



Logistics Monthly Update

Broader logistics activities continued to show revival during September-21; Cargo volume growth at major ports slowed, led by iron ore, fertilizers; IR Container volume growth outpaced growth at ports; E-way bill generation growth strong

Cargo volumes at major ports have witnessed modest growth of 1.8% YoY at 54.5 mn tn during the month of Sept-21, despite a low base last year (-2.2% YoY at 53.5 mn tn).

Container volume at major ports have shown a growth of 13.9% YoY at 13.8 mn tn.

Indian Railways freight loading grew by 3.6% YoY at 106 mn tn during Sept-21; Freight earning recorded growth of 9.2% YoY at Rs 108 bn.

Indian Railway domestic container volume registered a robust growth of 35.6% YoY at 1.4 mn tn during Sept-21; EXIM container volume grew by 3.9% YoY at 4.5 mn tn.

E-way bill generation stood at 68 mn during Sept-21, higher by 18.3% YoY.

Major ports cargo volume growth slowed to 1.8% YoY during Sept-21

- Cargo volumes at India's 12 major ports have witnessed modest growth of 1.8% YoY at 54.5 mn tn during the month of Sept-21, compared to 11.4% growth registered in the previous month, despite a low base last year (Sept-20: -2.2% YoY at 53.5 mn tn). The volume growth stood marginally lower by 0.4% compared with pre-covid level, i.e. Sept-19.
- The volume growth was led by commodities like POL (+17% YoY, 18.1 mn tn), Coal (+21% YoY, 11.8 mn tn) and Container volume (+14.8% YoY, 13.8 mn tn)
- The volumes for commodities like Iron Ore (-38% YoY, 3.6 mn tn), Finished Fertilizers (-25% YoY, 0.5 mn tn), Sugar (-49% YoY) and Cement (-36% YoY) witnessed decline.
- The YTD-FY22 cargo volume growth was up by 16.1% YoY at 347 mn tn against 299.8 mn tn during the same period last year. In comparison with pre-covid period, volume stood slightly lower by 0.3%.
- Deendayal port accounted for highest share of cargo handled at 18% or 63 mn tn, followed by Paradip (16%), JNPT (10%), Vishakapatnam (10%) and Mumbai (8%).

Freight loading at Indian Railways rose 3.6% YoY in Sept-21

- The freight loading at Indian Railways (IR) reported a growth of 3.6% YoY at 106 mn tn in Sept-21, while the freight earning for the period stood higher by 9.2% YoY at Rs 108 bn.
- The Freight/ mn tn for Sept-21 increased by 5.4% YoY at Rs 1,020 mn against Rs 968 mn. On MoM basis, the freight/ mn tn was higher by 3.9%.
- Indian Railway domestic container volume registered a robust growth of 35.6% YoY at 1.4 mn tn during Sept-21, higher than the container volume growth reported by major ports.
- EXIM container volume at Indian Railway grew by 3.9% YoY at 4.5 mn tn for Sept-21.
- The YTD-FY22 freight loading at IR recorded a robust growth of 25.3% YoY at 668.7 mn tn against 533.7 mn tn. On compared to pre-covid period, volume grew by 14%.

Table 1: Cargo Volume at Major Ports – YTD (In Mn Tn)

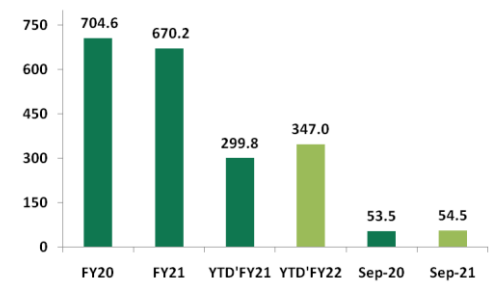
Major Ports	YTD		%Ch	YTD	%Ch
	FY20	FY21	YoY	FY22	YoY
KOLKATA	31.5	25.8	-17.9	27.2	5.4
PARADIP	55.6	52.1	-6.2	56.2	7.8
VISAKHAPATNAM	34.8	32.8	-5.7	33.4	2.0
KAMARAJAR (ENNORE)	15.8	10.8	-31.6	19.0	76.1
CHENNAI	24.7	18.4	-25.7	23.1	25.6
V.O. CHIDAMBARANAR	18.3	16.5	-9.4	17.6	6.1
COCHIN	16.6	12.6	-24.4	16.0	27.6
NEW MANGALORE	17.9	16.5	-7.4	17.9	8.0
MORMUGAO	7.6	8.6	12.3	9.4	9.6
MUMBAI	30.1	24.5	-18.7	27.9	14.2
JNPT	34.4	26.9	-21.7	36.4	34.9
DEENDAYAL	61.0	53.4	-12.6	63.0	18.0
Total	348.2	298.8	-14.2	347.0	16.1

