

(Formerly Known as Shreeji Transport Services (P.) Ltd.)

ISO 9001: 2015 CERTIFIED | IBA APPROVED

>

Shreeji Krupa, Plot No. 107, Sector 19-C Vashi, **Navi Mumbai** - 400 705, India **T**: 4074 6666 / 4074 6600 **E**: mumbai@shreejitransport.com

8th September, 2022

#### **BSE LIMITED**

Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001

**Scrip Code: 540738** 

#### **Sub: Investor Presentation**

Dear Sir/ Madam,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith an Investor Presentation.

This Investor Presentation is also being uploaded on the Company's website https://www.shreejitranslogistics.com/

Kindly take the same on records.

Yours Faithfully

For Shreeji Translogistics Limited

DIVYESH BHARAT BADIYANI

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Divyesh Badiyani

**Company Secretary & Compliance Officer** 

REGIONAL OFFICES:

Chennai : T : 2680 0092 / 2680 0093 • E : chennai@shreejitrans.com
Bangalore : T : 4081 2222 / 4081 2200 • E : bangalore@shreejitrans.com

PAN No. : AAECS3602B SAC Code: 996511

CIN No. : L63010MH1994PLC077890



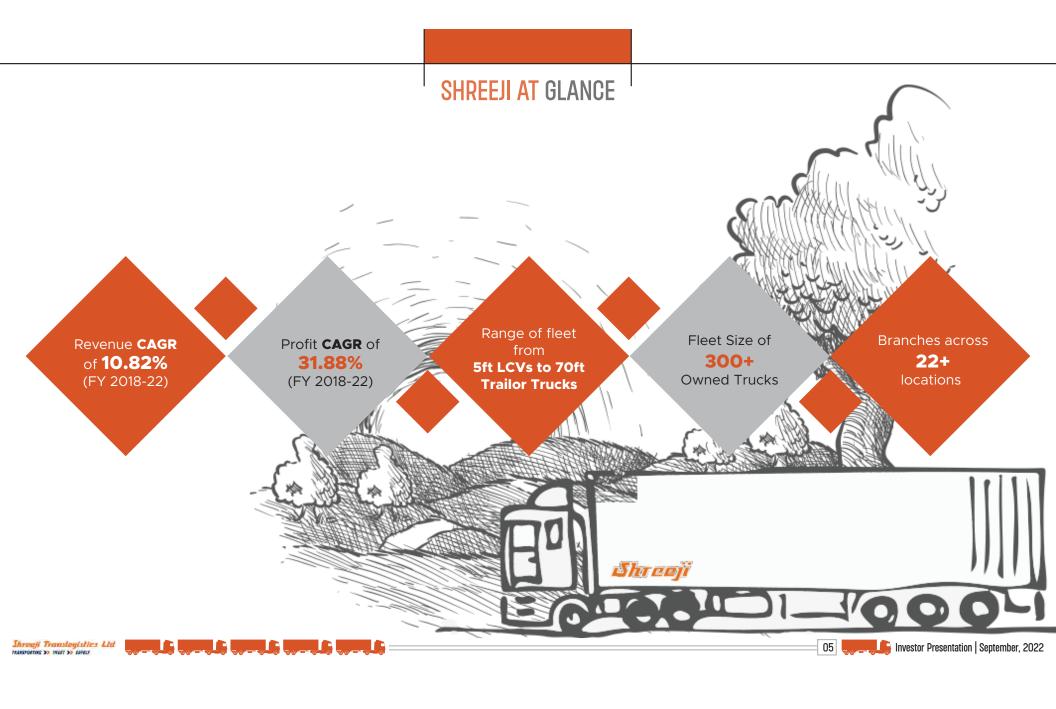




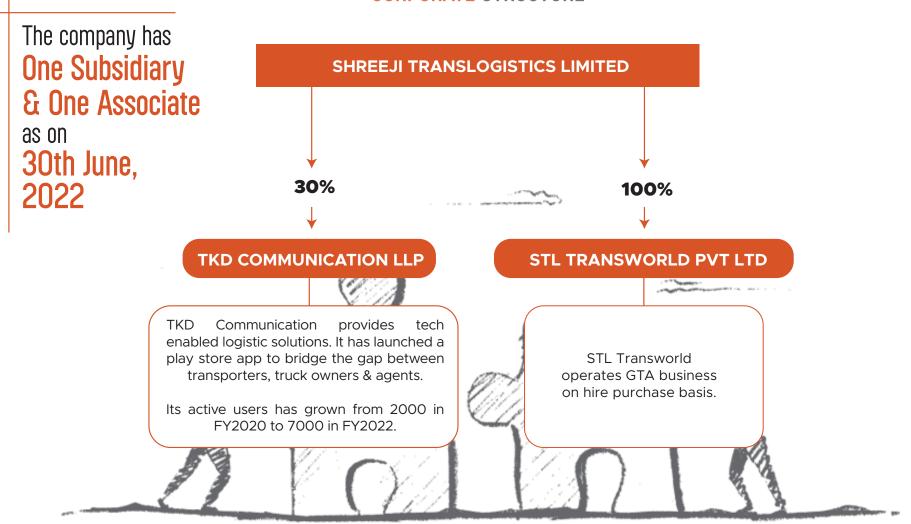
subsequent events or circumstances.







