

2019 INVESTOR PRESENTATION



Maheshwari Logistics Limited

Moving Every Mile With A Smile

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FY19 - Financial Highlights

1,037

Rs. Crores

19% YoY



REVENUE

46.5

Rs. Crores

32% YoY



EBITDA

14.8

Rs. Crores

27% YoY



PAT

Robust revenue growth along with margin expansion



Maheshwari Logistics Limited (MLL)

Diversified business model present in **Logistics | Paper | Coal Handling**

5+ decade of experience and promoted by Maheshwari and Kabra family

Own fleet of **100+** Trucks and Trailers & **90,000 MT** Capacity Paper plant at Vapi

Wide Spread Presence **over 21 Operating Offices** across India

5000+ Trucks

3rd Party Trucks for Logistics
handling

30 Lakh

Tonnes of Logistics
handling

6.6 Lakh

Tonnes of Coal
handling

76,000 MT

Kraft Paper
produced

18.1 % CAGR

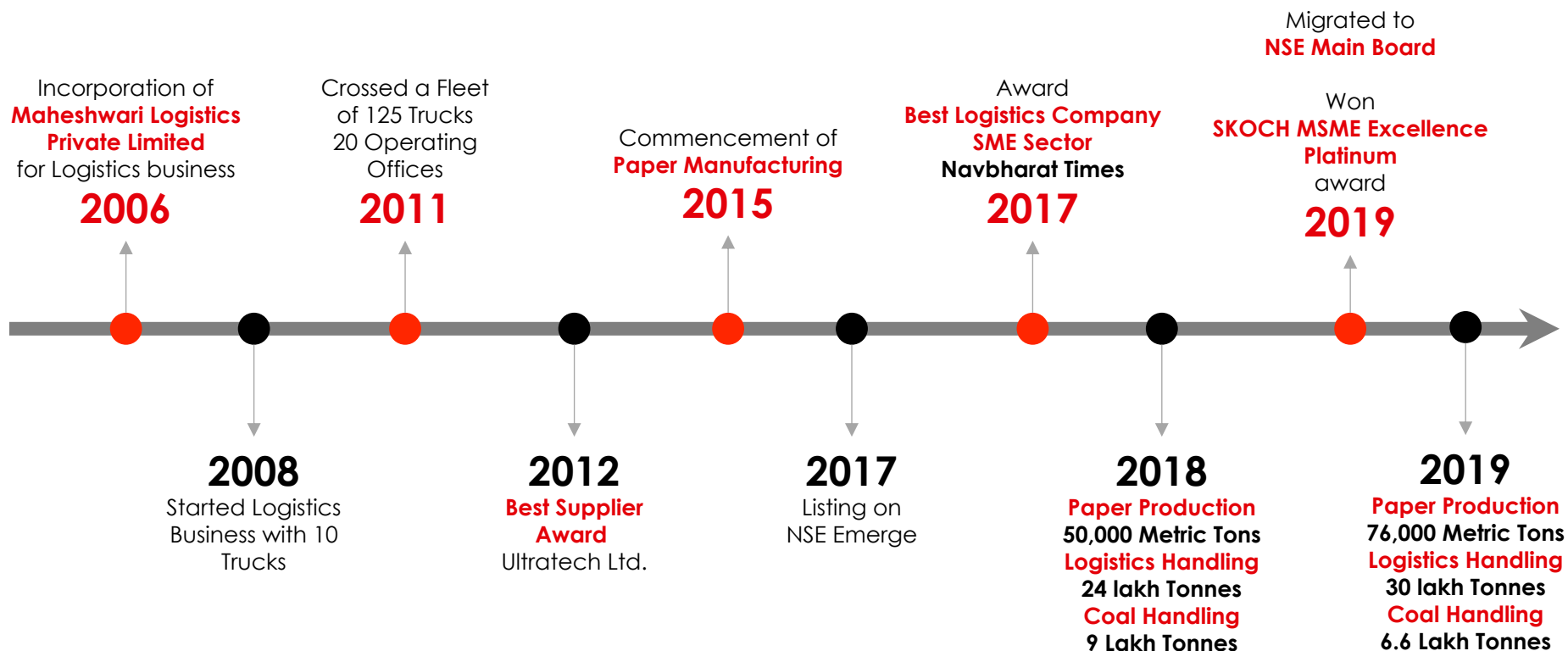
5 Year Revenue Growth

22.7% CAGR

5 Year PAT Growth



5 Decade old family business transformed into mini conglomerate





Our Vision and Mission keeps us motivated and defines our every action

- **VISION** To achieve success and be a premium company with clear focus on our values without missing any opportunity
- **MISSION** To deliver excellent and timely services to our customers and maximum benefits to our shareholders as well as our employee and the society



Diversified Business Verticals

Logistics



- Offer full truck load services to large and medium enterprises
- Service across Gujarat, Rajasthan, Maharashtra & Madhya Pradesh
- Owned fleet of 100+ trucks
- Association with 5,000+ trucks through third party truck owners
- Cater to Cement, Paper, Textiles, Fertilisers, etc
- 30 Lakh tonnes of cargo handled in FY19

Paper



- Ventured into manufacturing of Kraft Paper in 2015
- Manufacturing capacity of 90,000 MT per annum, increased from 72,000 due to plant improvements
- FY19 production 76,000 MT of Kraft Paper
- Application mainly in packaging industry