Source: Indian Port Association, SMIFS Research

Key Logistics Indicators (Sept-21)	YoY trend
Cargo volume at major ports	↑ +1.8%
Container volume at major ports	↑ +13.9%
Indian Railway Freight Loading	↑ +3.6%
IR Domestic Container volume	↑ +35.6%
IR EXIM Container volume	↑ +3.9%
E-Way Bill generation	↑ +18.3%
Toll collection	↑ +55.1%

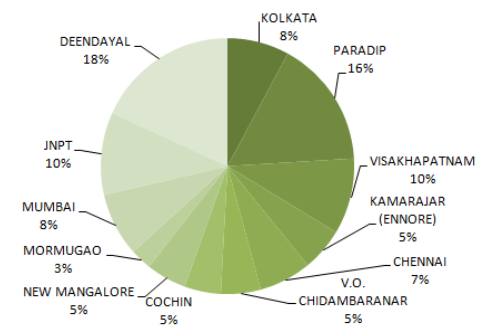
*Source: IPA, IR, GSTN, NPCI, SMIFS Research

Fig 1: Cargo Volume at Major Ports



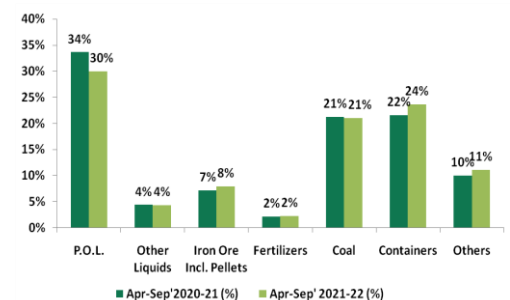
Source: Indian Port Association, SMIFS Research

Fig 2: Port-wise share of cargo volume (YTD'FY22)



Source: Indian Port Association, SMIFS Research

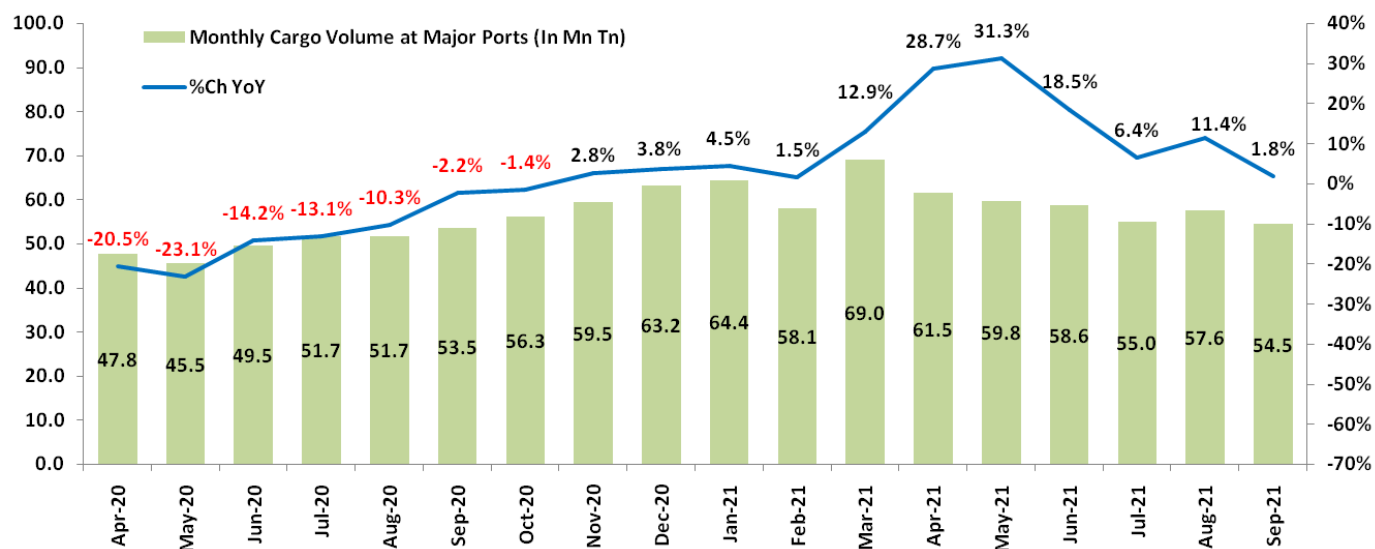
Fig 3: Commodity-wise share of cargo volume (YTD'FY22)



