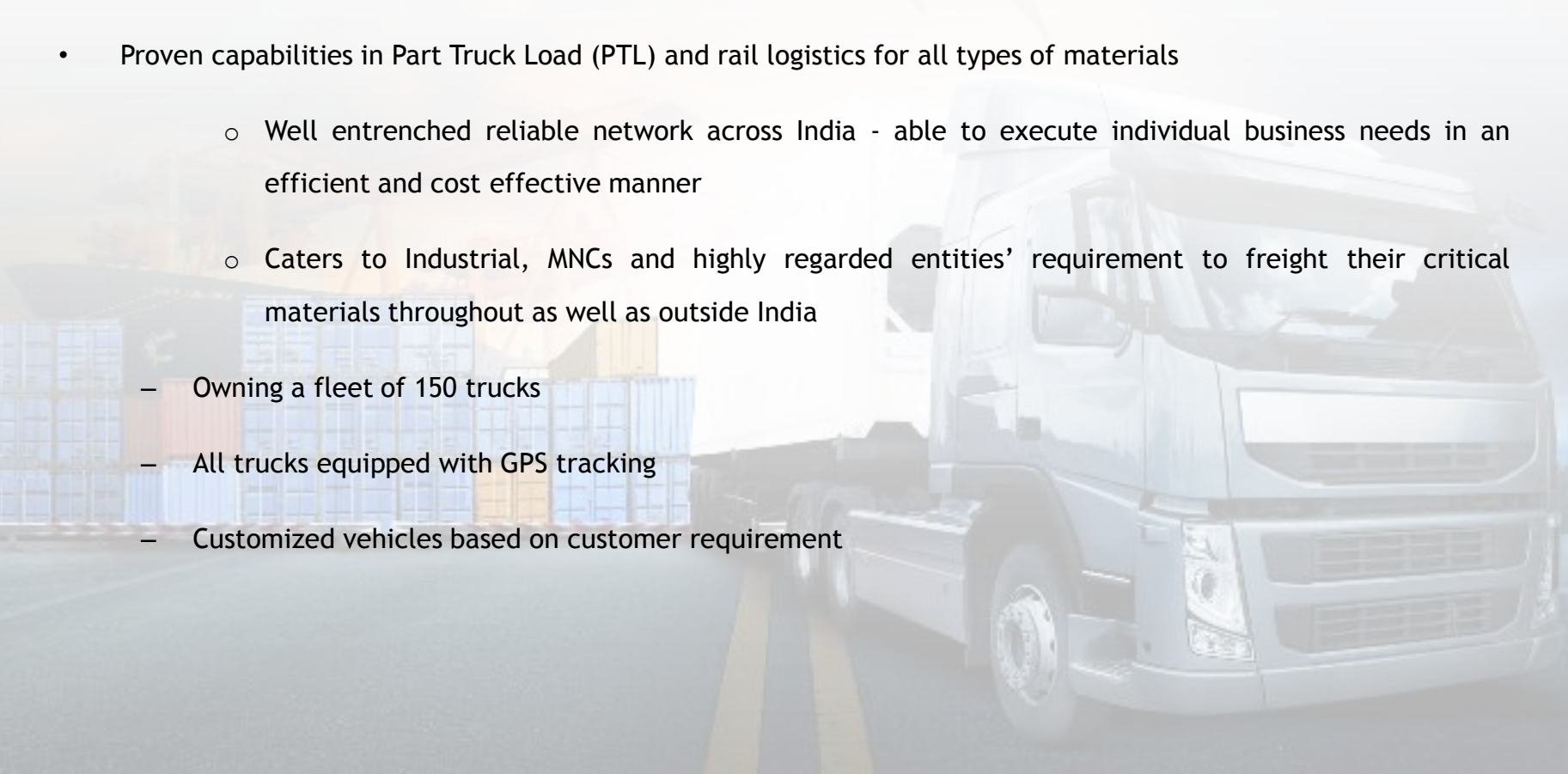
| PARTICULARS  | Notes | As At<br>31.03.2017<br><u>Amt. In Rs.</u> | As At<br>31.03.2016<br><u>Amt. In Rs.</u> |
|--|-------|---|---|
| <b>EQUITY AND LIABILITIES</b>                        |       |   |   |
| <b>(1) Shareholder's Funds</b>                       |       |   |   |
| (a) Share Capital                                    | 4     | 50,19,73,360                              | 50,19,73,360                              |
| (b) Reserves and Surplus                             | 5     | 28,28,33,618                              | 22,68,49,060                              |
| (c) Money received against share warrants            |       | 0   | 0   |
| <b>(2) Share Application money pending allotment</b> |       | 0   | 0   |
| <b>(3) Non-Current Liabilities</b>                   |       |   |   |
| (a) Long-Term Borrowings                             | 6     | 6,90,32,572                               | 5,03,55,648                               |
| (b) Deferred Tax Liabilities (Net)                   |       | 0   | 0   |
| (c) Other Long Term Liabilities                      |       | 0   | 0   |
| (d) Long Term Provisions                             |       | 0   | 0   |
| <b>(4) Current Liabilities</b>                       |       |   |   |
| (a) Short-Term Borrowings                            | 7     | 76,47,04,881                              | 73,26,12,134                              |
| (b) Trade Payables                                   | 8     | 1,63,17,721                               | 4,15,06,955                               |
| (c) Other Current Liabilities                        | 9     | 4,63,37,055                               | 3,92,01,839                               |
| (d) Short-Term Provisions                            | 10    | 8,63,56,517                               | 7,76,06,149                               |
| <b>Total Equity &amp; Liabilities</b>                |       | <b>176,75,55,724</b>                      | <b>167,01,05,144</b>                      |