# **CORPORATE STRUCTURE**









### FROM THE DESK OF THE CHAIRMAN

"It is with pride and gratitude. I address that I am delighted to be a part of this fantastic organisation since more than 4 decades. We follow the best practices internally which led to overcoming the challenges faced during COVID 19.

Focussing on our vision & mission, and with an ideology of aiming high, we have shown remarkable growth in FY22 and continue to aim higher in FY23, which is seen from our Q1 FY23 performance.

Our regional in-charges were tasked with the identification of newer markets for us and based on inputs in this relation we have started taking steps in the right direction with expansion of our fleet and singling out on locations for our new branches. We also continually look to improve our network density in existing geographies. We are very confident that all these efforts would lead to addition of new customers and help in better servicing existing customers for their business in the area covered by our new branches.

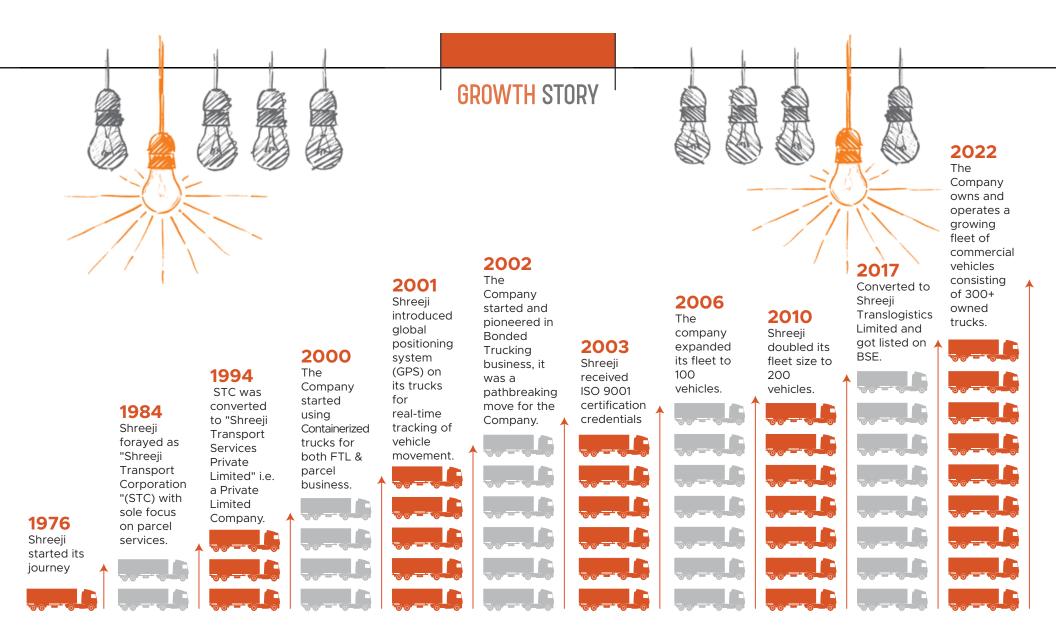
On the financial performance front, I am delighted to share with you that our Revenue from operations increased to ₹ 1,665.78 MN in FY22 from ₹ 1,094.85 MN in FY21 showing a remarkable growth of 52.1%. The Net Profit also grew from ₹ -10.27 MN in FY 21 to ₹ 91.89 MN in FY 22.