Source: Indian Port Association, SMIFS Research

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Fig 4: Cargo Volume at Major Ports (In Mn Tn)


Source: Indian Port Association, SMIFS Research

Table 2: Commodity-wise Cargo Volume at Major Ports – YTD (In Mn Tn)

(In Mn Tn)	YTD		%Ch	YTD	%Ch	
	FY20	FY21	YoY	FY22	YoY	
P.O.L. (Crude, Prod., LPG/LNG)	117.1	95.1	-18.8	104.0	9.3	
Other Liquids	15.2	13.0	-14.5	14.9	14.7	
Iron Ore Incl. Pellets	24.8	33.0	33.3	27.4	-17.0	
Fertilizers	Finished	4.6	4.8	3.4	3.6	-24.4
	Raw	2.8	3.5	24.3	4.0	14.9
Coal	Thermal & Steam	45.0	34.6	-23.1	48.4	40.0
	Coking & Others	29.0	21.0	-27.7	24.4	16.3
Containers	Tonnage	75.0	61.5	-18.0	82.0	33.3
	TEUs	5.1	4.1	-20.7	5.5	34.4
Other Misc. Cargo	34.8	32.4	-6.8	38.4	18.3	
TOTAL	348.2	298.8	-14.2	347.0	16.1	

Source: Indian Port Association, SMIFS Research

Table 3: Port-wise, Commodity-wise Cargo Volume for YTD/FY22 (In Mn Tn)