| <b>ASSETS</b>  |       |   |   |
| <b>(1) Non-Current Assets</b>                        |       |   |   |
| (a) Fixed Assets                                     | 11    |   |   |
| (i) Gross Block                                      |       | 36,11,56,288                              | 35,38,13,789                              |
| (ii) Depreciation                                    |       | 17,61,58,897                              | 17,01,86,194                              |
| (iii) Net Block                                      |       | 18,49,97,391                              | 18,36,27,595                              |
| (c) Non-current investments                          |       | 0   | 0   |
| (b) Deferred tax assets (net)                        |       | 49,33,169                                 | 48,99,816                                 |
| (d) Long term loans and advances                     | 12    | 4,09,22,354                               | 4,19,06,995                               |
| (e) Other non-current assets                         |       | 0   | 0   |
| <b>(2) Current Assets</b>                            |       |   |   |
| (a) Current investments                              |       |   | 0   |
| (b) Inventories                                      |       | 0   | 0   |
| (c) Trade receivables                                | 13    | 126,65,43,913                             | 120,14,47,422                             |
| (d) Cash and cash equivalents                        | 14    | 3,58,88,239                               | 3,24,48,025                               |
| (e) Short-term loans and advances                    | 15    | 23,42,70,656                              | 20,57,75,291                              |
| (f) Other current assets                             |       | 0   | 0   |
| <b>Total Assets</b>                                  |       | <b>176,75,55,724</b>                      | <b>167,01,05,144</b>                      |





