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Dear Sir/Madam,

विषय : Disclosure under SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015.

Pursuant to applicable provisions of SEBI (LODR) Regulations, 2015, please find enclosed transcript of Post results conference call held on 31.01.2025.

For your information and record please.

धन्यवाद।

भवदीय,
कृते भारतीय कंटेनर निगम लिमिटेड

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CHANDRA

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Think Logistics, Think CONCOR



“Container Corporation of India Limited
Q3 FY25 Earnings Conference Call”

January 31, 2024



MANAGEMENT: **MR. SANJAY SWARUP – CHAIRMAN AND MANAGING DIRECTOR – CONTAINER CORPORATION OF INDIA LIMITED**
MR. AJIT KUMAR PANDA – DIRECTOR (PROJECTS & SERVICES) – CONTAINER CORPORATION OF INDIA LIMITED
MR. MOHAMMAD AZHAR SHAMS – DIRECTOR (DOMESTIC) – CONTAINER CORPORATION OF INDIA LIMITED
MR. PRIYA RANJAN PARHI – DIRECTOR (INTERNATIONAL MARKETING & OPERATIONS) – CONTAINER CORPORATION OF INDIA LIMITED
MR. ANURAG KAPIL – DIRECTOR (FINANCE) – CONTAINER CORPORATION OF INDIA LIMITED
MR. HARISH CHANDRA – EXECUTIVE DIRECTOR (FINANCE) & COMPANY SECRETARY AND CFO - CONTAINER CORPORATION OF INDIA LIMITED

MODERATOR: **MS. BHOOMIKA NAIR – DAM CAPITAL ADVISORS LIMITED**

Moderator: Ladies and gentlemen, good day, and welcome to the Q3 FY '25 Earnings Conference Call of Container Corporation of India Limited hosted by DAM Capital Advisors Limited. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touch-tone phone. Please note that this conference is being recorded.

I now hand the conference over to Ms. Bhoomika Nair from DAM Capital Advisors Limited. Thank you, and over to you, ma'am.

Bhoomika Nair: Thanks, Rutuja. Good morning, everyone, and a warm welcome to the Q3 '25 Earnings Call of Container Corporation of India. We have the management being represented by Mr. Sanjay Swarup, Chairman and Managing Director and his entire team. I'll now hand over the floor to Mr. Swarup for his initial remarks, post which, we'll open up the floor for Q&A. Thank you, and over to you, sir.

Sanjay Swarup: Good morning to all. I am joined by my Directors, Director Projects, Mr. Ajit Kumar Panda, Director, Domestic; Mr. Azhar Shams, Director, International Marketing and Operations, Mr. Priya Ranjan Parhi; and Director, Finance, Mr. Anurag Kapil. So I just would like to make some opening remarks, and then we can open for questions.

I'm happy to inform that there has been a throughput growth of 7.8% in the 9-month period ending on December 31, 2024, in which EXIM registered a growth of 5% and domestic stream registered a growth of 7.8%. This is in confirmative with India's international trade, in which exports have registered a growth of 1.6% to \$327.7 billion and imports registered a growth of 5.1% i.e. \$532.48 billion year-on-year. In Q3, our company registered a growth of 11.6% over the corresponding period of last financial year, which included EXIM growth of 8% and domestic growth of 24.7%. This has been in spite of supply chain disruptions at international level due to the various geopolitical reasons, of which you are very much familiar.

I am further happy to inform that we gained an EXIM market share also in Pan-India basis by 73 basis points. And at Mundra Port, we gained market share by 180 basis points. And at the Pipavav Port, we gained market share by 278 basis points. This is despite our increasing the rail freight margin. Also, we did not sacrifice on any margins while gaining the market share. Our rail freight margin increased by 15 basis points year-on-year from 25.61% to 25.76%.

Operating margin was flat, same year-on-year, more than 30%. And the reasons for the increase in market share is customer centricity that is being observed by all the officials of the company. Customers have reposed faith in our company. And secondly, due to the operational excellence of Team CONCOR. Further, we had operating income growth of 4.23% and PAT growth of 3.6% despite challenges on geopolitical front.

We also registered a growth of 11.25% in double stack rakes. Last year, we did 4,142 double stack rakes in the 9 months. And this year, we have done 4,608 double stack rakes. For catering to our demand, which is increasing day by day, we have added infrastructure. In the 9 months,

we have commissioned 4 rakes. Now our total fleet stands at 382. As on December 31, we procured 6,868 containers, and now our total fleet of containers in domestic stream owned by us is 51,236 containers.

Then yesterday, Board of Directors deliberated the various demand, which we are catering and future demand, which is very, very robust. And seeing into the demand, Board of Directors have decided that we will increase our capex by 40%. It was a -- capex budget for this financial year was INR610 crores. Out of which, already INR444 crores we have achieved. Now we have revised it upward 40% to INR855 crores that we will be spending by this year-end.

And company is going for a massive infrastructure creation. I'm happy to inform that by 2028, that is 3 years from now, we will be having 80 terminals. We will be having 500-plus rakes ownership by CONCOR, and we will be having around 70,000 container fleets. So this will be a massive infrastructure upgradation, which we are doing, keeping in the demand in the market and a lot of demand is there. We have to meet the demand and the outlook is quite bullish by the company.

And I'm also happy to inform that we have declared an interim dividend of INR4.25 on share of par value INR5. So till now, we have declared a total interim dividend of INR9.50, which is 190% of the par value.

As you are very well aware that the business in logistics is deeply impacted by challenging geopolitical scenario. International supply chains are getting adversely affected. Kinetic vessel schedule there are congestion at transshipment ports. All these factors had led to a small dip in the month of December. And now if fully recovered in the current quarter, we are experiencing a double-digit growth. And even then, in the 9 months, we have registered handsome growth in exports and imports, exports in RMG, ready-made garments, increased by 92%, export of auto parts increased by 21%, export of our food items, 22%; paper products, 20%, fabrics, 37%.