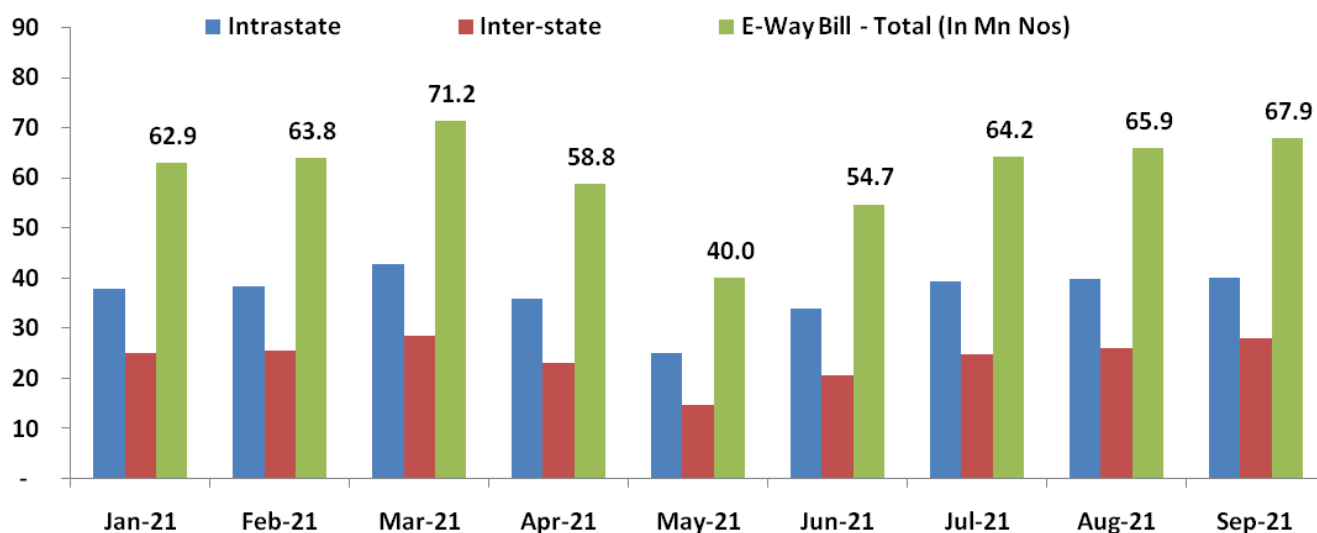
Port/ Commodities (In Mn Tn)	P.O.L. (Crude, Prod., LPG/LNG)	Other Liquids	Iron Ore Incl. Pellets	Fertilizers		Coal		Containers		Other Misc. Cargo	TOTAL
				FIN.	RAW	Thermal & Steam	Coking & Others	Tonnage	TEUs (Mn Nos)		
KOLKATA	4.7	2.7	0.8	0.3	0.2	0.1	6.5	6.2	0.4	5.7	27.2
PARADIP	16.5	0.9	11.3	0.2	2.2	13.2	7.3	0.1	0.0	4.4	56.2
VISAKHAPATNAM	6.7	1.0	7.5	0.7	0.7	4.1	2.4	4.4	0.3	5.9	33.4
KAMARAJAR	2.3	0.1	-	-	-	9.8	0.8	4.5	0.2	1.4	19.0
CHENNAI	5.3	0.6	-	-	0.1	-	0.0	15.2	0.8	1.8	23.1
V.O.CHIDAMBARANAR	0.2	0.5	-	0.1	0.4	3.7	3.0	7.9	0.4	1.9	17.6
COCHIN	10.0	0.2	-	-	0.1	-	-	5.0	0.4	0.7	16.0
NEW MANGALORE	9.9	1.2	2.3	0.2	0.1	2.0	0.4	1.3	0.1	0.6	17.9
MORMUGAO	0.2	0.1	2.2	0.0	-	0.9	3.6	0.1	0.0	2.2	9.4
MUMBAI	17.3	0.8	3.1	0.1	-	2.7	0.2	0.1	0.0	3.6	27.9
J.N.P.T.	1.6	1.5	-	-	-	-	-	33.0	2.7	0.3	36.4
DEENDAYAL	29.3	5.2	0.1	2.1	0.1	11.8	0.3	4.3	0.2	9.8	63.0

ALL PORTS	104.0	14.9	27.4	3.6	4.0	48.4	24.4	82.0	5.5	38.4	347.0
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Table 4: Indian Railway Freight Data (In Mn Tn)