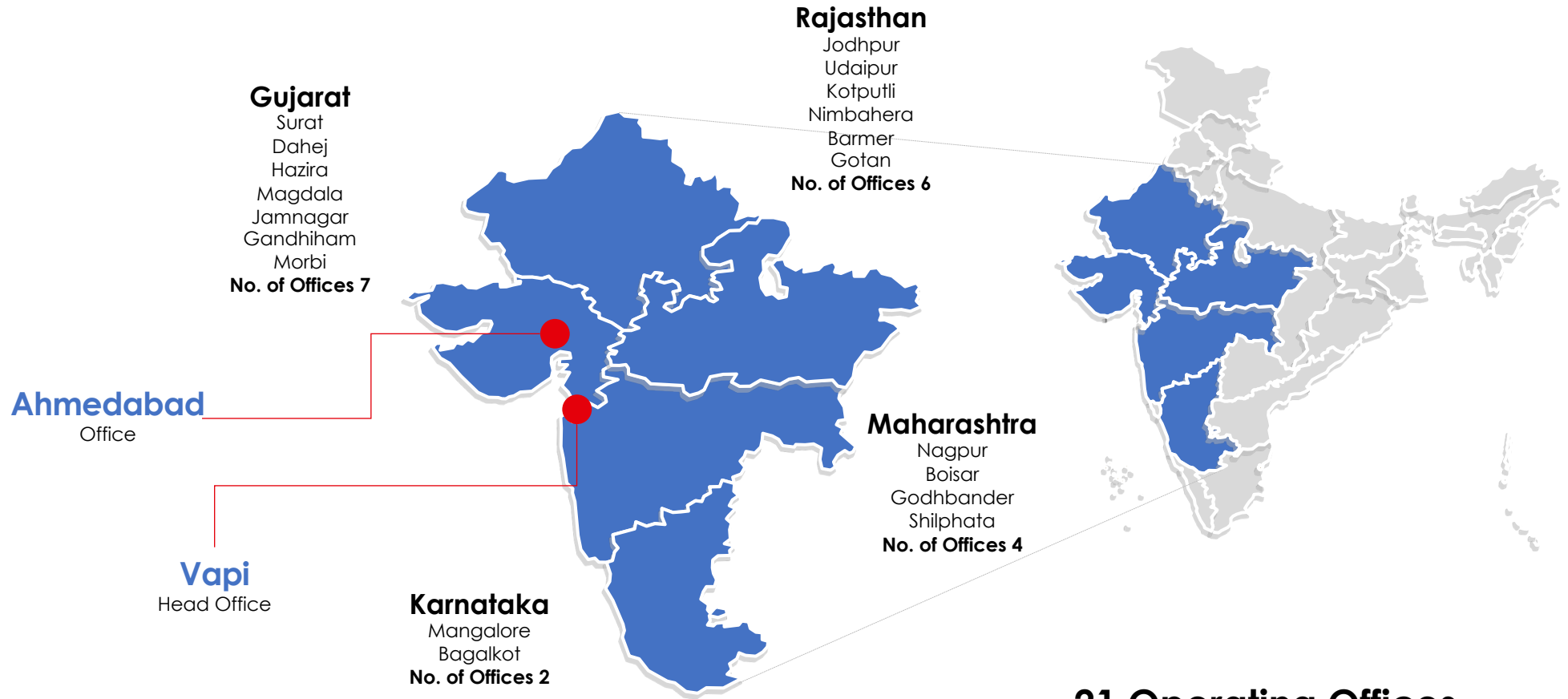
Coal Handling



- Ancillary to logistics business, it is a value addition for SME customers for whom we supply and manage complete logistics for imported coal
- Over 400 SME customers across Gujarat & Rajasthan
- Procurement through imports or high seas purchases
- Installed screening plant for sizing of imported coal
- 6.6 Lakh tonnes of coal supplied



Network of Offices



21 Operating Offices

500+ Employees



Experienced Management Team

Vinay Maheshwari
Chairman

Bachelor of Commerce from Kanpur University and over 20 years of experience in the business of coal

Varun Kabra
MD

MBA from University of Technology, Sydney and over 10 years of experience in the business of logistics

Amit Maheshwari
Director

Bachelor of Commerce from Kanpur University and over 20 years of experience in business of paper

Vipul Vashi
Director

Mechanical Engineer by education and over 16 years of experience in Kraft Paper Industry

Neeraj Maheshwari
CEO

Bachelor of Commerce from Kanpur University and over 25 years of experience in business

Pradeep Dad
CFO

Chartered Accountant by education and appointed as CFO since 2016, looking after accounting, finance & tax

Paresh Raiyani
Company Secretary

Qualified Company Secretary and BBA by education and looks after Secretarial and compliance matters

Leadership team with individual experience of over a decade each



Marquee Clients



Maheshwari Logistics Limited
Moving Every Mile With A Smile



Our Strong Values and Discipline, Helps us to deliver strong and consistent performance

- **DREAM** big challenges and seeing them achieve
- **INTEGRITY** and Honesty in our business practices
