

| Rating matrix | |
|------------------|-----------|
| Rating | Buy |
| Target | ₹ 250 |
| Target Period | 12 months |
| Potential Upside | 22% |

| What's changed? | |
|-----------------|-----------------------------|
| Target | Changed from ₹193 to ₹250 |
| EPS FY16E | Changed from ₹14.3 to ₹14.8 |
| EPS FY15E | Changed from ₹11.8 to ₹12.2 |
| Rating | Buy |

| Quarterly performance | | | | | |
|-----------------------|--------|--------|---------|--------|---------|
| | Q1FY15 | Q1FY14 | YoY (%) | Q4FY14 | QoQ (%) |
| Revenue | 520.2 | 477.7 | 8.9 | 536.2 | -3.0 |
| EBITDA | 40.8 | 33.6 | 21.3 | 46.3 | -11.9 |
| EBITDA (%) | 7.8 | 7.0 | 81 bps | 8.6 | -79 bps |
| PAT | 16.0 | 14.0 | 14.1 | 20.5 | -22.1 |

| Key financials | | | | |
|----------------|-------|-------|-------|-------|
| ₹ Crore | FY13 | FY14P | FY15E | FY16E |
| Net Sales | 2,131 | 2,228 | 2,454 | 2,723 |
| EBITDA | 173.7 | 170.0 | 192.6 | 220.5 |
| Net Profit | 69.5 | 71.8 | 88.7 | 107.7 |
| EPS | 9.5 | 9.8 | 12.2 | 14.8 |

| Valuation summary | | | | |
|-------------------|------|-------|-------|-------|
| | FY13 | FY14P | FY15E | FY16E |
| P/E (x) | 18.6 | 18.1 | 14.6 | 12.0 |
| EV/EBITDA (x) | 9.0 | 9.1 | 8.3 | 7.3 |
| P / BV (x) | 3.0 | 2.7 | 2.3 | 2.0 |
| RONW (%) | 15.9 | 15.0 | 15.9 | 16.5 |
| ROCE (%) | 25.1 | 23.6 | 22.9 | 23.4 |

| Stock data | |
|--|----------|
| Particular | Amount |
| Market Cap. (₹ cr) | 1469 |
| Total Debt (Mar-14) (₹ Crore) | 289.5 |
| Cash and Investment (Mar-14) (₹ Crore) | 42.8 |
| EV (₹ Crore) | 1,715.5 |
| 52 week H/L | 238 / 44 |
| Equity Capital (₹ Crore) | 14.4 |
| Face Value (₹) | 2.0 |

| Price performance | | | | |
|-------------------|------|------|-------|-------|
| | 1M | 3M | 6M | 12M |
| Transport Corp | 15.0 | 64.0 | 122.0 | 319.0 |
| Gati | -4.0 | 32.0 | 82.0 | 371.0 |
| Blue Dart Express | 1.0 | 15.0 | 2.0 | 60.0 |

| Analyst | |
|--------------------|--|
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Transport Corporation (TRACOR) ₹ 203

Express, SCS segment growth continues!

- Revenue for Q1FY15 posted growth of ~9% YoY owing to strong growth of 26% & 9% in supply chain and XPS divisions, respectively. Freight division remained flattish with 1% YoY growth
- The EBITDA margin has shown 80 bps YoY improvement to 7.8% leading to EBITDA growth of 21% to ₹ 40.8 crore
- Consequently, PAT also posted YoY growth of 14% to ₹ 16 crore
- A highlight of the quarter has been the improved profitability of all verticals leading to an improvement in the EBITDA margin. The management expects SCS & express segments to drive growth with express division being buoyed by growth of e-commerce sector

Scaling up SCS, express division

TCI is India's leading integrated logistics player with a fleet of nearly 7000 trucks/trailers/reefer vehicles. TCI, since its inception, has remained focused on the freight segment with more than 70% of revenue derived from the segment. However, owing to the fragmented nature of the industry and low entry barrier, the operating margin of the segment for TCI remained in the 3-5% range. Further, as overall industry growth slowed to 5-8%, TCI's growth in the segment also remained in the range of 2-4%. To mitigate the slowdown in the freight segment, TCI ventured into the express and supply chain division. Consequently, the revenue contribution got skewed towards these segments from the freight division with freight segment contributing ~37% in FY13 from 66% in FY04. Going ahead, TCI plans to further trim its exposure in the freight segment to 30% and scale up express and supply chain to 33% each

Growth of e-commerce to buoy express business

The e-commerce business in India is expected to grow five-fold from US\$1.6 billion in 2012 to US\$8.8 billion in 2016. With the continuous increase in internet penetration (currently around 10%), e-commerce growth is expected to get accentuated in non-metro cities as well. To capture growth in this nascent but niche segment, TCI operates through a network of express trucks and vendors. With a presence in more than 13,000 locations in India, the express segment remained a major contributor to revenues at 26% over FY11 to FY14. Going ahead, as the express segment scales up, TCI expects 10-12% growth from the segment with overall contribution to revenues scaling up to 33%.