In imports, auto parts increased by 34%, raw cotton increased by 77%. Rail Services, we have started export reefer containers from Sadi Patli to JNPT and in which we have already done 442 TEUs of movement.

And one more thing is that we have brought Nhava Sheva on double stack for North India by running the double-stack space up to MMLP Varnama, which is near Baroda. That's 400 kilometers short of JNPT. So even DFC has not been commissioned up to JNPT, it will be likely to be commissioned by December 2025. And we have already given the benefit of our North India customer. And I think a very good response. From December, we have started these services, and we are ramping up very good volume in this stream.

One more thing is that we have started new rail services at Gangavaram port and which is in Andhra Pradesh. And already, we have done 700 TEUs we have on Gangavaram port. Focus area for the company. In the end, customer centricity, total logistics solution to customers, business solutions and green and sustainable logistics, which is a key focus area for the company towards fulfilling of our ESG norms. New initiatives will be growth drivers in the coming

months will be the very big growth driver. It will be the bulk cement in tank containers. We are procuring 1,000 tank containers.

Okay. Now let's just -- I will take one more minute. The new initiatives, which will be the growth drivers for the company in the coming months will be bulk cement in tank containers. We are procuring 1,000 tank containers. And from yesterday, we have started receiving the supply of tank containers from our sister PSU Braithwaite, and they have started supplying tank containers to us. In the coming months, this will be a very big growth driver in the domestic stream. Even our customers are eagerly waiting for this.

Then second will be double stacked to JNPT that I already told on DFC. Then we are -- we have signed various long-term agreements with our corporate customers and shipping lines, which will further push up our volumes. Then we have rice exports, which is quite robust now. So we are getting very good demand, very good volumes in EXIM and domestic both. And we are on the correct track to achieve the historic 5 million TEUs handling targets that we will be having in this financial year. I'm quite confident that we will be able to achieve 5 million TEUs, which will be the landmark for the company. First time we will be achieving that target.

So these are -- this is all opening remark from me. Now you can put up questions.

Moderator:

The first question is from the line of Amit Dixit from ICICI Securities.

Amit Dixit:

I have a couple of questions. The first one is on the capex. So while you highlighted that we will have 80 terminals, 500 rakes, 70,000 containers, is it possible to let us know a cumulative capex number till FY '28 FY '26, '27, '28 if I add all the. And this INR855 crores revised budget, now we have already spent INR440 crores, and just two months are remaining in the year, so are you confident that we will spend this entire amount or something will flow through in FY '26? That is the first question.

Sanjay Swarup:

No, actually, we -- I am giving you estimate about this financial year. That will be INR855 crores. All I can say is, for the next 3 years also in the same range we will be spending. If you remember some 4, 5 years back, we used to spend INR1,000 crores every year. So figure will be remaining around this number. Exact number is not possible to give at this stage.

Secondly, as I told you, INR444 crores, we have spent only to December 31st. And January is already now getting over. So that number I have already not told you. So for this quarter, we will be spending the remaining amount. We are quite confident. That is why we have revised the budget. We are quite confident of spending that much amount.

Amit Dixit:

Okay, sir. The second question is essentially on the growth. So what -- given that January is already behind us and you mentioned that in January, you have seen certain growth uptick. So what kind of volume growth can we expect in Q4 in both domestic and EXIM side?

Sanjay Swarup:

At this stage, I would not like to give any numbers, but all I can say is the -- both EXIM and domestic, domestic, of course, has done very well. They are experiencing double-digit growth. But EXIM is also having double-digit growth in the month of January, which I'm quite confident is likely to continue up to March. I will not like to give any number at this stage.

- Moderator:** The next question is from the line of Lavina Quadros from Jefferies.
- Lavina Quadros:** Sir, just wanted to understand two or three things. Your depreciation is lower by INR80 crores approximate run rate. INR25 crores, I understand, is because of the depreciation policy change. What about the balance INR50 crores? Is it a sustainable reduction because of a quarterly basis? Secondly, our realization in EXIM was down about 10%, right? I know you addressed it a little bit, but just a little more color there, please?
- Sanjay Swarup:** Realization because of the -- volumes were down that I told you because of supply chain disruptions were there in the international movement because of geopolitical reasons. That is why we could not do very well in EXIM in this Q3. But now everything is back to normal. And in fact, we are getting very good volumes in EXIM. So for depreciation, I will request my ED Finance he will explain this in details.
- Harish Chandra:** Good morning. You said that depreciation has come down by INR25 crores. That is correct. This is for the quarter, this reduction is there. But if we see for the period, the impact of the change in the age of our useful life of our wagon, the impact is INR79 crores. So effectively, our wagon depreciation for the current quarter is INR12.5 crores. And for the period, it is INR36.7 crores. So this is the clarification.
- Lavina Quadros:** So you're effectively saying I should look at the 9-month depreciation trend not focus so much on the quarter, right, for the trend ahead?
- Harish Chandra:** Yes, yes.
- Lavina Quadros:** That's the way to look at it. Okay. Just...
- Harish Chandra:** It's clearly stated in the note also. So if you see the note to the results, that has been clarified, the impact in the quarter as well as in the period.
- Lavina Quadros:** Understood. And sir, just one more thing. This -- on this realization, would it be fair to say that because volumes were weak, maybe some benefits, some pricing changes were made, which should, therefore, be corrected as volumes gradually pick up ahead? Would that be fair to say?
- Sanjay Swarup:** No. We have not done any pricing change. Normally, whatever prices we declare, we keep it stable. We frequently don't go for pricing change. So pricing changes were not done. It was purely as a result of volumes.
- Lavina Quadros:** Okay. And sir, lastly, if you ex out DFC, right, I mean, if I look at a 3, 5-year period, what do you think is the volume growth that you could see without DFC organically? And would that be different once JNPT connects, if I look out 3 to 5 years?
- Sanjay Swarup:** Actually, whenever we make our assessment for the forecast, what will be for 3 to 5 years, we have to take DFC into picture. Without DFC, making a forecast will not be realistic because DFC is coming in 1 year. So realistic forecast can only be made if we take DFC into picture. So with DFC, so very good volume growth numbers I cannot share right now.