- **ETHICS** integrity and sustainability sustains from fair ethics





Logistics

Logistics – Among the largest organised player in Western India

Customers

Strong foothold in the Cement sector, with almost all the cement manufacturers in Gujarat & Rajasthan being our customer

Other sectors serviced:
Paper, Fertilizers, Textile

Owned Fleet

Owned fleet of 100+ trucks and trailers, with an average age of less than 5 years. Average capacity per truck is 16 Tonnes with body built for handling Bulk Cargo

+

Quantity Handled

We handled 30 Lakh tonnes in FY 2019 as compared to 24 Lakh tons in FY18, with majority cargo being handled is coal for cement sector

Third Party Fleet

Associated with various fleet owners and have access to 5000+ trucks through this network. We are also one of the largest aggregators of fleet owners in Western India

- We offer full truck load services to medium and large enterprises, who need bulk cargo transportation
- We have a strong foothold in the states of Gujarat, Rajasthan, Maharashtra and Madhya Pradesh
- Among the largest organized player in western India and also among the largest aggregator of fleet owners in western India
- A combination of owned fleet and third party fleet gives us the strength and hence the first choice by large corporates like Ultratech, JK Cement and Ambuja



Logistics – Diversified Customer Base

Top Customers	Industry	Quantity Handled FY19
JK Cement	Cement	4.15 Lakh
Ultratech	Cement	3.11 Lakh
Nirma Cement	Cement	2.68 Lakh
Ambuja	Cement	0.97 Lakh
Total of Top 4 Customers		10.91 Lakh
Total Quantity Handled (Tonnes)		29.55 Lakh
Top 4 % of Total		36.92%