The Indian Government's increasing focus on the development of the logistics sector by implementing initiatives such as Make in India, Atmanirbhar Bharat, Vocal for local, Digital India, National Logistics Policy and Bharat Mala Road Network for efficient and integrated logistics solutions which in turn will bring in investments, business, and consequent growth opportunities.

India's logistics market has been growing at a rapid pace and is expected to reach USD 330 billion by 2025 from USD ~250 billion in 2022. This expansion will be supported by several factors, including the fast-developing e-commerce industry, impending technical advancements and an expanding retail sales market.

I wish to place on record my sincere appreciation towards our employees at all levels for their wholehearted dedication and efforts. I also thank all the stakeholders - Investors, Customers, Suppliers, Bankers, Government authorities, Regulators and the management team including the Co-Directors on the Board for their continued association with the Company and seek such continued support in the days to come."





### **OUR LEADERSHIP POOL**



Mr. Bipin C. Shah **Wholetime Director - Group Head** 

He has over 47 years of experience and is a self-driven man. His dedication & hard work is an inspiration to many new entrepreneurs. He has played an important role in the instrumental success of STL. He started doing business on a small scale on commission basis. He currently manages the financial aspect of STL.



Mr. Narendra C. Shah Wholetime Director - Operations & **Business Head - Shipping Line Container Movement.** 

He has over 47 years of experience. He is an ambitious person, aspiring to grow the business with his determination, perseverance and expertise in the field of logistics. He has specialized knowledge in Fleet management sector of logistics.



Mr. Rajnikant C. Shah Wholetime Director -Finance. **Accounts & IT** 

He has around 45 years in the field of logistics. He is determined and enthusiastic, and learning through his span of experience, he is now an expert in handling Accounting, taxation & Software development.



## CONTD...



Mr. Mukesh M. Shah
Wholetime Director - Administration &
Business Head - Parcel & Part Load

He has over 40 years of experience and with his capability and hard work, he has developed proficiency in the field of logistics. He now focuses on parcel division, marketing & branch development of STL amongst other things.



Mr. Mahendra C. Shah
Wholetime Director - Marketing &
Business Head - Full Truck Load

He has around 35 years of experience. He is a determined person, aspiring to grow the business with his dedication, diligence and skills in the field of logistics. Now he is master in marketing & project/ODC movement in the field of transportation.



Mr. Rupesh M. Shah
Wholetime Director - Business
Development & Business Head Bonded Trucking

With over 35 years of experience. He is a self-oriented person, aspiring to grow the business with his long-haul work, diligence and proficiency in the field of logistics. He expertises in marketing, developing new business verticals & innovative ideas.



# **OUR GEOGRAPHICAL PRESENCE**



- Registered Head Office : Mumbai
- Regional Office : Bangalore & Chennai
- Ahmedabad | Baroda | Bhopal Coimbatore | Delhi | Goa Hosur | Hubli | Hyderabad Indore | Kochi | Kolkata Kolhapur | Madurai | Mysore

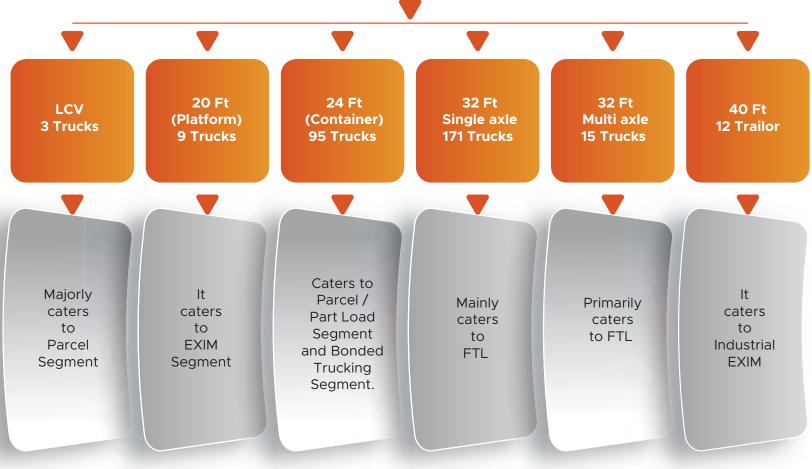
**Branches:** 

Pune | Shimoga | Surat Tuticorin | Vapi



# **FLEET SIZE**

### **305 Fleets**





### **SERVICE OFFERINGS**

### **Full Load**

STL's Full Truck Load (FTL) segment forms the core of Logistical Supply Chain Solution. Clients can rent or lease out the entire vehicle to transport goods across India. The vehicle choices include – Pickup, Canter, Full Body, Half Body, Containers, Platforms and Trailors. The fleet size ranges from 5 ft to 70 ft. Additionally, the company helps to ensure that clients receive the best, most cost-effective service options.