But all I can say is that future is very good, and we have been talking to trade. Even running double stack up to Varnama is giving us a very good response, and trains are reaching quite quickly and double-stacking and the evacuation from port is also very fast. So these benefits are going -- we are seeing the benefits. If Nhava Sheva also connects -- gets connected on DFC and with the CSS second terminal also coming up, it will have a capacity of 10 million TEUs. Nhava Sheva can handle 10 million TEUs now. So there is very good growth expected in the coming months.

Moderator: The next question is from the line of Kaustav Bubna from BMSPL Capital.

Kaustav Bubna: Sir, my question was regarding the DFC only. So could you explain to me a little bit about how much of a detail you can, providing data points of your knowledge. About the market opportunity that's opening up for your company as the DFC becomes operational over the next couple of years?

Sanjay Swarup: DFC is going to be a game changer. I will just give you some data. Like Mundra port, when it is now connected to DFC and feeder loop and our Dadri terminal is also connected to DFC. Now Dadri -- from Dadri to Mundra port, there's a distance of 1,200 kilometers. Road is taking 55 hours to send one container from Dadri to Mundra Port. Whereas DFC, as a result of DFC, we are running timetable trains which are called Freight Express. We are able to take -- we are able to send the container in 38 hours from Mundra Port to -- from Dadri to Mundra Port.

So containers are catching their schedule, and it is very fast. And we have doing our rates also. We are doing some commercial benefits to customers. So as a result of operational as well as commercial benefits, there is a sizable shift, almost 11% to 15% shift from road to rail between Dadri and Mundra Port.

Now when Nhava Sheva also gets connected on DFC, which is approximately 1,500 kilometers from Delhi, that will be a game changer in logistics period. And for the national rail plan also, which is -- which was done by Indian Railways, they are expecting a rail coefficient of almost 40% to 45%, which is, at present, 18% to 19% at Nhava Sheva. So it is going to be a game changer in the field of logistics.

Our company is also going to derive a lot of benefit from that because we have already commissioned 5 MMLPs -- 4 MMLPs on DFC, fifth one is under commissioning. So all these 5 MMLPs will cater to the growing demand in hinterland. And we will be running timetable trains in the collaboration with DFC and Indian railways, connecting our MMLPs to Nhava Sheva. So this time, because of its predictability and transit assurance, this is a very big thing in logistic. Once it is given to customers, then we are expecting a very good shift from road to rail.

Moderator: The next question is from the line of Bhoomika Nair from DAM Capital Advisors.

Bhoomika Nair: Sir, if you could just share first the originating volumes for the quarter?

Sanjay Swarup: Yes. Okay. Originating volume in EXIM was 975243 TEUs; domestic, 309551 TEUs; total 1284794 TEUs. Sorry, this is handling, and originating EXIM 525812, domestic, 117644; and total 643456 TEUs.

- Bhoomika Nair:** Right. Now so this -- just to understand this drop in realizations. While obviously, volumes have been a bit of a challenge, particularly in EXIM, but the realization drop has got to do with some mix change, the distance is falling or exactly what has driven this decline in the realization because you said there has not been any drop or any changes in our pricing strategy, per se.
- Sanjay Swarup:** So the only reason is the drop in volumes. And there's no other reason that comes to my mind because lead is also our lead in EXIM, they just slightly dip, slight -- they've been 9 months, it has come down from 708 kilometers to 704, only 4-kilometer dip is there. Not much dip is there in the lead. So only the reason is drop in volumes.
- Bhoomika Nair:** Okay. Sir, in terms of the overall -- as we move ahead in terms of the volume pickup, you said that January has seen an uptick in terms of volume. Now for the full year, we were already looking at a much sharper growth. Will this now be kind of toned down? And what is your outlook, especially from FY '26 perspective that we could look at?
- Sanjay Swarup:** See, FY '25, I would not like to give any further guidance because now only one quarter is remaining. And whatever we were expecting because of the geopolitical disturbances, we could not reach that number in EXIM. In domestic, of course, we'll be reaching that number. But FY '26, let us wait for 2, 3 months more. I will give a guidance in my next call.
- Bhoomika Nair:** Sure. So sir, I mean, are we seeing an improvement in the overall EXIM cycle? And do you think growth can come back out here? And particularly, the road rail share had gone adverse a little bit. Have we started to now start seeing volumes come back to rail in general?
- Sanjay Swarup:** Yes, yes. We are seeing a very good growth in EXIM also and domestic also. And there is a lot of demand which is there in the market, and very robust growth we are expecting. That is why keeping all these things in mind, the Board of Directors had decided that we will increase our capex spend now. And I think we will be able to sustain around this number only for the next 2, 3 years. There is a lot of demand in the market.
- Bhoomika Nair:** Sure, sir. And lastly, may I have the empty running for both EXIM and domestic, please, for the quarter?
- Sanjay Swarup:** Yes. For the quarter, you want for this 9-month period?
- Bhoomika Nair:** Anything will do, sir.
- Sanjay Swarup:** Yes, 9-month period, EXIM was INR89.70 crores and domestic was INR220.92 crores, total INR310.61 crores.
- Moderator:** The next question is from the line of Achal Lohade from Nuvama Wealth.
- Achal Lohade:** Sir, can you help us with the market share port wise, please?
- Sanjay Swarup:** Yes. Market share at JNPT, our market share is 58%; at Mundra Port, it is 38%; at Pipavav, it is 48%.