***Top 4 Customers constitute only 37% of the total
Hence no major concentration risk to a particular customer***





Kraft Paper

Kraft Paper Manufacturing



We ventured into **manufacturing of Kraft Paper** in 2015 through a **strategic take-over** of Daman Ganga Paper's existing plant at Ambheti

We manufacture **100% recycle Kraft Paper**, which is used mainly in Packaging Industry

We had an initial **manufacturing capacity** of 72,000 MT per annum, which we have **increased to 90,000 MT** per annum through Plan upgradation. We produced 76,000 MT in FY2018-19

We have set-up **5 centres for waste paper collection** at Mumbai, Nashik and Surat, which is helping us to have consistent supply of raw material and at lower cost

We are setting up a **4.5 MW Power Plant** with Back Pressure Turbine, which would help us produce steam for paper manufacturing as power generation at the same time, hence would lower power costs





Coal Handling

Coal Handling – Value addition to Logistics Business

Coal is the most widely used fuel source among industries. Small and medium enterprises are dependent on supply chain providers like us for supplying domestic or imported coal to their doorstep. Hence coal handling & supply becomes ancillary to our logistics services to such small customers

We procure coal either through imports or through high seas purchases from other importers as well as Petcoke from manufacturers like Reliance and Essar. We enjoy significant economies of scale in procuring coal for small customers

We have also installed a screening plant at Vapi for sizing and grading of imported coal, hence our customers prefer us for supplying to them a consistent quality of coal & petcoke to them. This bundled with logistics services helps us command a better margin

We handle approx. 6-10 lakh tonnes of coal & petcoke every year for our customers along with the logistics of the same. For the year 2018-19 we supplied a total of 6.6 lakh tonnes of coal and petcoke





Our Experience and Proactive Nature Helps us to achieve a sustainable growth performance

- **Diversified** business presence
- **CAPEX** for modernization
- **Efficient** operating performance

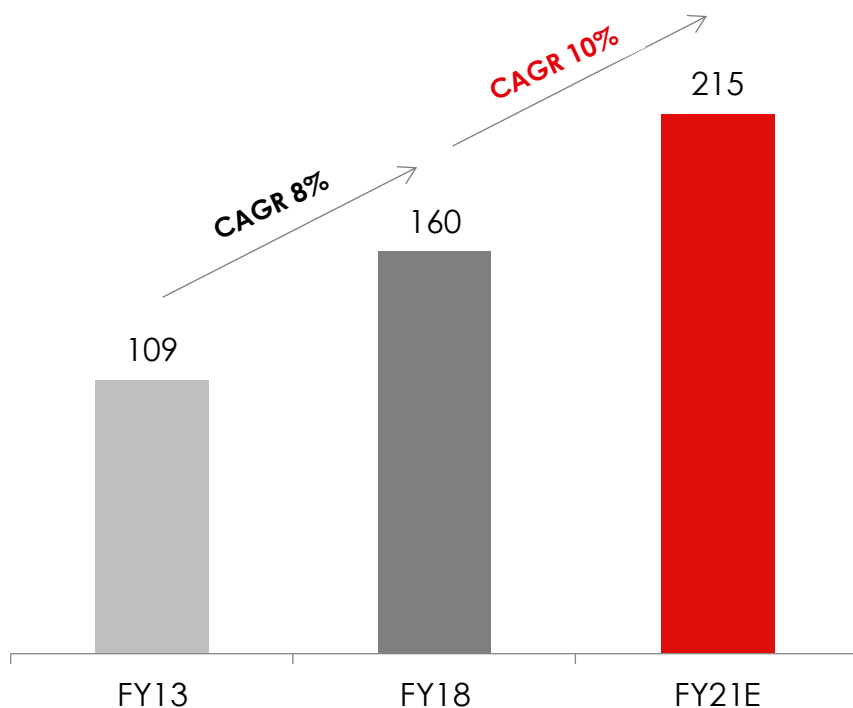




Logistics Outlook

Indian Logistics Industry - Bound to Grow

Estimated size of the Indian logistics industry (USD bn)