- Company is operating in over **650** routes across India
- Leasing of FTLs to clients on monthly basis from any of their locations across India.
- All fleets are under AMC with the OEM's thus enabling better maintenance and lesser breakdowns
- Company covers more than **2,70,00,000** kms every year **39,500** trips every year
- Company owned vehicles cover more than **1,68,00,000** kms per year

### Parcel / Part Load

Company's Parcel & Part Load or the Less than Truck Load (LTL) Transport option helps medium and small businesses and individuals to use the services.

- Company provides Door Delivery of Parcels.
- Retail cross docking for major Customers in Retail, Electronics and similar Industries for cost effective and time efficient movement of goods.
- Company run a Daily Direct parcel service:

From: Mumbai, Vapi, Surat, Ahmedabad and Indore.

**To**: Bangalore, Mysore and Chennai.

 Company's parcel and part load service works as per the "Hub & Spoke" arrangement where the entire load is transported to the central warehouse (HUB) and then further distributed to specific locations which enables faster freight movement.



## CONTD...

### **Bonded Trucking**

The Company is the pioneer in Custom Bonded trucking which it started in 2002. This path breaking solution is provided to customs notified air cargo complexes in airports across India. This move was appreciated by the airline industry when it was introduced and consequently STL is serving multiple airlines by providing these services.

#### **Key Benefits of Bonded Trucking:**

- landing their flights.
- Expands operation to destination with no flights
- Hazardous cargo can be carried
- Enables transport of odd sized cargo

### **3PL & Warehousing**

The Company provides 3PL and Warehousing services in and around Mumbai, Bangalore & Chennai. These services can be provided at other locations based on client requirement and project feasibility.

#### **Features of Warehousing**

- Clean and dry segregated areas of storage
- Controlled by ERP systems that maintain real time inventory status and generate MIS reports.
- Warehouses are linked to all offices
- Cargo handled by Modern material handling equipment operated by Skilled Manpower.
- FIFO (First in First out) system which enables the customer to ensure circulation and distribution of goods in accordance with Expiry Date.
- Protected and monitored by CCTV's and professional Guards
- Regular compliance trainings and fire safety drills conducted at warehouse to prepare staff for emergencies

### **EXIM**

- STL provide vehicles to connect the 'Linehaul' Ocean and Rail segments of Containerized Freight Movement. Company has services for Import and Export segments. These are ports, rail terminals, ICD's & CFS. Containers are normally 20 feet and 40 feet in length. This is majorly serviced by hired fleets.
- On an average STL moves more than 6000 container loads per annum for stuffing and de-stuffing of Cargo.





### COMPANY'S USP

#### **Bonded Truck Division**

- Company is a Pioneer & market leaders in Bonded trucking business
- Company has agreement / contracts with international airlines.
- Custom approved licence for bonded trucking

Handling export and

time bound service.

with top companies.

• Expertise in solar

import containers with

projects, doing business

**Exim** 

#### FTL

- Company with own fleet.
- Direct agreement with top Indian and Multinational companies.
- Own Offices in major metros and cities.

#### **Parcel**

- Company has expertise in handling textiles, readymade goods and industrial items.
- Door delivery of consignment since 1983
- Company is using Hub and Spoke model.

### Other USP's

- The trucks are constructed of Special Steel named Domex Steel, which is four times stronger than regular steel, resulting in improved cargo safety. Further, Domex steel is more corrosion-resistant steel and hence enhances overall life of the trucks.
- STL's owned trucks are maintained by AMC's by OEM thereby enhancing overall service and repair quality. This leads to better performance of the trucks resulting in lower consumption of fuel and lesser carbon footprints.
- Company has put in place digital locks across its own fleet.