- Achal Lohade:** And is it possible to get the market share for the -- this is 9 months, I presume, right, sir? Or this is for the third quarter?
- Sanjay Swarup:** This is for 9 months period.
- Achal Lohade:** 9 months, okay. And in terms of the port mix, if you could help us with?
- Sanjay Swarup:** Okay. The volumes that we are getting on port?
- Achal Lohade:** Yes, yes.
- Sanjay Swarup:** Okay. JNPT, we are getting 33%; Mundra port, 38%, Pipavav, 10%; Visakhapatnam, 5.5%; Chennai, 3.8%; Vallarpadam 4.5%. I think that should be enough. Almost 95% I've told.
- Achal Lohade:** Understood. Sir, if I put the originating volume along with the revenue number, the segment revenue, I see that the realization for domestic has gone up from 56,000 to 69,000 quarter-on-quarter. Can you help us understand what has driven this? Is there a significant change in terms of the mix or anything, sir?
- Sanjay Swarup:** Basically, it is because of the reduction in empty running in domestic. We are getting very good circuits and traffic on both the sides. And our domestic team has worked very hard. And one very good initiative that we took was, the containers which were coming -- running empty in empty direction, we have given very competitive rates so that at least we get some money.
- So all these steps have really given excellent results and you can see the realization gaining in domestic.
- Achal Lohade:** Right. Sir, just one question, if I may. Overall market share, would you have -- what was it in 2Q? And what is it in 3Q, sir? Overall market share on the CTO basis, overall rail volume?
- Sanjay Swarup:** I got it. I have for 9-months period, I can give. Quarterly, I don't have.
- Achal Lohade:** Yes.
- Sanjay Swarup:** For 9-months period, I can give. Our EXIM market share is 55.28%, and domestic, it is 58%, total 56%.
- Achal Lohade:** Understood. And just last question, if I may, sir. You mentioned about Varnama. You've started the train from JNPT. Is it possible to get some sense in terms of what is the benefit in terms of A, the operational side? And B, on the financial side, what kind of price reduction or cost reduction one can look at?
- Sanjay Swarup:** See, it has both the benefits, operational as well as commercial, I will tell you in brief. Mundra Port -- sorry, Dadri from where we are running the service and Kathuwas, these are the two MMLPs in North India from where we are running double-stack service to Varnama.
- From there, if we run on double-stack speed, which is because up to DFC, up to Varnama, it is going on DFC, which is giving a very good speed to us. And almost -- in Indian railways, we

are getting a speed of around 20-kilometer per hour, whereas from Dadri to Varnama, if we run on DFC, then we get an average speed of 65 to 70-kilometer per hour, which is almost 3x speed. So it is taking 1/3 of the time in reaching Varnama.

At Varnama, we split into 2. And this double stack has done -- is made a single stack train up to Nhava Sheva for the last 400 km of the journey. So it is giving us the benefit in terms of transit time, number one.

Number two, commercially also, we have not revised our tariff till now. So we are just -- we just started in the month of December. So we have not revised our tariff. But because on the upper deck, we have to pay 50% of rail haulage to Indian railways, so it is making a positive contribution towards my bottom line at present.

Achal Lohade: Understood. And sorry, one more question, sir. Is it possible to get a sense as to how much of the JNPT volume is destined for North India? And how much of that is going on rail?

Sanjay Swarup: See, at this moment, it will not be possible for me to elaborate on this question, but I can answer you separately afterwards.

Achal Lohade: Thank you. I'll fall back in the queue for follow up.

Moderator: Thank you. The next question is from the line of Mukesh Saraf from Avendus Spark. Please go ahead.

Mukesh Saraf: Thank you for the opportunity. Sir, you mentioned about the rail coefficients in this quarter. And what I see is it has largely stayed the same, say over the last few quarters. And when I look at the port volumes, the container volume growth at say, Mundra or JNPT, it is up double digit in this quarter as well. It's up 10% or so. But our originating volumes are flat this quarter.

So just trying to understand, our originating volumes are flat, but the port volumes are up and the rail coefficients are flat. This either points out to a market share loss, but you're clearly saying that you've gained market share or have kept it flat. So could you help understand the relationship between these three data points, sir?

Sanjay Swarup: Yes. Actually, you are not comparing the corresponding data. The rail coefficient numbers that I told you, that are not for the quarter, that are for the 9 months period. And market share, also I'm telling you for the 9-months period. And there has been a drop in volumes in the third quarter only. If you see 9-months period, our volumes in fact, have increased. And so that is the reason.

Mukesh Saraf: So if I look at -- I mean, obviously you have not given this quarter numbers, but this quarter probably there have been a drop in market share, so then?

Sanjay Swarup: Not exactly because actually, volumes were -- in this quarter, the volumes were not very good. So everybody has experienced a drop, not only CONCOR. So market share drop is not there in this quarter.

Mukesh Saraf: Okay. So there's a rail coefficient drop in this quarter basically?