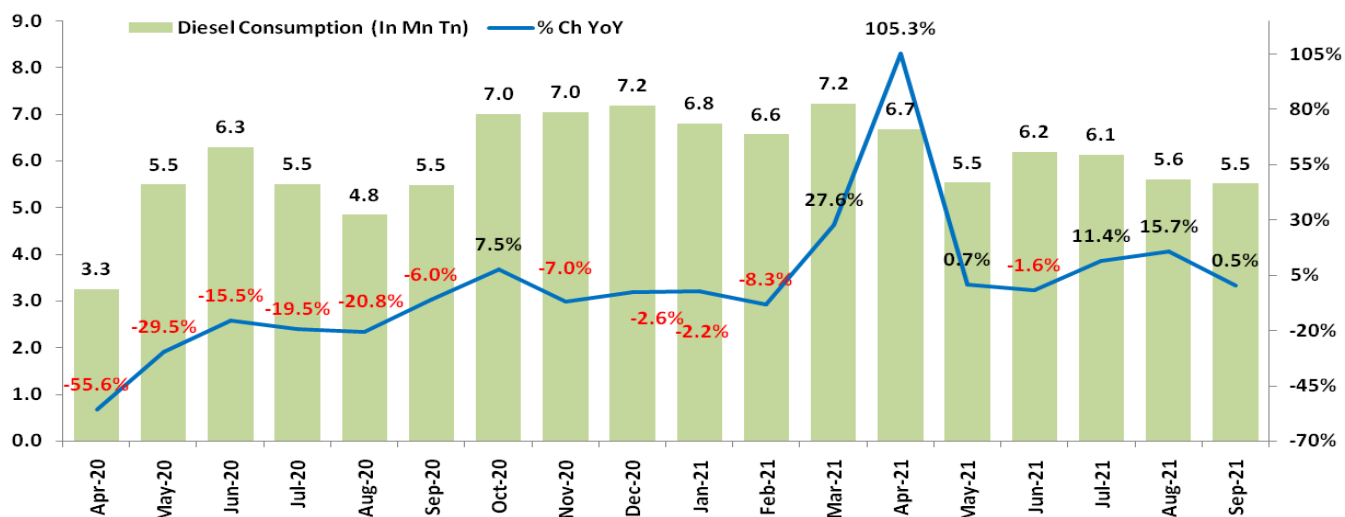
In Mn Tn	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21
Freight Loading (In Mn Tn)	119.8	112.3	130.5	111.7	114.9	112.8	112.7	110.7	106.0
% Ch YoY	8.7%	5.5%	26.6%	70.7%	39.1%	20.5%	18.4%	16.9%	3.6%
Freight Earning (Rs Bn)	118	111	129	112	116	112	109	109	108
% Ch YoY	5.9%	3.7%	26.2%	86.3%	56.1%	26.8%	22.0%	20.2%	9.2%
Freight/ Mn Tn (Rs Mn)	988	990	988	1,001	1,011	993	971	982	1,020
Break-up: (In Mn Tn)									
Domestic Containers	1.3	1.3	1.5	1.3	1.2	1.1	1.3	1.4	1.4
% Ch YoY	23.1%	26.2%	62.2%	143.4%	85.1%	27.9%	37.4%	52.1%	35.6%
EXIM Containers	5.0	4.6	5.1	4.3	4.7	5.2	4.7	4.5	4.5
% Ch YoY	15.1%	12.5%	28.3%	19.7%	30.0%	50.7%	25.1%	16.8%	3.9%

Source: Indian Railways, SMIFS Research

Fig 5: E-way Bill Generation (In Mn Nos)