# **KEY CLIENTS**

FTL









**OTIS** 







Parcel













**Import - Export** 









**Bonded** 









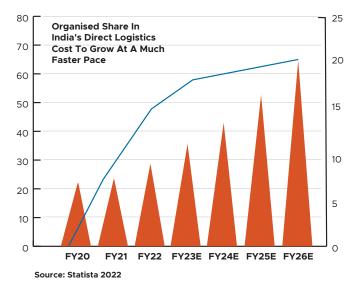




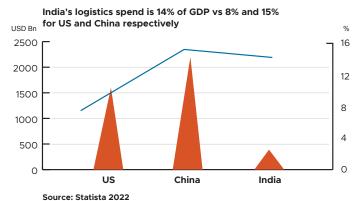
and many more...

# **INDUSTRY** OVERVIEW

- The Indian logistics industry has been gaining traction in the last few years and plays a very important role in facilitating trade and thereby propelling the growth of the Indian economy. Several factors such as - improving infrastructure nationwide, opportunities in emerging markets & channel alliances, urbanisation, faster adoption of newer technologies & digitalization, increased consumer preference for the reduced delivery time, and deployment of innovative techniques for a fast delivery of products are all playing the role of a catalyst in fuelling the growth of the logistics industry in India.
- As of now, the logistics sector is dominated by transportation which has over 85% share in value terms- its share is set to remain high for the next few years. The rest 15% share is borne by storage (Warehouse). The sector is employment intensive, absorbing 22 million people.
- The Indian logistics industry is highly fragmented and unorganized. It remains fragmented, with the organized players accounting for approximately 10% of the total market share.
- The logistics theme revolves around formalisation of the Indian economy, with GST being a big driver. Traditional logistics chain involved customers approaching transporters who would coordinate with truckers through brokers to transport goods and services. Brokerage charges tend to be 3-8% of rates booked for the cargo. Organised players have eliminated the broker and they are directly reaching out to truckers, leading to improved margins. The overall direct logistics cost should see the organised share rise to 19%, from 10%, implying a 20% CAGR, similar to the past five-year trend.
- Logistics costs is 7-9% of GDP in developed countries like US and Germany. Good infrastructure and efficient paperwork keep indirect logistics costs like inventory carrying, pilferage and wastages at a low. Minister of Commerce and Industry Piyush Goyal stated India targets dropping logistics costs to less than 10% of GDP from the current 14-15% in the next five years.







#### **STRENGTHS**

- Caters to a wide spectrum of client from various industries such as automotive, e-commerce, fastmoving consumer goods (FMCG), white goods, renewable energy, food, textiles and apparel, furniture and fixture, pharmaceutical, plastics and metal.
- Market leader in bonded trucking division with a market share of ~72%.
- Adapting and implementing new technologies like digital locks & GPS in fleets
- 300+ owned trucks & 4,500+ outsourced trucks
- Focusing on optimum utilization of fleet thereby leading to less idle trucks.

#### **WEAKNESSES**

- The logistics industry is a labour-intensive industry and thus for improved services they need to be people-centric. The over-dependence of the company on people makes it tedious to manage regular training, periodic performance appraisals and regular pay hikes.
- Road transportation is not immune to the weather or seasonal changes as the roads become inaccessible during floods and rain.

# **SWOT**

#### **OPPORTUNITIES**

- Digitisation presents a huge opportunity for logistics companies in terms of saving of costs and increasing efficiency which can change the industry from being people intensive to becoming technology intensive.
- Government initiatives such as Make in India, and Atmanirbhar Bharat, Public-Private Partnership (PPP), National Logistics Policy, Vocal for Local and Bharat Mala Road Network will continue to push the creation of a robust logistics framework in the country.

#### THREATS/RISKS

- It is a major possibility in transportation and delivery services that products may get damaged while in transit.
- Increasing fuel rates also tend to be a risk for the transport industry as it directly impacts profitability.
- Dissatisfied customer can pose huge risk if the service orientation does not align with its very specific needs.
- Driver scarcity can impact smooth operations



# A STEP AHEAD APPROACH TO MITIGATE RISKS

- Company provides containerized trucks which reduces spoilage, pilferage and damages while goods are in transit.
- In order to minimize risks of dissatisfied customer, the Company is providing extensive training to even its frontline workers who have limited literacy to address any last mile customer requirements.
- On an average 10 to 12% of Indian fleet remain idle due to driver scarcity. STL was faced with similar issue. In order to overcome this, STL started an incentive program under the name and style of "Paiya Gumao Paisa Kamao". STL was able to successfully implement the program owing to which STL idle fleet has become zero/negligible. The incentive is provided on per KM basis, so more the KMs driven by drivers, more they are benefited and thereby increasing overall fleet utilisation.