- Sanjay Swarup:** No, no. Inward entry port has also come down
- Mukesh Saraf:** Okay. All right. Sir, I'll probably try and ask this question later on.
- Sanjay Swarup:** We'll take this separately; we can discuss this in detail.
- Mukesh Saraf:** Thanks a lot, sir. That's it from my side.
- Moderator:** Thank you. The next question is from the line of Sumit Kishore from Axis Capital. Please go ahead.
- Sumit Kishore:** Sir, over the past 3 quarters, we have been listening to your commentary around drivers of volume growth around the Varnama double-stacked trains NCR to Varnama. We have been hearing about the transportation of cement in tank containers and the pickup in rice exports. So exactly how much volume in these three buckets are you likely to clock or expect to clock? Could you give some sense in terms of TEUs in these three categories would be very useful, say, over the next 1 year.
- Sanjay Swarup:** At this moment, I don't have the numbers with me. I can share with you separately.
- Sumit Kishore:** Thank you so much.
- Moderator:** Thank you. The next question is from the line of Achal Lohade from Nuvama Wealth. Please go ahead.
- Achal Lohade:** Sir, can you help us with the rail coefficient for each of the port?
- Sanjay Swarup:** Already, I have told you in the earlier question. But..
- Achal Lohade:** Port mix, I think you had said, sir.
- Sanjay Swarup:** I can tell you, at JNPT, rail coefficient, you want, okay?
- Achal Lohade:** Yes, sir.
- Sanjay Swarup:** Rail coefficient at JNPT in 9 months period was 15.7%; Mundra Port, it was 24%; and Pipavav port, it was 58%.
- Achal Lohade:** Understood. And how about the land license fee because I remember last quarter, we had some reversal that's why the number was lower. This quarter, the number is a little higher Q-o-Q, but it is still lower than what it was last year. So if you could help us, what is the number as an expense we can look at as a line license fee expense in the P&L for full year FY '25, sir?
- Sanjay Swarup:** See line license fees, as I told you, for the terminals that we are operating on railways, it is increasing 7% every year. So -- but we are taking steps. And whatever terminals are not useful to us, we are surrendering. So that is stabilized with the railways. There is no issue on that. So it will be around the same in the same direction. It will move like 7% increase. And maybe it may

not increase every year also. Like in this, you have seen from INR287 crore, I think it has gone to INR262 crores. It has reduced in this financial year. My director projects will further...

Ajit Kumar Panda: In the quarter if you see Q-on-Q December quarter '23, it was INR71.95 crores. And in the current quarter, we have booked INR89.42 crores. So -- and the adjustment whatever we did earlier in the current financial year, this quarter, there has not been any adjustment.

Achal Lohade: So is it to say that this is the run rate one could expect and see a 7% calculation?

Ajit Kumar Panda: Yes. This is a trajectory in which we are going. We hope to close by INR350 crores in the current financial year.

Achal Lohade: Right. But in the next financial year, there will be 7% escalation to that, right?

Ajit Kumar Panda: Yes. We are looking at some kind of some surrenders -- some adjustments. So let us say, right now, yes, 7% growth will be there in the next financial year. But still, we want to contain that. So we are looking at some other options. So far, they have not materialized. But if they materialize, we may have a little less growth next year. But the INR350 crores for this year, you can say.

Achal Lohade: Understood. Any update on the TKD? We were looking at switching under the Gati Shakti policy?

Ajit Kumar Panda: That, so far, that we all discuss on stage only. That discussion has not concluded with the Ministry of Railways. So right now, we are paying the LLF. But we have surrendered 10% land. So that we are -- the surrendered part, we are not paying. So we have contained that expenditure by surrendering partially from 1.4.24. And we'll -- as we go forward, we'll look at alternatives. It's a dynamic thing. Every year, there will be some small developments in some places. So that way -- and we are trying to contain that expenditure as much as possible.

Achal Lohade: Understood. And just last one, in terms of the volumes, of our total EXIM volume, let's say, if I were to ask on originating volume basis, how much would currently be in the regions where the DFC is going to be operating in like the Northwest pocket?

Sanjay Swarup: You mean to Mundra, Pipavav and partially Nhava Sheva, how much volume we are doing?

Achal Lohade: No, no. So of the Northwest volumes, which is NCR, Punjab, part of Rajasthan, etc., which would potentially be catered by DFC once it is fully operational, how much volume -- what kind of volume we are doing right now out of our total volume? Is it 50%? Is it 60%? 40%? etc.?

Sanjay Swarup: It is around 60%.

Achal Lohade: 60% of our volumes are from these areas. Have I understood right, sir?

Sanjay Swarup: 55% to 60%, yes.

Achal Lohade: And if you could comment, sir, in terms of specifically Ludhiana, Punjab market or NCR market, how the demand is shaping up? You clear for some numbers with respect to imports and exports

commodity-wise. But broadly, are you seeing a pickup in terms of the inquiries, etc., from these particular pockets or it's still -- things are still weak?

Sanjay Swarup: No, no. This is actually -- demand is already there. A lot of demand is there in imports. A lot of demand is there in exports. There is a continuous exercise like -- yes. And it is actually international trade dynamics. When I suppose, for example, iron scrap rates supposed internationally, they increase, then iron scrap imports will come down. After some time, it is a cyclical thing.

After some time, international rates become less, it becomes competitive, iron scrap imports will increase. So these are the market dynamics, all of you guys are well aware. So at present, that I was telling you in the opening remarks, we are getting very good demand at all the places around the country, we are having the demand in domestic and in both. So that is a general statement I was making. And across the country, in all the sectors, there is a very robust demand now.

Achal Lohade: Got it. And just a clarification. The 4Q double-digit growth, are you also meaning on the originating basis or just the handling basis, sir? And was it an aggregate or just the EXIM impact?

Sanjay Swarup: Both.

Achal Lohade: 4Q volume growth, you said double digit in your opening remarks. 4Q FY '25. It is both.

Sanjay Swarup: Originating and handling.

Achal Lohade: Originating as well as handling. On an aggregate basis, right, sir?

Sanjay Swarup: Correct.

Moderator: The next question is from the line of Akash Mehta from Canada HSBC Life.