Structural reforms (GST, e-way bill) and infrastructure push (DFC, Sagarmala) alleviating key industry bottlenecks

Reforms levelling the playing field for organised players (90% unorganised share currently)

Evolving logistics needs augmenting service based models (3PL, express) over traditional execution-led businesses

Source: Research Report



Logistics Industry Dynamics

Industry	Market Size (Rs. Bn)	Past 5 Year CAGR (%)	Future Growth Expectation (%)
Road - FTL	6,300-6,500	10-12	8-10%
Road - LTL	700-750	01-12	10-12%
Container rail	80-85	06-01	1-8%
Coastal shipping / Inland waterways	45-50	10-12	1-10%
Express	250	18-20	15-17%
CFS/ICD	50-55	04-05	2-3%
3PL	450-500	18-20	17-18%
NVOOC	250-300	07-08	5-6%

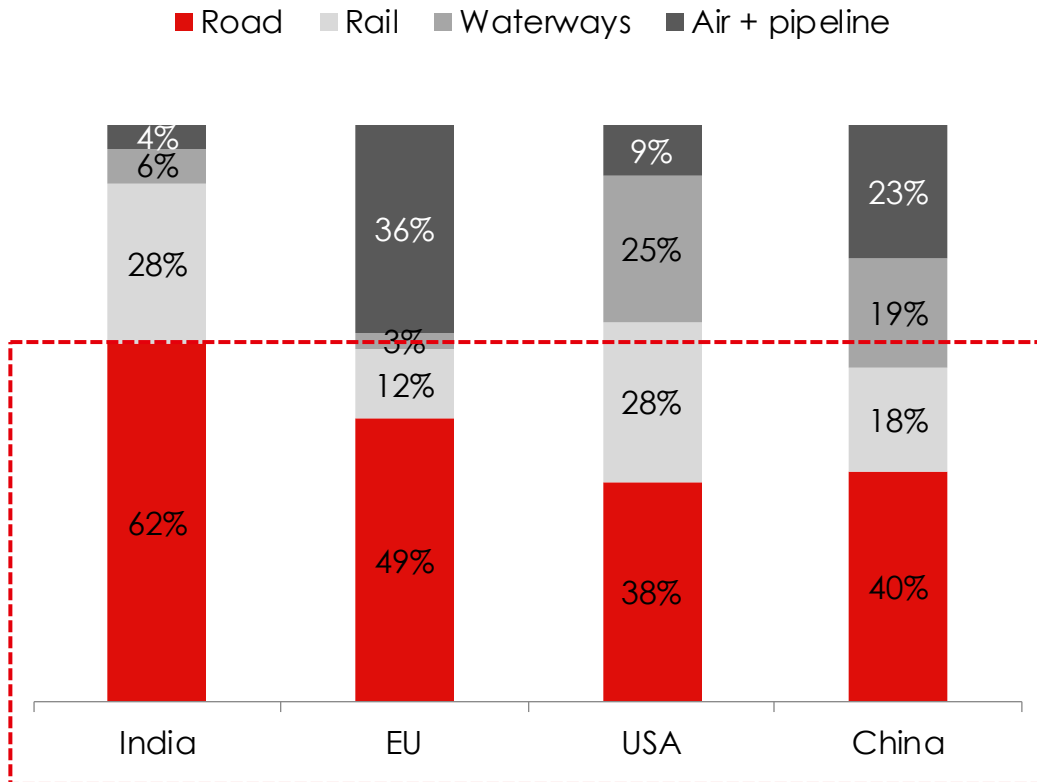
Full Truck Load is the largest segment among all the segments and growing at a modest 8-10%, inline with overall logistics sector

Source: Research Report



Huge Opportunity for Organised Players

Road logistics has the largest share of the industry...