# **FINANCIAL STATEMENT HIGHLIGHTS**

Particulars (INR MN)	Q1 FY23	Q1 FY22	YoY %
Revenue from Operations	465.40	326.94	42.35%
Other Income	2.24	2.92	
Total Revenue	467.64	329.86	41.77%
Total Expenses excluding Depreciation, Amortization & Finance Costs	413.21	288.89	
EBITDA	54.43	40.97	32.85%
EBITDA Margin (%)	11.70%	12.53%	NA
Depreciation & Amortization	8.07	9.60	
Finance Cost	9.40	10.47	
PBT before Exceptional Item	36.96	20.90	
Exceptional Items	0.00	0.00	
PBT	36.96	20.90	76.84%
Current Tax	-10.21	-4.28	
Earlier Years	0.00	0.00	
Deferred Tax	-0.31	-1.05	
Tax	-10.52	-5.34	
PAT	26.44	15.58	69.64%
Other comprehensive profit / (loss)	0.64	0.42	7
Net PAT	27.08	16.00	69.64%
PAT Margin %	5.68%	4.77%	91bps
Diluted EPS	2.52	1.49	

#### **FINANCIAL PERFORMANCE COMPARISON: Q1 FY23 vs Q1** FY22

- Revenue from Operations increased by 42.35% from Rs. 326.94 Mn in Q1 FY22 to Rs. 465.40 Mn in Q1 FY23 mainly on account of improved performance in across our service offerings owing to addition of customers, moving into new markets with higher earning potential and continual quality improvement measures enabling us to retain our clients and increasing business with them.
- The EBITDA increased by 32.85% from Rs. 40.97 Mn in Q1 FY22 to Rs. 54.43 Mn in Q1 FY23 on the back of strong demand for logistics required by our client and robust utilization of fleet.
- Net profit increased by 69.25% from Rs. 16.00 Mn in Q1 FY22 to Rs. 27.08 Mn in Q1 FY23.



# **INCOME STATEMENT**

Particulars (INR MN)	FY22	FY21	FY20
Revenue from Operations	1,665.78	1,094.85	1,106.64
Other Income	6.79	5.00	8.73
Total Revenue	1,672.57	1,099.85	1,115.37
Total Expenses excluding Depreciation, Amortization & Finance Costs	1,494.57	1,023.33	1015.62
EBITDA	178.00	76.52	99.75
EBITDA Margin (%)	10.69%	6.99%	9.01%
Depreciation & Amortization	38.56	43.09	41.67
Finance Cost	40.84	42.15	35.32
PBT before Exceptional Item	98.61	-8.72	22.75
Exceptional Items	23.95	0.00	0.00
PBT	122.55	-8.72	22.75
Current Tax	25.15	0.22	3.28
Earlier Years	0.00	0.12	0.29
Deferred Tax	5.51	1.21	3.90
Tax	30.66	1.55	7.47
Net PAT	91.89	-10.27	15.28
PAT Margin %	5.52%	-0.94%	1.38%
Diluted EPS	8.76	-0.98	2.18

# FINANCIAL PERFORMANCE COMPARISON: FY22 VS FY21

- Revenue Operations from recorded a growth by 52.1% from Rs. 1,094.85 Mn in FY21 to Rs. 1,665.78 Mn in FY22 largely on account of improved performance in business segments owing to addition of customers, moving into new markets with higher earning potential.
- The EBITDA has grown by 132.62% from Rs. 76.52 Mn in FY21 to Rs. 178.00 Mn in FY22 due to increased scale of operations and robust utilization of fleet.
- Net Profit grew from Rs. -10.27
   Mn in FY21 to Rs. 91.89 Mn in FY 22.