Supply chain and warehousing provide new shores

TCI's presence in supply chain and warehousing (SCS) services provides another leg to mitigate the slowing freight business. The SCS industry is expected to grow at 20-25% annually. TCI with ~10 million leased and 1 million sq ft own warehousing capacity is one of the foremost players. Also, nearly 1100 owned vessels (including 38 reefer vessels) contribute ~30% to total TCI revenue. The segment derives 75% of its business from auto sector followed by consumer products and healthcare sectors. Besides supply chain solutions, the segment also provides cold chain and key account management services to its customers.

Growth in supply chain and express segment provide valuation up-tick

We expect the supply chain and XPS divisions to be growth drivers for TCI with contribution of freight division expected to get diminished over the next two years. We have valued TCI on SOTP basis and assign P/E multiple of 5x, 12x, 18x and 8x to freight, supply chain, express and seaways division FY16E EPS of ₹ 0.1, ₹ 8.2, ₹ 7.6 and ₹ 1.7, respectively, to arrive at a target price of ₹ 250 with BUY recommendation on the stock.

Variance analysis

| | Q1FY15 | Q1FY15E | Q1FY14 | YoY (%) | Q4FY14 | QoQ (%) | Comments |
|-------------------------------|--------|---------|--------|---------|--------|---------|---|
| Revenue | 520.2 | 505.0 | 477.7 | 8.9 | 536.2 | -3.0 | Revenue growth on YoY basis has been driven by 26% growth in supply chain business and 9% growth in XPS segment |
| Operating Expenses | 421.5 | 442.6 | 387.1 | 8.9 | 428.9 | -1.7 | |
| Employee Expenses | 29.5 | 28.3 | 28.4 | 3.8 | 26.9 | 9.6 | |
| Administrative & Oth Expenses | 28.4 | 28.9 | 28.5 | -0.4 | 34.1 | -16.8 | |
| Total Expense | 479.4 | 465.6 | 444.1 | 8.0 | 489.9 | -2.1 | |
| EBITDA | 40.8 | 39.4 | 33.6 | 21.3 | 46.3 | -11.9 | Expansion of EBITDA on account of improved margins in supply chain and seaways division |
| EBITDA Margin (%) | 7.8 | 7.8 | 7.0 | 81 bps | 8.6 | -79 bps | |
| Depreciation | 12.0 | 11.0 | 10.3 | 15.8 | 10.8 | 10.7 | Depreciation for the quarter is higher by ₹ 0.8 crore on account of compliance with amendment in companies act resulting in the company revising the useful life of fixed assets of the company |
| Interest | 7.5 | 7.2 | 7.3 | 3.0 | 7.1 | 6.4 | |
| Other Income | 0.4 | 0.3 | 3.8 | -90.4 | 0.3 | 12.5 | |
| Exceptional Gain/Loss | 0.0 | 0.0 | 0.0 | | 0.0 | | |
| PBT | 21.7 | 21.4 | 19.8 | 9.8 | 28.8 | -24.6 | |
| Total Tax | 5.7 | 6.0 | 5.8 | | 8.3 | | |
| PAT | 16.0 | 15.4 | 14.0 | 14.1 | 20.5 | -22.1 | Revenue growth of 9% YoY and expansion of EBITDA margin led to improvement in net profit |

Source: Company, ICICIdirect.com Research

Change in estimates

| (₹ Crore) | FY15E | | | FY16E | | | Comments |
|-------------------|---------|---------|----------|---------|---------|----------|---|
| | Old | New | % Change | Old | New | % Change | |
| Revenue | 2,403.8 | 2,453.7 | 2.1 | 2,665.3 | 2,722.8 | 2.2 | Revised growth estimates upward in SCS and express division as the segments have seen better traction |
| EBITDA | 188.7 | 192.6 | 2.1 | 215.9 | 220.5 | 2.2 | |
| EBITDA Margin (%) | 7.9 | 7.9 | 0 bps | 8.1 | 8.1 | 0 bps | Margins to improve a tad as share of supplychain and express segment grow |
| PAT | 85.9 | 88.7 | 3.3 | 104.4 | 107.7 | 3.2 | |
| EPS (₹) | 11.8 | 12.2 | 3.6 | 14.3 | 14.8 | 3.8 | |

Source: Company, ICICIdirect.com Research

Assumptions

| | FY13 | | Current | | Earlier | | Comments |
|-------------------------------|------|-------|---------|------|---------|-------|--|
| | FY13 | FY14P | FY15E | FY16 | FY15E | FY16E | |
| Freight (% of revenues) | 36 | 36 | 34 | 32 | 34 | 33 | Freight segment contribution to come down as focus shifts to SCS & express segments |
| YoY revenue growth (%) | 1 | 4 | 3 | 5 | 3 | 5 | |
| Supply Chain ((% of revenues) | 31 | 31 | 32 | 37 | 31 | 36 | Supply chain division expected to overtake freight division contribution to revenues in FY16 |
| YoY revenue growth (%) | 17 | 3 | 15 | 15 | 10 | 15 | |
| XPS (% of revenues) | 25 | 26 | 28 | 32 | 30 | 34 | XPS division growth to be driven by growth in Indian e-commerce industry |
| YoY revenue growth (%) | 12 | 8 | 15 | 15 | 13 | 15 | |