Akash Mehta: So basically, I just wanted to check in terms of the geopolitical issues kind of get resolved. To some extent, what kind of growth we could see in terms of EXIM? And are you seeing anything, I mean in the near term that is happening on that front? So yes.

Sanjay Swarup: Geopolitical, if it is stabilized, then it will be very good because the vessel schedules which are quite erratic now. And sometimes vessels will stop coming. Then after some months, suddenly, a lot of vessels will be coming. So all these things, uncertainties will be over, and we will be -- vessels will be running as per schedule. Secondly, for catering to the same volume of traffic, less equipment will be required because now transit time is more. So equipment are also -- more equipment have to be deployed by shipping lines.

Then thirdly, there will be a correction in the ocean freight also because now they have to take a longer route.

And when the geopolitical issues are resolved, then they don't have to take that long route. So they will charge less. So there will be very good growth in the market. How much growth, it is

very difficult to predict. And when it will resolve that also I cannot predict right now. It is dependent on so many factors.

Akash Mehta: Sure. That's it from my side. Thank you.

Moderator: Mr. Mehta, does that answer your question?

Akash Mehta: Yes. Thank you.

Moderator: Thank you. The next question is from the line of Priyankar Biswas from BNB Paribas. Please go ahead.

Priyankar Biswas: Most of the questions are answered. Just one follow-up question here. So since we were discussing Gati Shakti there. So if some of the key terminals were to shift to Gati Shakti, so can you just quantify for us like how much can be the LLF linked savings, especially particularly TKD was there? That's all I have to ask?

Sanjay Swarup: At present, our management has taken a decision that we will not be going for that option because there is a lot of uncertainty involved in. If Brownfield terminals are migrating to Gati Shakti, then there is a big element of uncertainty. So we have decided that we will not be using that facility provided by Indian Railways, but for Greenfield projects we are going for Gati Shakti only.

Priyankar Biswas: Sir, what's the competitive intensity in these Gati Shakti bids? I mean what sort of TAC shares people are typically bidding, if you can shed some light?

Sanjay Swarup: What is the question?

Priyankar Biswas: What is the TAC share that people are bidding in this Gati Shakti project if you can share some light like if the bids aggressive or not?

Sanjay Swarup: It depends on the terminal where they are getting traffic. I cannot speculate how much they will be bidding. That is not within my ambit of discussions.

Priyankar Biswas: Okay sir. Thank you so much.

Moderator: Thank you. The next question is from the line of Prateek Maheshwari from Tree Line Advisors. Please go ahead.

Prateek Maheshwari: Actually, just I had two questions, but I have another one, just to clarify. You said we are not going with the Gati Shakti bidding process for Tughlakabad and the other terminals which we have on the railway line. Is that right?

Sanjay Swarup: Yes, Brownfield projects.

Prateek Maheshwari: For the Brownfield projects. I see. Okay. And also like on the EBITDA level if I just look at the EBITDA level for this quarter if I understand correctly, if I look at EBITDA per ton excluding the other income it looks like it's dropped by almost 18% to 19% year-over-year. So I'm just

trying to understand what has happened because I understand lead distance have not come down, pricing has not come down. So any light on that?

Sanjay Swarup: What number are you talking, EBITDA per ton?

Prateek Maheshwari: Yes. Just looking at our EBITDA per ton overall?

Sanjay Swarup: EBITDA per TEU or EBITDA per ton?

Prateek Maheshwari: Sorry EBITDA per TEU.

Sanjay Swarup: EBITDA per TEU you have calculated.

Prateek Maheshwari: Yes.

Sanjay Swarup: You have taken originating TEU or handling TEU?

Prateek Maheshwari: Handling volumes.

Sanjay Swarup: No, you should take the originating volume actually that is the clear indicator because handling if we do double stack, then the same containers can manage two times. So I would request you to take the originating numbers, then it will not be so much drop.

Prateek Maheshwari: I see. And just one final question if may. So on the depreciation front, right, I think this was already asked earlier. But just to clarify, I think if I understand correctly depreciation this quarter was about INR86 crores. And I think last quarter it was about INR166. And I understand that INR25 crores drop can be explained by that wagon life extension thing, but I didn't really understand the explanation that you gave earlier. So if you could please clarify again, that would be really helpful?

Ajit Kumar Panda: Yes. If you see what we are requesting is that in this financial year, this calculation of life of wagon has been -- there was some anomaly and the anomaly has been removed. And it has been brought in line with the actual life of the wagon that are being used in the railway system. So now you should see the EBIT as a depreciation figure for the 9-month period, not the quarter period because once the adjustment has been done for the full year, it was -- the booking may look a little more in first two quarters and less in third quarter.

But if you add all the 3, then the correct picture emerges. There will be drop in our depreciation figures for the 9-month period. So you kindly see the 9-month period.

Prateek Maheshwari: I see. Understood. Perfect. Thank you very much.

Moderator: Thank you. The next question is from the line of Vaibhav Shah from JM Financial. Please go ahead.

Vaibhav Shah: Yes. Sir, just to continue on the depreciation part. So if you look at 9 months there is INR408 crores. So going forward, quarterly numbers should be INR130 crores, INR140 crores per quarter?