## **BALANCE SHEET**

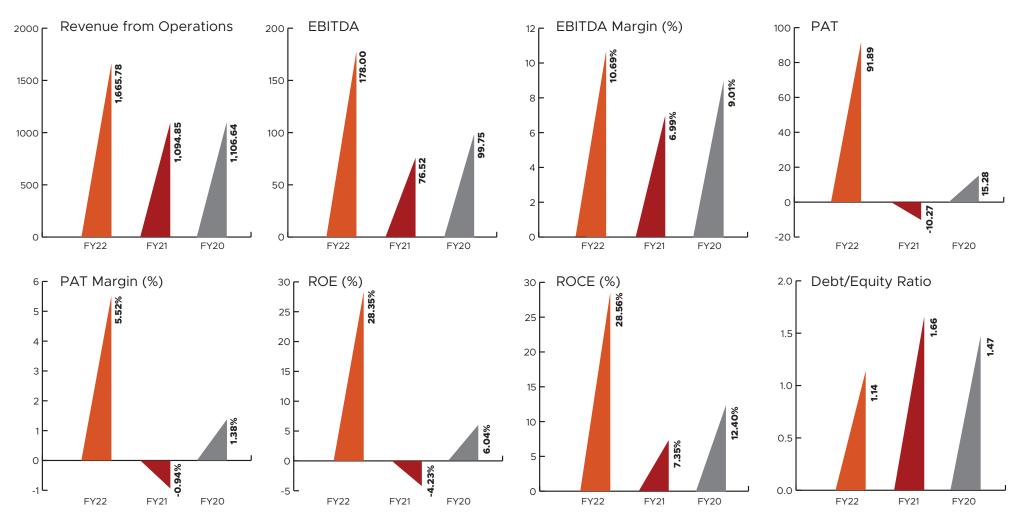
Particulars (In Mn)	FY22	FY21	FY20
EQUITY AND LIABILITIES	-+		
SHAREHOLDER'S FUNDS			
Equity Share Capital		104.83	104.83
Reserves and Surplus	219.34 I	137.93	148.20
Total Shareholders Funds	_ + <b>324.16</b>	242.75	253.02
NON-CURRENT LIABILITIES	- +		185.19
Long Term Borrowings		181.59	
Deferred Tax Liabilities [Net]	18.59 I	13.08	
Long Term Provisions	20.88	17.29	
Total Non-Current Liabilities	_ + 164.06	211.96	215.44
CURRENT LIABILITIES			
Short Term Borrowings	_	222.06	187.43
Trade Payables	61.02	58.14	43.64
Other Current Liabilities	105.28	83.55	92.22
Short Term Provisions		3.33	3.06
Total Current Liabilities	412.21	367.07	326.35
Total Capital And Liabilities	900.44	821.78	794.82
ASSETS	_ i i		
NON-CURRENT ASSETS			
Tangible Assets	202.18	245.42	263.91
Capital Work-In-Progress	0.00	6.11	2.88
Fixed Assets	202.18	251.53	266.79
Non-Current Investments		2.52	2.60
Long Term Loans And Advances	_	62.38	76.05
Total Non-Current Assets	281.87	316.43	345.45
CURRENT ASSETS			
Inventories	57.25	51.62	37.67
Trade Receivables	449.88	364.82	270.67
Cash And Cash Equivalents	44.46	55.35	32.59
Short Term Loans And Advances	56.75	28.74	24.08
Other Current Assets	10.22	4.82	84.35
Total Current Assets	618.56	505.35	449.37
Total Assets	900.44	821.78	794.82

#### **FINANCIAL PERFORMANCE COMPARISON: FY22 VS FY21**

- Debt Equity Ratio has improved from 1.66x in FY21 to 1.14x in FY22 owing to better financial performance and disciplined financial management.
- Total fixed assets decreased by 19.6% from Rs. 202.18 Mn in FY22 to **Rs. 251.53 Mn** in FY21.
- Working Capital Days improved to 97 days in FY22 compared to 102 days in FY21 mainly due to effective working capital management.