Source: Company, ICICIdirect.com Research

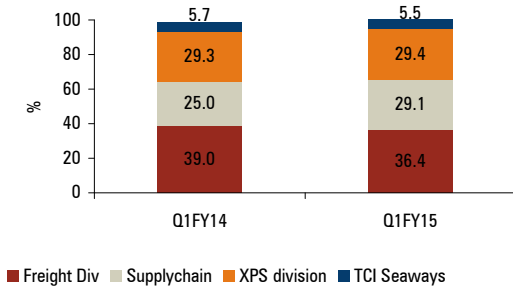
Company Analysis

Freight segment decline compensated by growth in supply chain-express division and stable seaways segment

Freight segment revenue grew at a CAGR of ~2% over FY10-14 whereas the express and supply chain posted a CAGR of ~12% each over the same period. The decline in the freight segment has been compensated to an extent by the supply chain and express divisions with revenue contribution from SCS increasing from 22% in FY11 to 31% to FY14. For the express segment, it remained at 26% over the same period. On the EBIT margin front, freight segment margins declined from ~4% in FY11 to 0.71% in FY14. The SCS margin improved from 6.6% in FY11 to 7.2% in FY14 while the express segment margin was maintained at 7.5% over the same period. Going ahead, we expect TCI to balance its business with nearly equal revenue contribution from freight, SCS and express segment, thereby improving its margin by another 100 to 150 bps over the long term.

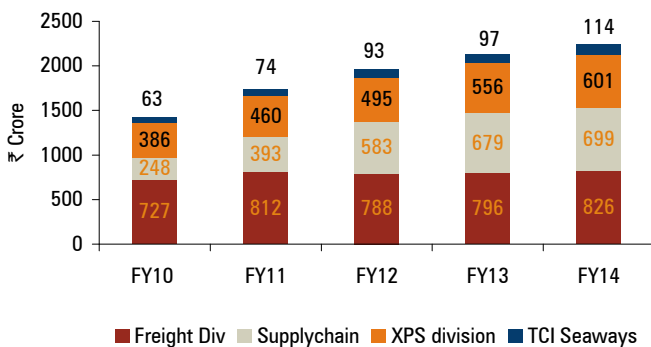
Also, as the seaways division maintains its Port Blair-Chennai-Vishakhapatnam route monopoly, shipping segment revenue contribution to TCI improved from ~4% in FY10 to 5% in FY14 along with EBIT margin for the division improving from 13% in FY11 to 21.6% in FY14. Going ahead, TCI plans to add two vessels to its already existing fleet of three vessels with a total tonnage capacity of 12,440 DWT.

Quarterly segmental contribution to revenue



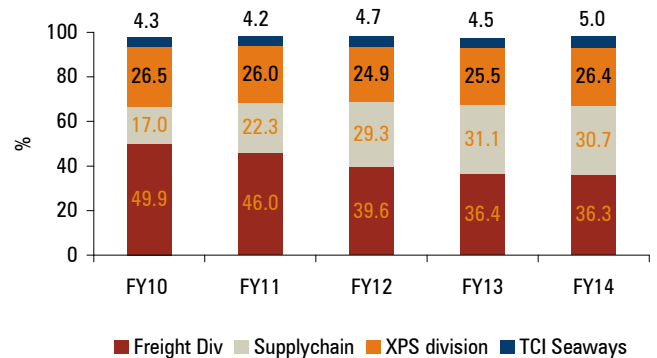
Contribution from the freight division has declined from 39% in Q1FY14 to 36% in Q1FY15 while the supply chain division contribution has gone up from 25% to 29%. Over the same period