...still very fragmented and big opportunity for unorganized to organised

Source: research report





Kraft Paper Outlook

India is the fastest growing major paper market in the world

Products	Volume		Projected CAGR (2021/2017)		India's segmental Market Share
	Global	India	Global	India	
Newsprints	46.6	2.6	-0.028	1.0%	15%
Writing and printing paper-Coated Paper	25.8	0.8	-0.50%	6.00%	5%
Writing and printing paper	54.2	4.3	-0.30%	3.7%	25%
Industrial Paper incl. Kraft Paper	165.7	4.8	2.2%	9.1%	28%
Tissue Paper	33.6	0.1	3.2	15.5%	1%
Speciality Paper	36.7	0.5	-1.0%	7.5%	3%
Paper Boards - Virgin		0.8		12.9%	5%
Paper Boards – Recycled	43.7	3.2	2.0%	7.1%	19%
Total	406.3	17.1	1.0%	6.3%	100%

Source: Research Report



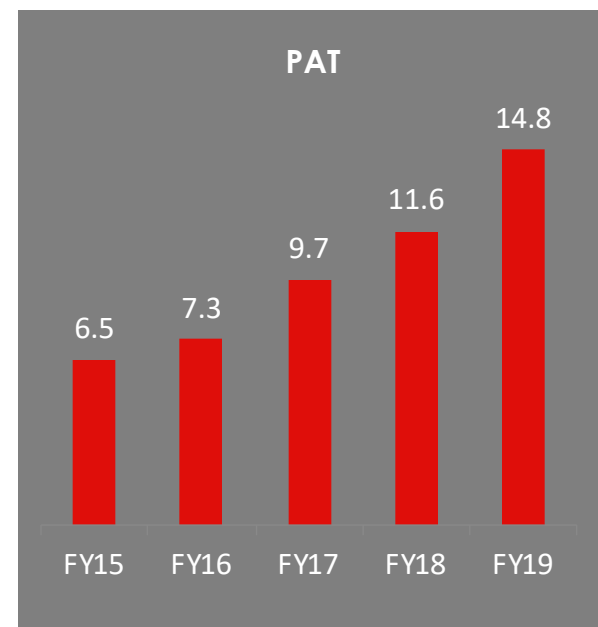
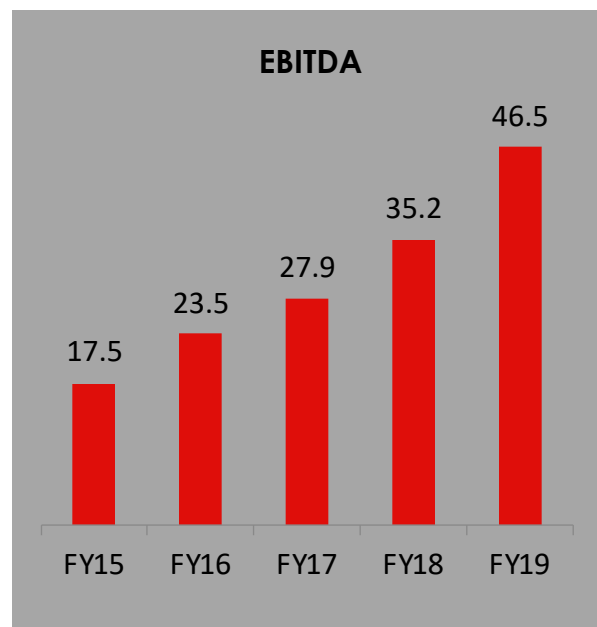
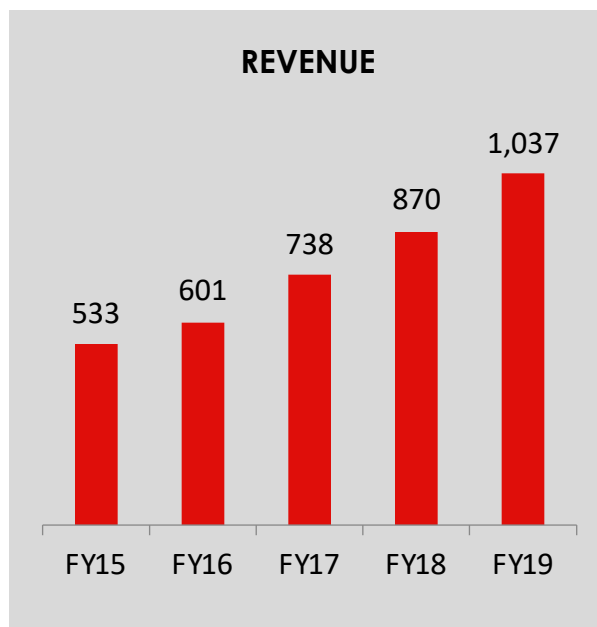