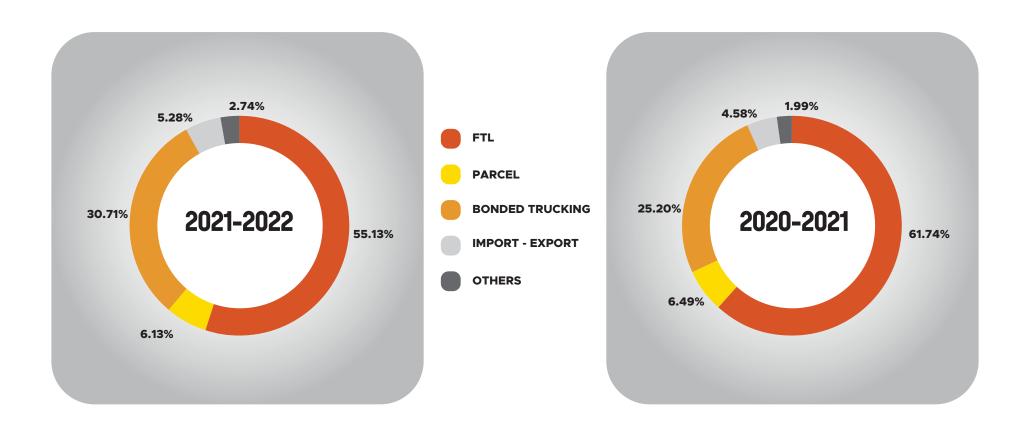


# **FINANCIAL SNAPSHOT**





# **REVENUE MIX**





# **FUTURE STRATEGIES**





#### **FORWARD GUIDANCE**

- The management expects the revenue to grow by ~15 to 20% in FY23, driven mainly on account of new addition in customers, serving newer geographies, good consumption demand and favourable capex related investment cycle.
- EBITDA margin will remain in the bracket of 11 to 12% on account of effective utilization of fleet and efficient cost controls.

### **CSR AND OTHER ACTIVITIES**









Shreeji Translogistics Ltd. actively contributes to the social and economic development of the communities in which the company operates. In so doing Shreeji build a better, sustainable way of life for the weaker sections of society and raise the country's human development index. Shreeji have always considered sustainable development the keystone of business strategy.

- In August 2018, the Company provided trucks free of charge for transporting flood relief material to Kerala from Bangalore.
- In 2019 August, the Company supplied trucks free of charge for transportation of flood relief material to Coorg area, Karnataka.
- During COVID 19 pandemic peak period, company helped in transporting oxygen cylinders & food in Chennai government hospitals.
- Company's branch at Chennai during the pandemic first wave of Covid 19 were able to manoeuvre Breakfast food packets for the Doctors and Para medicals staffs at four prestigious Government hospital for a fortnight.
- In August 2020, the company provided Education fund of 9 lakhs in Chennai
- In June 2022, the company provided Education fund of 3.5 lakhs in Mysore



# **AWARDS & CERTIFICATIONS**

YEAR	AWARD ISSUED BY	CATEGORY
2012	Samsung Electronics	Best Service Provider
2013	Apollo CV Award	Best Practice Adapter of the year
2013	International Conference and Exhibition	Cargo Scope Award
2015	India Cargo Awards	Best Custom Bonded Trucking Award - West & South Region
2015	India Cargo Awards	Best Custom Bonded Trucking Award - North & East Region
2015	Samsung Electronics	Top Performer
2015	Samsung Electronics	Best Performer
2015	South East Cargo & Logistics Award	Custom Bonded Truck Operater of the year
2015	Apollo CV Award	Fleet Operater of the year - Niche Application
2017	India Cargo Awards	Premier Bonded Trucking Operator - West & South Region
2017	India Cargo Awards	Leading Bonded Trucking Operator - North & East Region
2018	India Cargo Awards	Leading Bonded Trucking Operator
2018	ACE - South East Air Cargo Conclave & Awards	Custom Bonded Truck Operater of the year
2018	IKEA – Transport Logistics Service Area South Asia	Best Land Carrier – Performance, Vehicle Quality, Communication, Agility, Account Management
2019	ACE - South East Air Cargo Conclave & Awards	Custom Bonded Truck Operater of the year
2019	India Cargo Awards	Best Custom Bonded Trucking Operator
2022	India Cargo Awards	Premier Bonded Trucking Operator
2022	Cipla	Beyond the Call Duty
2022	TV9 Leaders of Road Transport Awards	Company of the year- south













# **CAPITAL MARKET INFORMATION**

#### **SHAREHOLDING PATTERN**

Particulars	June 2022
Promoter and Promoter Group	72.70%
Public	27.30%
TOTAL	100.00%

#### **MARKET INDICATORS**

Issued Shares	1,04,82,525
Share Price (07-09-2022)	299.55
Market Cap (₹ MN)	3,140
52 Weeks High/Low	351.95/43.50

#### STOCK PERFORMANCE OF LAST ONE YEAR