Exhibit 1: Segmental revenue break-up



Source: Company, ICICIdirect.com, Research

Exhibit 2: Segmental revenue contribution



Source: Company, ICICIdirect.com, Research

Capex aligned to improve operational dexterity

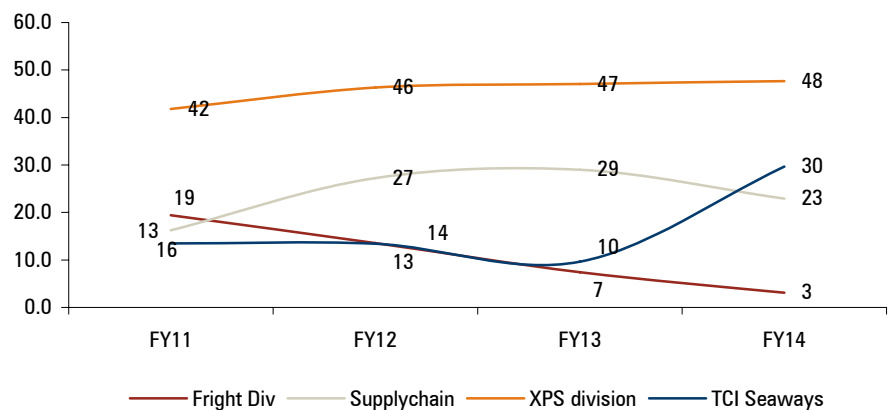
TCI spent ~₹ 500 crore towards capex in 2006-12 with nearly 39% (₹ 197.5 crore) directed towards the freight segment followed by hub centres and the warehousing segment, which accounted for 32% (₹ 163 crore) and finally the ship & container segment receiving nearly ₹ 73 crore. However, the focus has shifted towards supply chain and express segment funds are being allocated to develop advanced hub centres and warehousing facilities across the country. During FY14, the proposed capex was approximately ₹ 230 crore. However, only ₹ 80 crore was spent for want of land clearances and search of ship. Consequently, for FY15 and beyond, ₹ 225-250 crore has been allocated towards capex plans with ~₹ 130 crore towards development of hub centres followed by ₹ 65 crore for the ship & container segment (₹ 20 crore already spent on acquisition of new ships in Q1FY15) and finally ₹ 50 crore for replacement of trucks and development of other IT-enabled services. As the capex plan pans out, we anticipate TCI will generate higher revenues and transit to a higher growth orbit.

Declining return ratios of freight segment skew focus to better return divisions together with maintaining low leverage

The freight division return ratio declined massively from 20% in FY11 to ~3% in FY14 on account of the worsening economy and rising fuel charges. However, return ratios of the SCS and express segments remain stable and range bound at 14-18% and 40-48%, respectively. TCI seaways' return ratios have surprised positively as TCI is the lone operator in the region, thereby improving its return ratios from 8.6% in FY11 to ~30% in FY14. Going ahead, we expect a marginal dip in the return ratio for seaways and SCS as the segments are expanding.

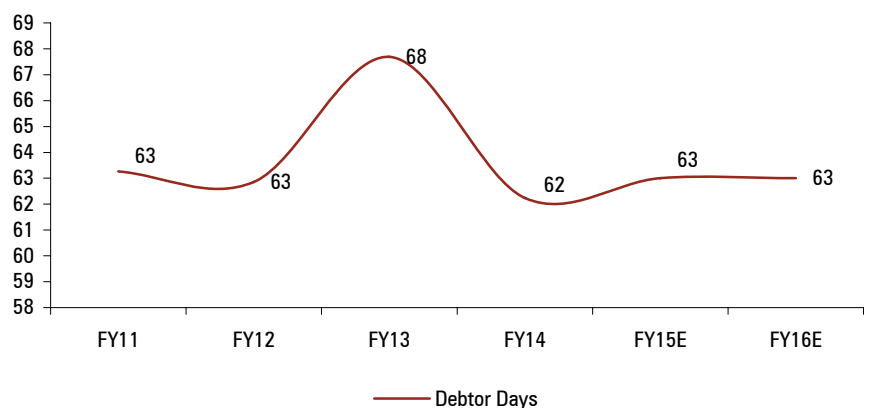
On the debt-equity front, TCI remains comfortably placed at 0.6x in FY14. However, as the capex progresses, debt requirement is expected to inch up. As most debt is short-term in nature to fund working capital requirement, management of debtor days is critical to financial health.

Exhibit 3: Segmental RoCE



Source: Company, ICICIdirect.com Research

Exhibit 4: Debtor days expected to stabilise, going ahead



Source: Company, ICICIdirect.com Research

Debtor days have risen sharply in FY12-13. However, the management's policy of not engaging customers with a poor credit profile has helped to manage the debtor days. Going ahead, as TCI prudently manages its customer profile it is expected to maintain low leverage

Outlook and Valuation

TCL's freight division together with express and supply chain form nearly 90% of the revenue. However, in terms of business, the express and supply chain is highly earnings accretive vis-à-vis the freight segment, which continues to be largest revenue contributor (36% in FY14). Going ahead, as the company plans to balance its exposure to these three segments equally, we believe operating margins and earnings will improve considerably. Consequently, we value TCL on an SOTP basis to provide a more focused approach to its evolving business.