# Company Background

# Who We Are

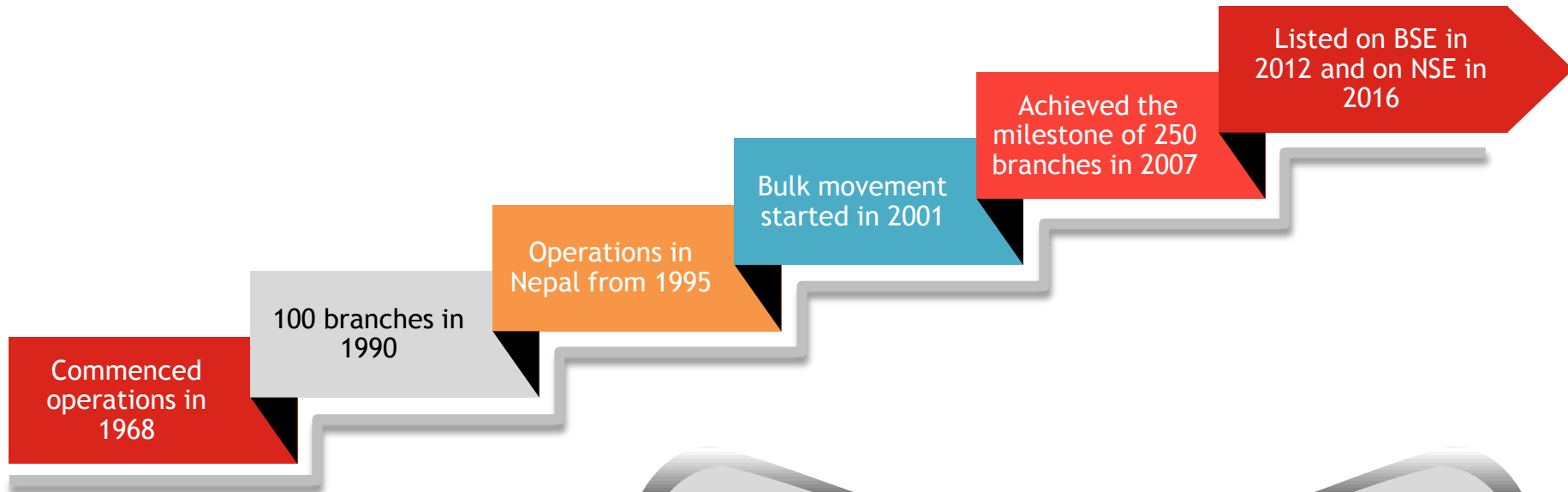
- An integrated logistics solutions provider with presence pan India, Nepal and with an operational set up in Bhutan and Bangladesh
  - Presence of over 4 decades. Leadership: Second and third generation promoters - Sunil Jain and Utkarsh Jain
  - Proven capabilities in Part Truck Load (PTL) and rail logistics for all types of materials
    - Well entrenched reliable network across India - able to execute individual business needs in an efficient and cost effective manner
    - Caters to Industrial, MNCs and highly regarded entities' requirement to freight their critical materials throughout as well as outside India
    - Owning a fleet of 150 trucks
    - All trucks equipped with GPS tracking
    - Customized vehicles based on customer requirement
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# Who We Are

- Booking offices across the country and Nepal, servicing multiple routes with warehousing
  - 250 offices across 28 states and 4 countries- India, Nepal, Bhutan and Bangladesh
- Warehousing of 1.5 million sq feet - includes owned and leased under management
  - Our warehouses are multi purpose catering to Bulk, FMCG, Holding Intermediates, Steel, amongst others
- Working with leading companies in the FMCG, Paper, Pharma, Automotive, Textile, Chemicals, Steel and Telecom sector
- Exclusively working with a leading FMCG - MNC Company for transportation of its goods in Nepal
- Highly skilled man-power in place with requisite mining-mate certificates
- High-capacity loaders enabling fast movement and into Bulk Movements of Iron Ore and various types of Chrome Ore mines
- Established track record of providing flexible, responsive and timely delivery services to our clients
  - Demonstrated by being chosen by several leading companies to undertake repeat business over several years
- Rating of Crisil BBB-/stable on our long-term debt

Small consignments retail booking | Bulk movements | Full truck load services | Storage facility | PTL/Parcel load movement | Over dimensional consignment (ODC) | Containerized movement of cargo | Freight Management