Growth in Performance is Reflected in the Company's Financials

- **Robust** financial performance
- **Margin** expansion
- **Disciplined** Balance Sheet



Key Performance Trend

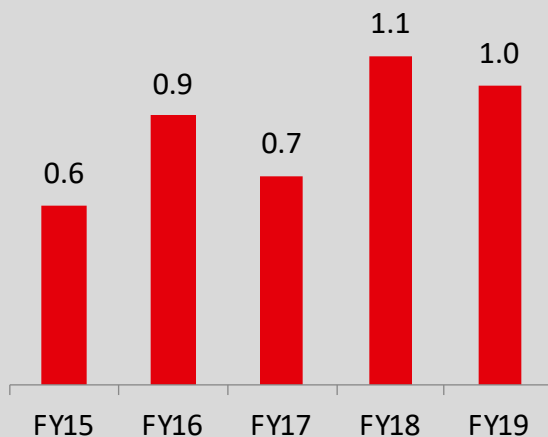


All Figures in Rs. Crores

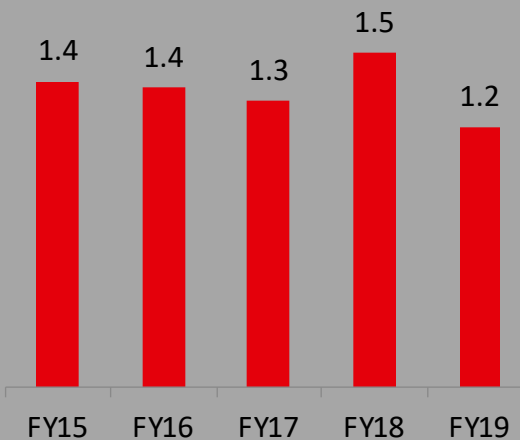


Key Performance Trend

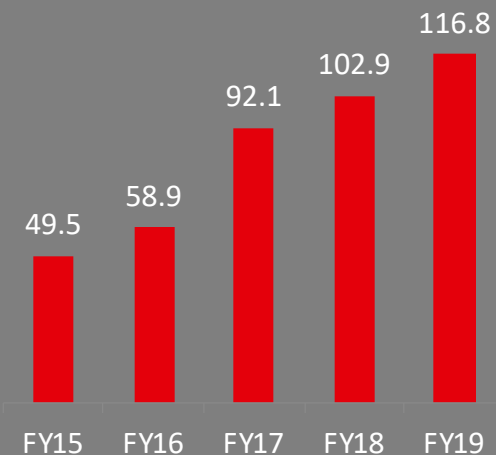
TOTAL DEBT/EQUITY RATIO (X)



CURRENT RATIO (X)



NET WORTH (RS CR)