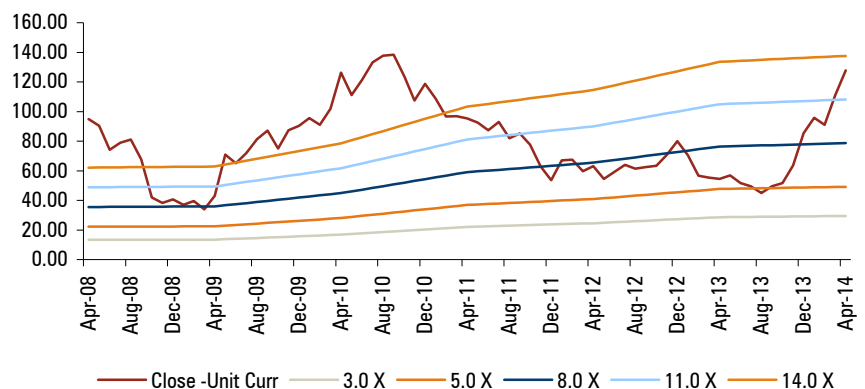
As we segregate the earnings of each division, we find freight segment earnings continue to decline amid a worsening economic scenario and incessant fuel hikes. The freight segment EPS declined from ₹ 2.3 in FY11 to (₹ 0.4) in FY14. However, going ahead, we expect earnings to improve marginally to ₹ 0.1 in FY16E. Consequently, we value the stock at a PE of 5x FY16 EPS.

As the freight segment is not significantly EPS accretive, the focus is more towards value adding segments such as SCS and express segment whose earnings have shown healthy CAGR of 37% and 7%, respectively, over FY11-14. At capital employed of ₹ 218 crore and ₹ 92 crore for SCS and express segment, the returns are significantly strong at 14.5% and 48%, respectively, for FY14. As SCS is a capital intensive segment, the ROCE for the division varied between 14% and 18% whereas the asset light and debt free express segment ROCE ranged between 40% and 50%. Going ahead, we expect earnings to remain strong in these segments with EPS from the SCS and express divisions at ₹ 8.2 (₹ 4.5 FY14) and ₹ 7.6 (₹ 4.2 in FY14), respectively, in FY16E. We ascribe a P/E multiple of 12x (Q4FY14: 10x) and 18x (Q4FY14: 14x) to arrive at a fair price of ₹ 99 and ₹ 137, respectively, for these divisions.

| Valuation | | | |
|--------------|---------------|--------|---------------|
| Segment | FY16E EPS (₹) | P/E(x) | Fair Price(₹) |
| Freight | 0.1 | 5 | 0.4 |
| Supply Chain | 8.2 | 12 | 98.8 |
| Express | 7.6 | 18 | 137.5 |
| Seaways | 1.7 | 8 | 13.4 |
| SOTP | | | 250 |

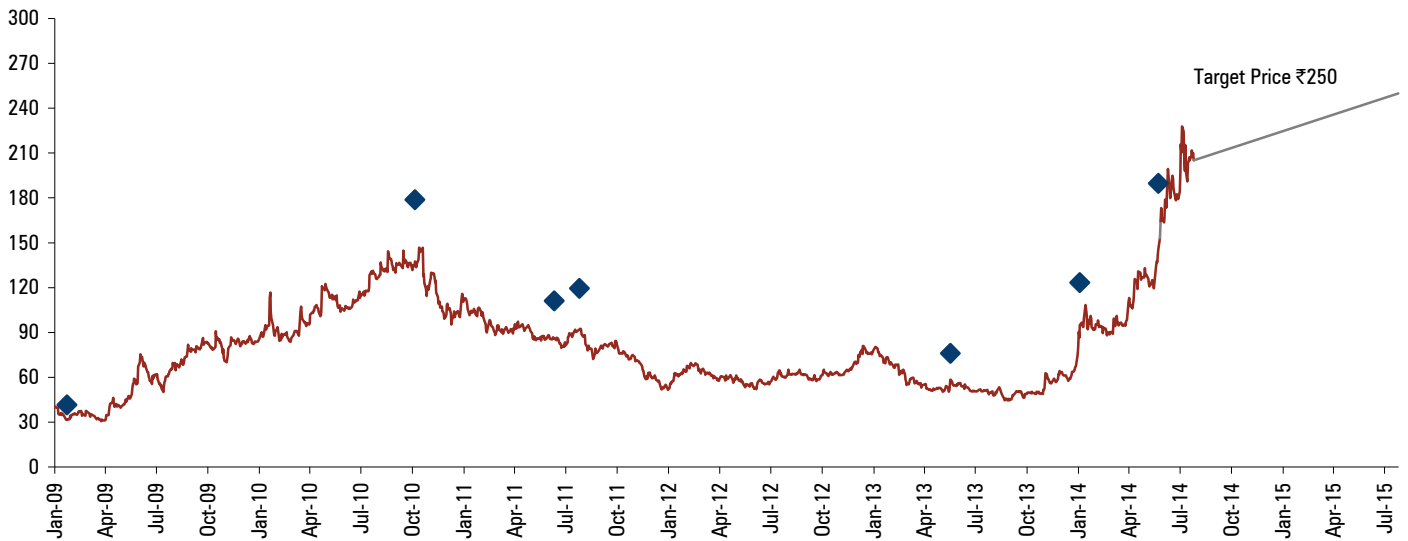
TCL seaways has shown strong earnings CAGR of 49% over FY11-14 as revenue contribution increased from 4.2% to 5% during the same period. Though capital employed for seaways has increased merely 5% over FY11-14, returns have increased significantly from ~9% in FY11 to ~30% in FY14. Going ahead, we expect EPS for TCL seaways to be ~₹ 1.7 in FY16E. As a result, we assign a P/E multiple of 8x (Q4FY14: 6x) FY16 EPS to arrive at fair price of ₹ 13 for the segment. Subsequently, on an SOTP basis, we arrive at a target price of ₹ 250 and have a **BUY** recommendation on the stock.