- Ajit Kumar Panda:** Yes like that. Yes.
- Vaibhav Shah:** And sir secondly if you look at the volume growth in domestic, in terms of handling volume it is 25% up, while in terms of originating volume it is 7% growth. So there is a sharp ingress in the handling sector for the -- on the domestic side. So what could be the reason for that following the sharp variation in the growth numbers?
- Sanjay Swarup:** My director, I will request my Director domestic to explain.
- Mohammad Azhar Shams:** Actually, in handling you know that some of the containers volumes we have taken from our PFTs, whatever PFT rakes we are handling. We have taken those volumes also. So that is the reason that the handling figure has gone up very sharply. And the originating is only TEU volumes whatever we are doing. So that is the main reason.
- You know that at Paradeep we are handling around 50 to 60 rakes for railway wagon and at other PFTs also we are handling one or two rakes. So at that rakes we charge higher -- asset charges and then handling charges also. So we have been adding those volumes. So that is the reason, basically.
- Vaibhav Shah:** So for Q4, the growth, if you look at the originating -- the handling growth in Q3 is 25%. So if we assume that a similar growth count in Q4, so the difference of persistent Q4 as for on the originating side or it will minimize?
- Mohammad Azhar Shams:** No. Actually originating, we are going to increase from 7% what has been there to keeping in the volume and all those things because originating volume will increase. Now the handling volume will depend that how many rakes we handle in our PFT location. That is there. In this quarter, the number has been quite good.
- So that's why our handling number has gone up to up to 24. It may come down also, and it may increase also keeping on keeping into the numbers of the railway rakes we handle at Paradeep and then Khatwas and all those PFT locations.
- Vaibhav Shah:** Okay. So lastly if you want to look at the Q4 numbers in terms of volumes, so if we're guiding for a 10% growth in terms of -- a double-digit growth in terms of EXIM, so it should be both in EXIM [inaudible 48:16] handling as well. Assuming a similar handling factor would be there.
- Mohammad Azhar Shams:** Exactly.
- Vaibhav Shah:** And similar could be the case for domestic as well at least for the originating part?
- Mohammad Azhar Shams:** Yes, actually domestic in originating and handling both will be double digit only. We are quite confident on that.
- Vaibhav Shah:** Okay. Thank you sir.
- Moderator:** Thank you. The next question is from the line of Amit Dixit from ICICI Securities. Please go ahead.

- Amit Dixit:** Just one follow-up question, if I may. Now since this particular quarter's numbers and segments have been adjusted with the depreciation, is it possible to give the unadjusted EBIT number segment wise for this quarter?
- Sanjay Swarup:** Yes, but why do you want those numbers? These are the actual numbers, which have been approved by CA auditor. Why do you want...
- Amit Dixit:** Just for comparison because these numbers are not comparable with the earlier numbers?
- Sanjay Swarup:** But we give only one set of numbers. We don't give two sets of numbers. In the 9-month period is there. We will give only one set of numbers and which have been approved by our auditors. We don't give two, three sets of numbers for your analysis. Sorry.
- Amit Dixit:** Okay. No problem. Okay.
- Moderator:** Thank you. The next question is from the line of Sandesh Shetty from HSBC. Please go ahead.
- Sandesh Shetty:** Thank you, sir. All my questions have been answered.
- Moderator:** Thank you. The next question is from the line of Bhoomika Nair from DAM Capital. Please go ahead.
- Bhoomika Nair:** Yes, sir. Sir, just one data point that I just wanted was the lead distance for the domestic side, if I could get that, please?
- Sanjay Swarup:** Yes. For domestic for 9 months period lead distance was 1317 kilometers.
- Bhoomika Nair:** Okay, Great sir. So I think there's no more questions in the queue. So we can end the call. Thank you so much to all the participants and the management for giving us an opportunity to host the call. Wishing you all the very best, sir. Thank you.
- Sanjay Swarup:** Thank you very much, Bhoomika.
- Moderator:** Thank you. On behalf of DAM Capital Advisors Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.



THANK YOU FOR BEING WITH US

Conference Name: Container Corporation Of India Limited Earnings Conference Call

Time: January 31, 2025 at 11:30 Hrs India Time

Total 153 Participants including the Speakers.

Participants List

Sr. No.	Name	Company
1	HOST: Management	Container Corporation Of India Limited
2	HOST: Ms. Bhoomika Nair	Dam Capital Advisors
3	Abhishek Rathi	Northrock Capital
4	Achal Lohade	Nuvama Wealth
5	Aditya Mungiya	Kotak Mahindra Asset Management Co. Ltd.
6	Akash Goyal	Tara Capital
7	Akash Kumar	LIC Mutual Fund
8	Akash Mehta	Canara HSBC Life Insurance
9	Akash Rawat	Bouyant Capital
10	Akhilesh Bhandari	Millennium Management
11	Akshata Thakar	Asian Market Securities
12	Akshay Johnson	Individual Investor
13	Akshay Karwa	Aviva Life Insurance
14	Alok Deora	Motilal Oswal Financial Services
15	Aman Agrawal	Carmelian Capital
16	Ameen Pirani	J.P. Morgan
17	Amit Bhiande	Morgan Stanley
18	Amit Dixit	ICICI Securities
19	Amit Khurana	Dolat Capital
20	Amit Kumar	Determind Investment
21	Anand Vyas	Bajaj Holdings
22	Anish Rankawat	UTI Mutual Fund
23	Ankit Jain	Mirae Asset
24	Ankita Shah	Elara Capital
25	Anshul Narayan	Arete Securities
26	Anupam Goswami	B&K Securities
27	Anurag Khadelwal	Individual Investor
28	Arun	Capital Market
29	Arun Kumar	Bloomberg
30	Ashish	Individual Investor
31	Ashish Shah	Millennium Management
32	Atul Kothari	Progwell Securities
33	Ayush Abhijeet	WhiteOak Capital Management
34	Basanth Patil N P	TCG Asset Management
35	Bharati Sawant	Dam Capital Advisors
36	Bharti Sawant	Mirae Asset
37	David Brown	Aiera
38	David Yehuda	S&P Global Market Intellegence
39	Deepak Kumar	District D
40	Devan Sangoi	Tej Investment
41	Devendar SariPELLI	S&P Global Market Intellegence
42	Dharmendra Grover	Helios Capital
43	Dhirendra Patro	Parth Private Wealth
44	Dipen Kapadia	RR Investments
45	Disha Giria	Ashika Institutional
46	Ekta Mehta	Karma Capital Advisors Pvt. Ltd.
47	Gaurav Khanna	Capgrow Capital
48	Gaurav Narayan	Saltoro Investments
49	Gurpreet Singh	Arihant Capital
50	Harish Gawaskar	Individual Investor
51	Harshil Shah	PhillipCapital
52	Harshit Sarawagi	Nuvama Wealth
53	Hemal Murarka	VT Capital