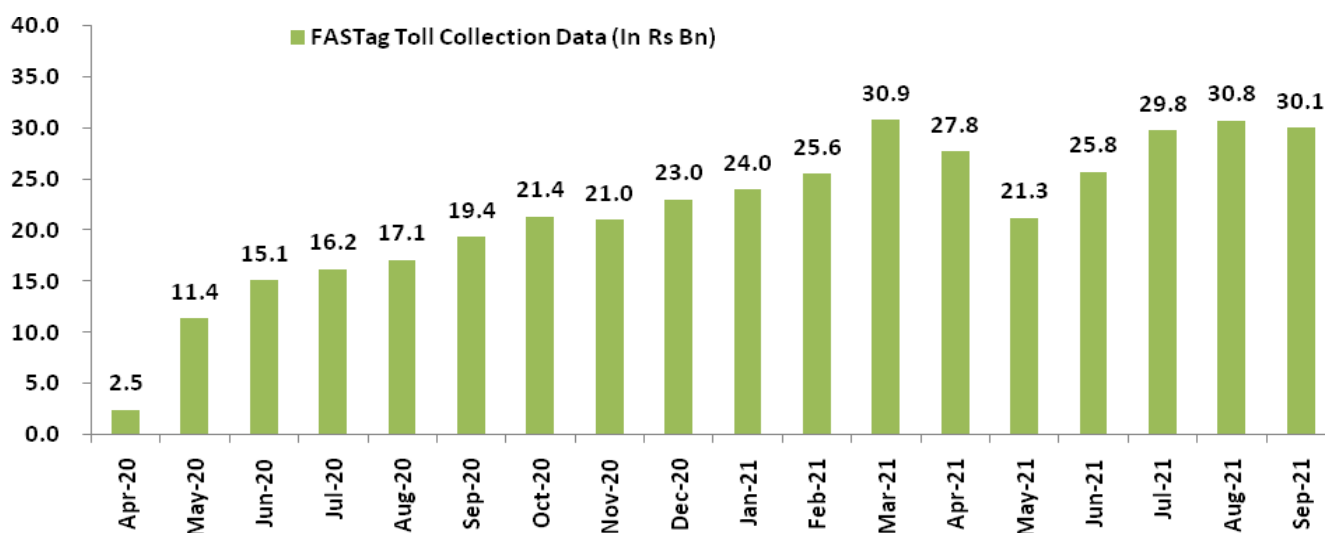
Source: GSTN, SMIFS Research

Fig 6: Diesel Consumption (In Mn Tn)



Source: PPAC, SMIFS Research

Fig 7: FASTag Toll Collection (In Rs Bn)



Source: NPCI, SMIFS Research

Table 5: Logistics Valuation Matrix

Sr.No.	Company Name	CMP (Rs)	Mcap (Rs Mn)	EPS (Rs)	BVPS (Rs)	PE (x)	PB (x)	EV/EBITDA (x)	DPS (Rs)	Dvd. Yld. (%)	ROE (%)	ROCE (%)	D/E (x)	Promoter SH (%)
1	Adani Ports	783	15,90,014	27.1	160.3	28.8	4.9	16.6	5.0	0.6%	18.0	14.1	1.1	63.79
2	Container Corporation Of India	666	4,04,998	11.6	171.3	57.6	3.9	23.9	5.0	0.8%	4.6	6.7	0.0	54.80
3	Blue Dart Express	6,244	1,49,229	109.1	262.6	57.2	23.8	16.7	15.0	0.2%	18.8	22.7	1.0	75.00
4	Aegis Logistics	206	74,043	7.4	57.2	27.8	3.6	16.1	2.0	1.0%	14.4	16.3	0.2	57.74
5	Allcargo Logistics	271	66,964	9.9	96.9	27.4	2.8	10.5	2.0	0.7%	3.5	7.5	0.8	69.95
6	TCI Express	1,647	63,373	32.1	118.4	51.3	13.9	36.7	4.0	0.2%	26.2	34.2	0.0	66.70
7	Shipping Corporation Of India	133	61,625	11.1	178.5	12.0	0.7	7.9	0.3	0.2%	7.9	5.5	0.4	63.75
8	Gujarat Pipavav Port	114	55,692	4.3	47.0	26.6	2.4	10.7	4.5	4.0%	9.5	14.5	0.0	44.01
9	Mahindra Logistics	696	50,103	7.7	80.4	90.6	8.7	24.4	2.5	0.4%	5.2	10.1	0.1	58.31
10	Great Eastern Shipping Co	329	47,345	31.5	525.1	10.4	0.6	4.6	9.0	2.7%	12.7	9.6	0.7	29.21
11	Transport Corporation Of India	594	44,250	24.6	156.2	24.2	3.8	14.0	2.5	0.4%	12.0	12.5	0.2	66.54
12	VRL Logistics	380	33,584	11.5	66.9	33.0	5.7	10.4	4.0	1.1%	7.4	13.3	0.2	69.59
13	Gateway Distriparks	265	33,057	10.1	121.6	26.1	2.2	10.9	4.0	1.5%	6.8	9.4	0.4	32.14
14	GATI	138	16,994	-18.1	41.8	0.0	3.3	32.1	0.0	0.0%	-38.8	-21.3	0.5	51.93
15	Snowman Logistics	45	7,444	0.1	25.2	359.3	1.8	10.9	0.0	0.0%	0.0	4.0	0.2	40.25
16	Navkar Corporation	41	6,096	2.8	121.5	14.7	0.3	6.8	0.0	0.0%	0.9	3.9	0.3	69.03

Source: ACE Equity, SMIFS Research *CMP as on 21-Oct-21 end. Valuation based on TTM financials. Balance sheet data like ROE, ROCE and D/E based on FY21 financials.

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