Exhibit 5: PE chart



Source: Company, ICICIdirect.com Research

Company snapshot



Source: Bloomberg, Company, ICICIdirect.com Research

Key events

| Date | Event |
|--------|---|
| Aug-08 | TCI plans to enter real estate and have pan-India presence |
| Jan-09 | Net profit rises 149% for Q3FY09 |
| Oct-10 | Demerger of real estate & warehousing division TCI Developers Ltd |
| Jun-11 | TCI scouts for buys in supply chain business |
| Jul-11 | TCI enters into JV with Concor to provide ocean freight carrier service under the company named Infinite Logistics Solution |
| May-13 | TCI records 24% growth in net profit YoY |
| Jan-14 | Radhakrishna Damani picks up 3.6% stake in TCI |
| May-14 | Strong results (48% YoY growth in net profit) for March 2014 propel further investor interest in the stock |

Source: Company, ICICIdirect.com Research

Top 10 Shareholders

| Rank | Name | Latest Filing Date | % O/S | Position (m) | Change (m) |
|------|--|--------------------|-------|--------------|------------|
| 1 | Bhoruka Finance Corporation of India, Ltd. | 31-Mar-14 | 21.75 | 15.9 | 0.0 |
| 2 | Bhoruka International Pvt. Ltd. | 31-Mar-14 | 14.48 | 10.6 | 0.0 |
| 3 | TCI Group | 31-Mar-14 | 9.19 | 6.7 | 0.0 |
| 4 | Agarwal (Dharpal) | 31-Mar-14 | 7.96 | 5.8 | 0.0 |
| 5 | Derive Investments | 31-Dec-13 | 5.32 | 3.9 | 3.9 |
| 6 | Damani (Radhakishna) | 31-Mar-14 | 4.56 | 3.3 | 3.3 |
| 7 | Agarwal (Chander) | 31-Mar-14 | 2.88 | 2.1 | 0.0 |
| 8 | Agarwal (Dharpal) HUF | 31-Mar-14 | 2.80 | 2.0 | 0.0 |
| 9 | Arcee Holding, Ltd. | 31-Mar-14 | 2.78 | 2.0 | 0.0 |
| 10 | Agarwal (Vineet) | 31-Mar-14 | 2.72 | 2.0 | 0.0 |

Source: Reuters, ICICIdirect.com Research

Shareholding Pattern

| (in %) | Mar-14 | Dec-13 | Sep-13 | Jun-13 | Mar-13 |
|----------|--------|--------|--------|--------|--------|
| Promoter | 69.4 | 69.4 | 69.4 | 69.3 | 69.3 |
| FII | 0.6 | 4.9 | 7.0 | 7.1 | 7.1 |
| DII | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 |
| Others | 29.9 | 25.7 | 23.5 | 23.5 | 23.6 |

Recent Activity

| Buys | | | Sells | | |
|---|-------|--------|---------------------------------|-------|--------|
| Investor name | Value | Shares | Investor name | Value | Shares |
| Derive Investments | 6.16m | 3.88m | Dimensional Fund Advisors, L.P. | 0.00m | 0.00m |
| Damani (Radhakishna) | 5.04m | 3.33m | | 0 | 0 |
| Mirae Asset Global Investments (India) Pvt. Ltd. | 2.21m | 0.72m | | 0 | 0 |
| Religare Invesco Asset Management Company Private Limited | 0.15m | 0.05m | | 0 | 0 |
| Sharma (Phool Chand) | 0.04m | 0.02m | | 0 | 0 |

Source: Reuters, ICICIdirect.com Research

Financial summary

| Profit and loss statement | | ₹ Crore | | | |
|---------------------------|---------|---------|---------|---------|--|
| (Year-end March) | FY13 | FY14P | FY15E | FY16E | |
| Revenue | 2,130.5 | 2,228.5 | 2,453.7 | 2,722.8 | |
| Growth (%) | 9.0 | 4.6 | 10.1 | 11.0 | |
| Operating expense | 1718.43 | 1806.96 | 1964.21 | 2178.23 | |
| Manpower Cost | 112.09 | 117.19 | 132.50 | 144.31 | |
| Admin & other expense | 126.3 | 134.3 | 164.4 | 179.7 | |
| Total Expense | 1,956.8 | 2,058.4 | 2,261.1 | 2,502.2 | |
| EBITDA | 173.7 | 170.0 | 192.6 | 220.5 | |
| Growth (%) | 11.1 | -2.1 | 13.3 | 14.5 | |
| Depreciation | 46.4 | 46.8 | 43.5 | 42.9 | |
| EBIT | 127.3 | 123.2 | 149.1 | 177.6 | |
| Interest | 33.6 | 31.1 | 31.5 | 36.0 | |
| Other Income | 7.3 | 7.2 | 6.4 | 9.0 | |
| PBT | 101.0 | 99.3 | 124.1 | 150.7 | |
| Growth (%) | 18.1 | -1.8 | 25.1 | 21.4 | |
| Tax | 31.5 | 27.5 | 35.4 | 42.9 | |
| Reported PAT | 69.5 | 71.6 | 88.7 | 107.7 | |
| Growth (%) | 16.8 | 3.0 | 23.9 | 21.4 | |