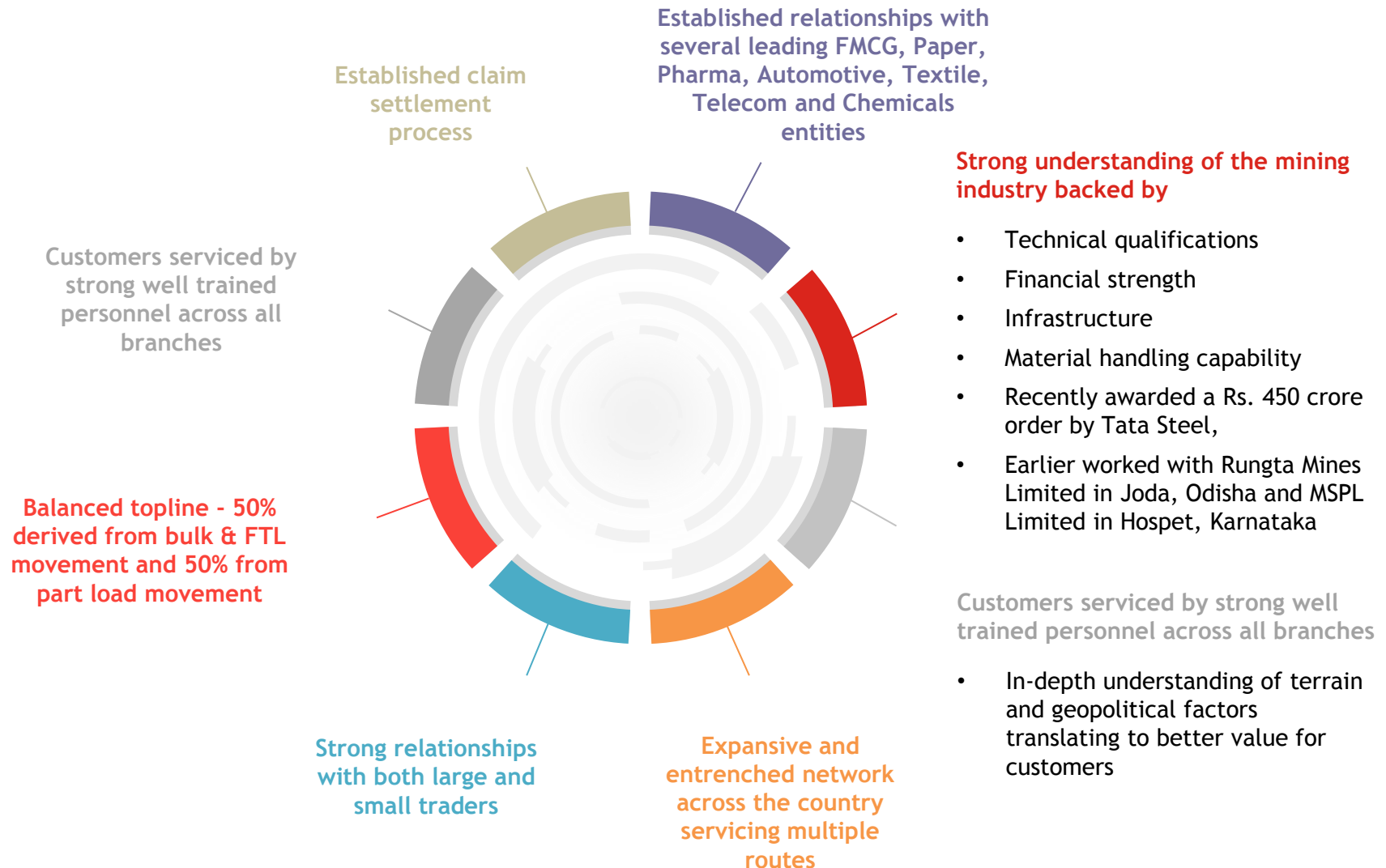




A journey that started with transportation-services has crossed many milestones, establishing pan-Indian distribution-channels with a global spread encompassing warehousing and 3PL-services seamlessly with the same efficacy

The image is a collage representing logistics and supply chain management. The top half features a white commercial airplane flying against a blue sky with scattered clouds. A decorative horizontal band with a repeating chevron pattern in shades of purple and blue separates the sky from the ground. The bottom half shows a busy container yard. In the foreground, a red crane is lifting a blue shipping container. To the right, a large blue container is mounted on a rail car. The background is filled with stacks of various colored shipping containers (red, blue, yellow, green).

# Strategy



## Trucks



- Thrust on maintaining right number of vehicles to optimise use of capital and servicing of customers efficiently
- Efficient fleet utilisation
  - Hired vehicles contribute to 95% of business
    - Commitment from vehicles owners for vehicles as and when required
  - 150 own trucks contribute to 5% of business
- All trucks equipped with GPS tracking
- Ability to customise trucks based on requirement in the least possible time

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## Warehousing



- Access to 1.5 mn sq of open warehousing - 50% owned & 50% leased
- Emphasis on increasing open warehousing capabilities through lease
- Warehousing service-spectrum is empowered with a definite workload-arrangement and scheduling, customized resource-allocation, exact space-allotment in receiving and storage of goods and efficient collection and dispatch of consignments with proper inventory-management and stacking methods, ensuring safety
- Identified key warehouses at strategic locations across country and NE borders
- Smooth access to Bhutan & Bangladesh