Sr. No.	Name	Company
54	Hemant Shah	SBI Life Insurance Company
55	Hetali Maniar	Share India Securities
56	Isabel	S&P Global Market Intellegence
57	Jayvant Shah	Equirus Securities
58	Jignesh Mukwana	Asian Market Securities
59	Jinesh Kothari	Elara Capital
60	Karan Shah	Onyx Capital Group
61	Kartik Jiwani	Edelweiss
62	Kaushab Bubna	BMSPL Capital
63	Keshav Misra	Vostok Capital
64	Kevyn Kadakia	Sundaram Mutual Fund
65	Koundinya N	Jefferies
66	Krupa Shankar	Aventus Spark
67	Kunal Mehta	Individual Investor
68	Laskhmi Narayanan	Ksema Wealth Mgmt Pvt. Ltd.
69	Lavina Quadros	Jefferies
70	Mandar Pawar	Kotak Mahindra Asset Management Co. Ltd.
71	Manish Gupta	Millennium Management
72	Manish Kanthaliya	M K Investment Managers
73	Mann Ashar	Growth Ventures
74	Manya	Bank of America
75	Meet Gala	Sicomoro Advisors Private Limited
76	Mihir Zaveri	ASK Investments
77	Mohit Jain	Tara Capital
78	Mohit Lohia	ICICI Securities
79	Mukesh Saraf	Aventus Spark
80	N Krishna	Informist
81	Neeloptal Shahu	BNP Paribas
82	Nikhil	Prasil Ltd.
83	Nirmal Gopi	Goldman Sachs
84	Nishant Chauhan	Geojit PMS
85	Nitin Gandhi	Inoquest Advisors Pvt. Ltd.
86	Nitin Gupta	Individual Investor
87	Paresh Dave	Balyasny Asset Management
88	Pawan Kumar Modi	Individual Investor
89	Piyush S	Sundaram Alternate
90	Pranali Patil	Iden Investments
91	Pratik Aggrawal	Individual Investor
92	Pratik B	Tara Capital
93	Pratik Maheshwari	Treeline Advisors
94	Pritish	ICICI Securities
95	Priyanka	Aditya Birla Sun Life Mutual Fund
96	Priyankar Vishwas	BNP Paribas
97	Rachel Smiths	Aiera
98	Rahul Ingle	Yashasvi Finvest Pvt. Ltd.
99	Rahul Modi	Nippon India Asset Management
100	Rahul Soni	ICICI Bank
101	Raj Roy	Star Group
102	Rajarshi Maitra	InCred Finance
103	Rajshi Shah	Bright Securities
104	Rakesh Sethia	HDFC Mutual Fund
105	Raunak Pathak	StockEdge
106	Renita Paul	ICICI Prudential Mutual Fund
107	Renjith Sivaram	Mahindra Manulife Mutual Fund
108	Rithik Dhiman	Bank of America
109	Rohan	Axis Capital
110	Rohan Baranwal	Arihant Capital
111	Rohit	DSP Investment Managers
112	Rohit Ohri	Progressive Shares
113	Ronak Bhta	Aditya Birla Sun Life Mutual Fund
114	Rupali Zade	Researchbytes
115	Rupan Jain	Investwell Agents Pvt. Ltd.
116	Rushabh Sheth	Karma Capital Advisors Pvt. Ltd.
117	Sagar Shirke	Motilal Oswal Financial Services



Sr. No.	Name	Company
118	Sai Sidharth	Kotak Mahindra Asset Management Co. Ltd.
119	Sam Khan	Nexa
120	Sandesh Shetty	HSBC
121	Sanket Daidhani	ICICI Prudential Mutual Fund
122	Santosh Kumar	Bloomberg
123	Saurabh	Saltoro Investments
124	Saurabh Chugh	Saltoro Investments
125	Saurav Duggar	Motilal Oswal Financial Services
126	Shagun Kabra	Individual Investor
127	Shithika	J.P. Morgan
128	Shiva Hariraman	Pinpoint Group
129	Shivaji Mehta	Individual Investor
130	Shivam Agarwal	InCred Finance
131	Shobhit Tiwari	Canara Robeco Mutual Fund
132	Shrey Gandhi	CR Kothari
133	Shunak Mayan	Individual Investor
134	Sidhanth Gupta	Tara Capital
135	Sreetika	J.P. Morgan
136	Sumit Kishore	Axis Capital
137	Suraj Gupta	M Solutions
138	Tanishq Makwana	Elara Capital
139	Tisha Shah	Karma Capital Advisors Pvt. Ltd.
140	Trusha	Boring Asset Management
141	Udit Dhekeli	Bank of America
142	Uma Ramachandran	Florintree Advisors
143	Vaibav Jain	RV Investments
144	Vaibhav Shah	JM Financial
145	Vandana Puranik	Bloomberg
146	Venkat	DSP Investment Managers
147	Vikram Suryavanshi	PhillipCapital
148	Vinay Jain	Karma Capital Advisors Pvt. Ltd.
149	Vineet Mane	Karma Capital Advisors Pvt. Ltd.
150	Vishal Khadelwal	Bajaj Holdings
151	Yash Hegde	Dam Capital Advisors
152	Yatin	Angel Research
153	Yatin Mata	Nippon India Asset Management