Source: Company, ICICIdirect.com Research

| Cash flow statement | | ₹ Crore | | | |
|------------------------------|--------|---------|--------|--------|--|
| (Year-end March) | FY13 | FY14P | FY15E | FY16E | |
| Profit after Tax | 69.6 | 71.9 | 88.7 | 107.7 | |
| Add: Depreciation | 46.4 | 46.8 | 43.5 | 42.9 | |
| Add: Others | 0.0 | 0.0 | 0.0 | 0.0 | |
| Cash Profit | 180.9 | 177.3 | 199.1 | 229.6 | |
| Increase/(Decrease) in CL | 50.5 | 2.7 | 12.5 | 39.1 | |
| (Increase)/Decrease in CA | -58.6 | 17.1 | -63.8 | -74.6 | |
| CF from Operating Activities | 141.3 | 169.7 | 112.3 | 151.1 | |
| Purchase of Fixed Assets | -26.1 | -48.7 | -110.0 | -99.5 | |
| (Inc)/Dec in Investments | -19.2 | -28.8 | -1.1 | -1.1 | |
| Others | -78.7 | -75.6 | -52.9 | -70.9 | |
| CF from Investing Activities | -123.9 | -153.1 | -163.9 | -171.5 | |
| Inc/(Dec) in Loan Funds | 10.0 | -19.8 | 60.0 | 50.0 | |
| Inc/(Dec) in Sh. Cap. & Res. | 1.0 | 0.0 | 0.0 | 0.0 | |
| Others | 0.0 | 0.0 | 0.0 | 0.0 | |
| CF from financing activities | -2.1 | -19.8 | 60.0 | 50.0 | |
| Change in cash Eq. | 15.3 | -3.2 | 8.4 | 29.6 | |
| Op. Cash and cash Eq. | 30.7 | 46.0 | 42.8 | 51.2 | |
| Cl. Cash and cash Eq. | 46.0 | 42.8 | 51.2 | 80.8 | |

Source: Company, ICICIdirect.com Research

| Balance sheet | | ₹ Crore | | | |
|---------------------------|-------|---------|-------|-------|--|
| (Year-end March) | FY13 | FY14P | FY15E | FY16E | |
| Source of Funds | | | | | |
| Equity Capital | 14.6 | 14.6 | 14.6 | 14.6 | |
| Preference capital | 0.0 | 0.0 | 0.0 | 0.0 | |
| Reserves & Surplus | 422.4 | 463.8 | 542.3 | 639.9 | |
| Shareholder's Fund | 437.0 | 478.4 | 556.9 | 654.4 | |
| Loan Funds | 67.4 | 41.8 | 91.8 | 111.8 | |
| Deferred Tax Liability | 31.5 | 31.5 | 31.5 | 31.5 | |
| Minority Interest | 1.1 | 3.1 | 3.1 | 3.1 | |
| Source of Funds | 536.9 | 554.7 | 683.2 | 800.7 | |
| Application of Funds | | | | | |
| Gross Block | 651.5 | 705.3 | 815.3 | 914.8 | |
| Less: Acc. Depreciation | 231.2 | 270.4 | 313.9 | 356.8 | |
| Net Block | 417.4 | 435.4 | 501.2 | 551.7 | |
| Capital WIP | 5.1 | 0.0 | 0.0 | 0.0 | |
| Total Fixed Assets | 422.5 | 435.4 | 501.2 | 551.7 | |
| Goodwill on consolidation | 0.2 | 0.2 | 0.2 | 0.2 | |
| Non-Current Investments | 32.4 | 61.2 | 62.3 | 63.3 | |
| Inventories | 2.1 | 1.7 | 2.7 | 3.0 | |
| Debtor | 395.1 | 380.0 | 423.5 | 470.0 | |
| Cash | 46.0 | 42.8 | 51.2 | 80.8 | |
| Loan & Advance, Other CA | 66.7 | 65.3 | 84.7 | 113.4 | |
| Total Current assets | 509.9 | 489.8 | 562.1 | 667.2 | |
| Current Liabilities | 385.8 | 389.0 | 409.0 | 444.4 | |
| Provisions | 42.3 | 42.8 | 33.6 | 37.3 | |
| Total CL and Provisions | 428.1 | 431.9 | 442.6 | 481.7 | |
| Net Working Capital | 81.8 | 57.9 | 119.5 | 185.5 | |
| Application of Funds | 536.9 | 554.7 | 683.2 | 800.8 | |