## Intangible



Strong understanding of individual sectors and requirements

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Strong relationships with companies across sectors

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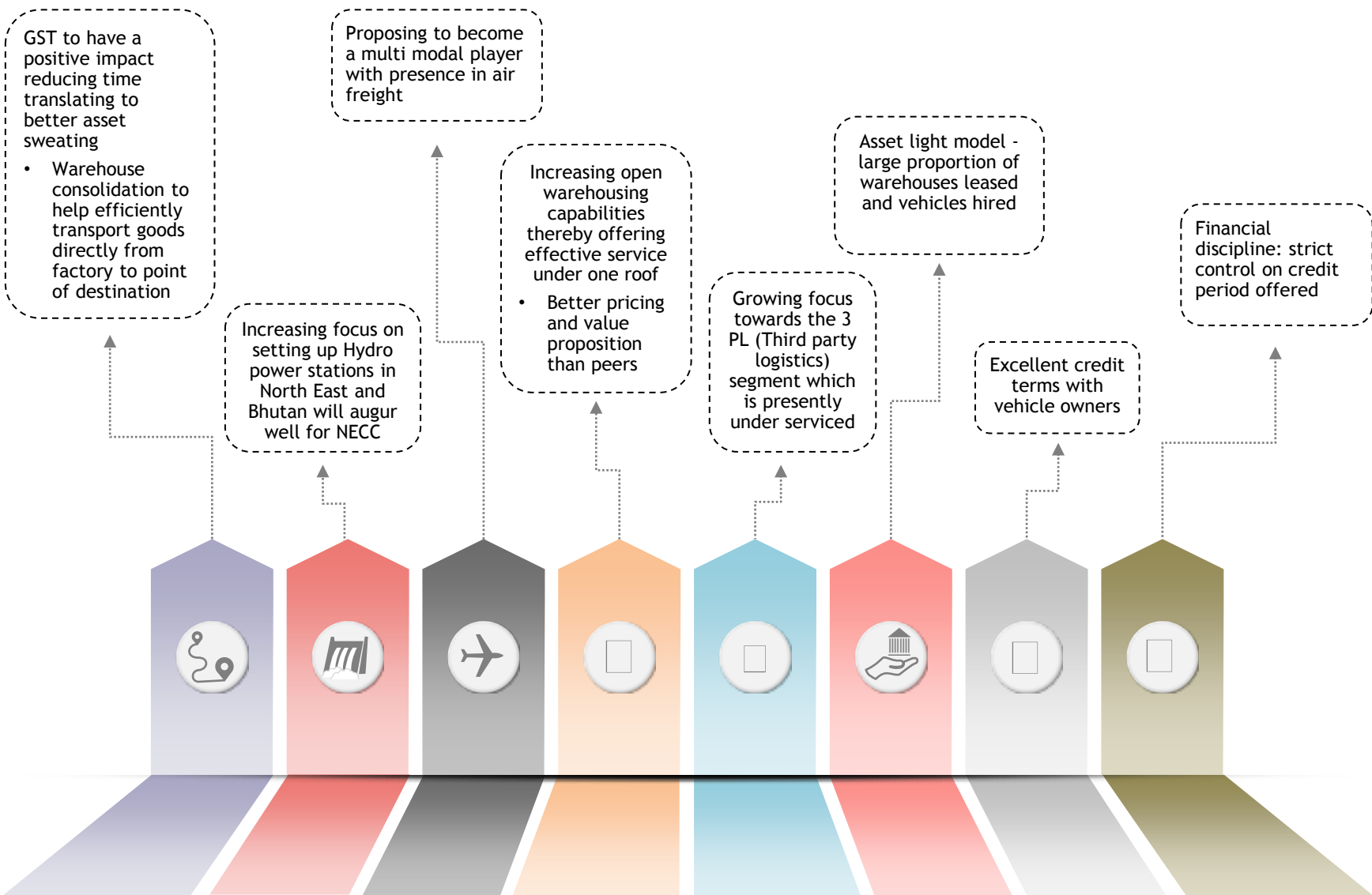