Profit & Loss Account

Particulars (Rs. Crore)	FY15	FY16	FY17	FY18	FY19
Revenue from Operations	533.2	600.8	738.0	870.1	1,037.2
Raw Material Costs	328.7	345.8	437.3	598.6	560.9
Operating Expenses	164.7	212.4	251.3	210.1	395.9
Employee Cost	6.1	7.4	10.9	12.9	13.9
Other Expenses	16.1	11.8	10.6	13.3	20.0
Total Expenditure	515.7	577.3	710.1	834.9	990.7
EBITDA	17.6	23.5	27.9	35.2	46.5
<i>EBITDA Margin (%)</i>	<i>3.29%</i>	<i>3.91%</i>	<i>3.78%</i>	<i>4.05%</i>	<i>4.48%</i>
Other Income	1.7	4.7	2.1	3.5	3.0
Depreciation	2.5	2.4	4.9	7.4	8.0
EBIT	16.7	25.8	25.1	31.3	41.4
Interest	7.2	10.7	9.4	13.4	18.3
PBT	9.5	15.1	15.7	17.9	23.1
Exceptional Income / Expenses		-4.5			
Tax expenses	3.0	3.2	6.3	6.2	8.3
Profit After Tax	6.5	7.3	9.7	11.6	14.8
<i>PAT Margin (%)</i>	<i>1.22%</i>	<i>1.23%</i>	<i>1.28%</i>	<i>1.34%</i>	<i>1.42%</i>



Balance Sheet

Particulars (Rs. Crore)	Mar-15	Mar-16	Mar-17	Mar-18	Mar-19
EQUITY AND LIABILITIES					
Share Capital	5.2	5.4	14.8	14.8	14.8
Total Reserves	44.3	53.5	77.3	88.1	102.0
Shareholder's Funds	49.5	58.9	92.1	102.9	116.8
Long-Term Borrowings	3.7	14.1	15.8	58.3	72.9
Deferred Tax Assets / Liabilities	-0.2	-0.2	0.7	2.3	4.6
Long Term Trade Payables	6.0	8.0	8.3	8.3	0.0
Long Term Provisions			0.2	0.0	0.0
Total Non-Current Liabilities	9.5	21.9	24.9	68.9	77.5
Current Liabilities					
Trade Payables	75.1	92.9	157.6	85.4	89.0
Other Current Liabilities	6.7	3.0	13.8	27.1	40.6
Short Term Borrowings	25.0	36.5	50.4	54.6	49.1
Short Term Provisions	1.5	4.4	3.1	1.1	1.4
Total Current Liabilities	108.2	136.7	224.9	168.3	180.1
Total Liabilities	167.2	217.5	342.0	340.0	374.4
ASSETS					
Non-Current Assets					
Property Plant & Equipment	11.7	17.1	32.8	63.8	72.1
Capital Work in Progress	0.1	1.9	0.5	5.0	38.0
Non-Current Investments					2.7
Long Term Loans & Advances	4.3	10.6	14.0	14.3	29.8
Other Non Current Assets	0.0	0.0	0.0	0.0	16.8
Total Non-Current Assets	16.1	29.6	47.3	83.1	159.4
Inventories	5.5	13.4	34.9	59.4	48.0
Sundry Debtors	131.7	138.0	220.6	161.5	124.3
Cash and Bank	8.9	14.2	6.5	12.8	15.0
Other Current Assets	1.5	3.1	2.3	3.1	1.8
Short Term Loans and Advances	3.4	19.2	30.5	20.2	25.9
Total Current Assets	151.1	187.9	294.7	256.9	215.0
Total Assets	167.2	217.5	342.0	340.0	374.4



Key Ratio

Ratios	FY15	FY16	FY17	FY18	FY19
Interest Coverage Ratio	2.31	2.40	2.67	2.33	2.26
Return on Equity	13.06%	12.41%	10.55%	11.32%	12.66%
Return on Assets	3.87%	3.36%	2.84%	3.43%	3.95%
RoCE	28.37%	31.86%	21.47%	18.22%	21.31%
Debt to Equity	0.58	0.86	0.72	1.10	1.04
Net Debt to Equity	0.40	0.62	0.65	0.97	0.92
Asset Turnover	3.19	2.76	2.16	2.56	2.78
Fixed Assets Turnover	45.46	35.08	22.48	13.65	14.42
Inventory Days	4	8	17	25	17
Receivable Days	90	84	109	68	44
Creditors Days	51	56	78	36	31
Working Capital Days	42	36	48	57	29





Maheshwari Logistics Limited

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