Source: Company, ICICIdirect.com Research

| Key ratios | | | | | |
|----------------------------------|------|-------|-------|-------|--|
| (Year-end March) | FY13 | FY14P | FY15E | FY16E | |
| Per share data (₹) | | | | | |
| Book Value | 60.2 | 65.9 | 76.7 | 90.2 | |
| Cash per share | 6.3 | 5.9 | 7.1 | 11.1 | |
| EPS | 9.6 | 9.9 | 12.2 | 14.8 | |
| Cash EPS | 16.0 | 16.3 | 18.2 | 20.8 | |
| DPS | 0.7 | 1.1 | 1.3 | 1.0 | |
| Profitability & Operating Ratios | | | | | |
| EBITDA Margin (%) | 8.2 | 7.6 | 7.9 | 8.1 | |
| PAT Margin (%) | 3.3 | 3.2 | 3.6 | 4.0 | |
| Fixed Asset Turnover (x) | 5.0 | 5.1 | 4.9 | 4.9 | |
| Inventory Turnover (Days) | 0.4 | 0.3 | 0.4 | 0.4 | |
| Debtor (Days) | 67.7 | 62.2 | 63.0 | 63.0 | |
| Current Liabilities (Days) | 73.3 | 70.7 | 65.8 | 64.6 | |
| Return Ratios (%) | | | | | |
| RoE | 15.9 | 15.0 | 15.9 | 16.5 | |
| RoCE | 25.2 | 23.7 | 23.0 | 23.2 | |
| RoIC | 15.7 | 13.7 | 14.2 | 14.6 | |
| Valuation Ratios (x) | | | | | |
| PE | 18.6 | 18.1 | 14.6 | 12.0 | |
| Price to Book Value | 1.5 | 1.4 | 1.2 | 1.0 | |
| EV/EBITDA | 9.0 | 9.1 | 8.3 | 7.3 | |
| EV/Sales | 0.7 | 0.7 | 0.6 | 0.6 | |
| Leverage & Solvency Ratios | | | | | |
| Debt to equity (x) | 0.7 | 0.6 | 0.6 | 0.6 | |
| Interest Coverage (x) | 3.8 | 4.0 | 4.7 | 4.9 | |
| Debt to EBITDA (x) | 1.8 | 1.7 | 1.8 | 1.8 | |
| Current Ratio | 1.2 | 1.1 | 1.3 | 1.4 | |
| Quick ratio | 1.2 | 1.1 | 1.3 | 1.4 | |

Source: Company, ICICIdirect.com Research

ICICIdirect.com coverage universe (Logistics)

| Sector / Company | CMP | | | M Cap (₹ Cr) | EPS (₹) | | | P/E (x) | | | EV/EBITDA (x) | | | RoCE (%) | | | RoE (%) | | |
|---------------------------------|-------|-------|--------|-----------------|---------|-------|-------|---------|-------|-------|---------------|-------|-------|----------|-------|-------|---------|-------|-------|
| | (₹) | TP(₹) | Rating | | FY14P | FY15E | FY16E | FY14P | FY15E | FY16E | FY14P | FY15E | FY16E | FY14P | FY15E | FY16E | FY14P | FY15E | FY16E |
| Container Corporation (CONCOR)* | 1,320 | 1,560 | BUY | 22,149 | 48.7 | 55.9 | 65.5 | 23.3 | 20.3 | 17.4 | 18.1 | 14.9 | 12.4 | 12.8 | 14.0 | 14.9 | 13.8 | 14.2 | 14.9 |
| Gateway Distriparks (GATDIS) | 237 | 195 | HOLD | 2,563 | 12.5 | 13.5 | 16.2 | 14.0 | 13.0 | 10.8 | 7.3 | 6.4 | 5.4 | 18.2 | 19.5 | 21.2 | 16.2 | 16.5 | 18.4 |
| Transport Corp (TRACOR) | 204 | 250 | BUY | 1,469 | 9.8 | 12.2 | 14.8 | 18.1 | 14.6 | 12.0 | 9.1 | 8.3 | 7.3 | 23.6 | 22.9 | 23.4 | 15.0 | 15.9 | 16.5 |
| BlueDart (BLUDAR) | 3,990 | 4,605 | BUY | 9,504 | 51.6 | 68.0 | 75.5 | 18.1 | 14.6 | 12.0 | 9.1 | 8.3 | 7.3 | 23.6 | 22.9 | 23.4 | 23.6 | 22.9 | 23.4 |
| Gujarat Pipavav Port (GUJPPL)# | 131 | 95 | HOLD | 4,158 | 4.0 | 4.7 | 5.6 | 21.7 | 18.5 | 15.2 | 9.1 | 8.3 | 7.3 | 11.4 | 12.1 | 13.0 | 13.7 | 13.8 | 14.3 |

Source: Company, ICICIdirect.com Research # Follows calendar year * Post bonus

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Buy: > 10%/15% for large caps/midcaps, respectively;
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