Stable management and leadership team with over 3 decades of experience

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Flawless Logistics Management Solutions backed by dependable warehousing and 3PL-services based on advanced trouble-shooting capabilities



**For queries and requests, please contact:**

**S L Yadav**  
**Vice President & CFO**  
**North Eastern Carrying Corporation Ltd.**

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[rabindra@cdr-india.com](mailto:rabindra@cdr-india.com)

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## Net income from operations at Rs. 548.69 crore PAT at Rs. 5.60 crore

**Delhi, June 1, 2017:** North Eastern Carrying Corporation Limited (NECC), an integrated logistics solutions provider with presence across pan India, Nepal and operational set up in Bhutan and Bangladesh, announced its financial results on May 30, 2017 for the quarter and full year ended March 31, 2017.

### Financial Highlights for Q4&12M FY17 consolidated

| Particulars(Rs. crore)      | Q4 FY17       | Q4 FY16       | Shift %        | FY17          | FY16          | Shift %        |
|-----------------------------|---------------|---------------|----------------|---------------|---------------|----------------|
| <b>Revenues</b>             | <b>142.02</b> | <b>146.63</b> | <b>(3.14)</b>  | <b>548.69</b> | <b>539.75</b> | <b>1.66</b>    |
| <b>EBIDTA</b>               | <b>5.52</b>   | <b>6.70</b>   | <b>(17.61)</b> | <b>19.76</b>  | <b>21.32</b>  | <b>(7.32)</b>  |
| <b>EBIDTA Margin %</b>      | <b>3.88</b>   | <b>4.57</b>   | <b>(69)bps</b> | <b>3.60</b>   | <b>3.95</b>   | <b>(35)bps</b> |
| <b>EBIT</b>                 | <b>4.74</b>   | <b>5.89</b>   | <b>(19.52)</b> | <b>17.06</b>  | <b>18.25</b>  | <b>(6.52)</b>  |
| <b>PBT</b>                  | <b>2.88</b>   | <b>3.65</b>   | <b>(21.09)</b> | <b>9.00</b>   | <b>8.96</b>   | <b>0.45</b>    |
| <b>PAT</b>                  | <b>1.50</b>   | <b>1.99</b>   | <b>(24.62)</b> | <b>5.60</b>   | <b>5.64</b>   | <b>(0.71)</b>  |
| <b>EPS (not annualised)</b> | <b>0.3</b>    | <b>0.4</b>    | <b>(25)</b>    | <b>1.12</b>   | <b>1.10</b>   | <b>1.82</b>    |

**Commenting on the occasion, Mr Utkarsh Jain, Co-promoter & Whole time Director of North Eastern Carrying Corporation Limited, said,** *"On the back of a combination of several corporate initiatives and an enabling macro environment we look forward to sustained improving performance. Our emphasis is on expanding our presence across the country and delivering profitable growth. To this extent we are looking to leverage our proven capabilities in more critical segments like mining, FMCG and Pharmaceuticals and by expanding our presence and reach. In a post GST environment, we believe there is considerable opportunity for logistic companies having requisite size, capabilities and reach."*

### Financial Highlights (Q4 FY17)consolidated

- Revenues registered a decline of 3.14% to Rs. 142.02 crore for the quarter Q4 FY 2017 as compared to Rs. 146.63 crore in the corresponding Q4 FY 2016 quarter
- EBITDA at Rs. 5.52 crore for the quarter Q4 FY 2017 vs Rs.6.70 crore in the corresponding Q4 FY2016 quarter, margins at 3.9 %
- PAT at Rs. 1.50 crore for the quarter Q4 FY 2017 vs Rs.1.99 crore in the corresponding Q4 FY2016 quarter.

## Business Highlights

- Secured a prestigious order from Tata Steel valued at Rs.450 crore to be executed over 4 years
  - The contract is towards carrying raw materials and mining products from Tata Steel's Joda and Sukinda mines to the Company's factories
- Partial truck load Sundry Movement, now contributes 49% of revenues
- Full truck load grew by 29% during the year
- We are Planning to Increase our warehousing space from 1.5 Million sq feet
- Continued focus on improving profitability by moving away from non-profitable clients
- Top 5 customers contributed 20% of total revenues in FY17 and 22% in Q4FY17 vs 13% in FY16 and 27% in Q4FY16

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