



कॉनकॉर  
CONCOR

A Navratna Company



CSA  
ADVISOR

PROTECTING | INVESTING | FINANCING | ADVISING

# RESEARCH REPORT CONCOR LTD



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# About

Container Corporation Of India (CONCOR) is engaged in the business of providing inland transportation of containers by rail. It also covers the Management of Ports, Air cargo complexes and establishes cold chains.

## Key Business

Carrier

Terminal Operator

Container Freight Station (CFS) Operator

## Synopsis of Financials

- Achieved highest ever throughput of 4.72 million TEUs in FY '24.
- Highest ever containerized cargo movement of 51.67 million tons in FY '24.
- Highest turnover of Rs. 9,010.76 crores in FY '24.
- Highest ever Profit After Tax (PAT) of Rs. 1230.79 crores in FY '24.
- Record number of double-stacked trains in FY '24 - 5,440 trains.
- Capex spent in FY '24 was Rs. 745 crores.

## Stock data (as 01st Aug 2024)

Nifty Price	: 25,010.90
52 week High (in Rs.)	: 1,194
52 week Low (in Rs.)	: 646
Market Cap. (in Crore)	: 63,351 CR
NSE Code	: CONCOR

## Stock data



-NIFTY50  
-CONCOR

## Shareholding Pattern (March 2024)



-PUBLIC GROUP  
-PROMOTER GROUP

## Financial Summary

Particulars	March 2024	March 2023	March 2022
Sales	8,653	8,169	7,653
Sales Growth %	5.93%	6.75%	19.07%
Expenses	6,695	6,301	5,903
Operating Profit	1,958	1,868	1,750
OPM %	23%	23%	23%
Net Profit	1,262	1,173	1,054
EPS in Rs	20.69	19.27	17.34

# Quarterly Results



Particular	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24
Sales	1,986	2,004	2,184	1,923	2,195	2,211	2,325
Expenses	1,481	1,572	1,733	1,527	1,648	1,693	1,827
Operating Profit	506	432	451	396	546	517	498
OPM %	25%	22%	21%	21%	25%	23%	21%
Other Income	45	104	94	81	105	92	93
Interest	16	16	17	16	17	19	20
Depreciation	139	140	158	142	153	159	165
Profit before tax	396	381	371	319	482	431	406
Tax %	25%	24%	26%	24%	25%	24%	26%
Net Profit	304	293	279	245	368	331	318

Source: Screener

## Key Ratios

Ratios	FY 2022-23	FY 2021-22	Change (%)
Debtors Turnover ratio (Times)	41.64	45.80	(9.09)
Inventory Turnover Ratio (Times)	Not Applicable		
Interest Coverage Ratio (Times)	28.28	26.78	5.58
Current Ratio (Times)	3.07	2.62	17.28
Debt Equity Ratio (Times)	0.06	0.06	-
Operating Profit Margin (%)	22.73	22.78	(0.21)

Net Profit Margin (%)	13.87	13.52	2.59
Return on Net Worth (%)	10.40	9.86	5.48

Source: Annual Report

# Yearly Results

Particulars	March 2024	March 2023	March 2022
Equity Capital	305	305	305
Reserves	11,519	10,921	10,449
Borrowings	939	779	735
Other Liabilities	1,276	1,460	1,513
Total Liabilities	13,002	13,465	13,002
Fixed Assets	5,723	5,621	5,723
CWIP	755	837	755
Investments	1,207	1,213	1,207
Other Assets	5,317	5,794	5,317
Total Assets	13,002	13,465	13,002

# Synopsis Quater Results

## Con-Call May 24: Key Highlights

### Infrastructure and Expansion:

- Added 3 new terminals - MMLPs at Jajpur, Kadakola, and Paradip.
- Commissioned 14 new high-speed heavy capacity rakes, total fleet size now at 377.
- Procured 7,653 new containers, total count over 44,000 containers.
- Procured and deployed 90 LNG trucks, with plans to procure 200 more.
- Successfully stabilized double-stacked trade express trains from MMLP Dadri to Mundra Port.
- Signed MOUs with M/s DB Schenker, Central Warehousing Corporation, Singapore Port for collaborative multi-model logistics solutions.
- Commissioned AI-based terminal management system at ICD Tughlakabad.

### Growth and Guidance:

- Guidance for FY '25 - expecting 15% growth in EXIM, 25% growth in Domestic, overall growth of 18% to 20%.
- Drivers for growth in FY '25 include bulk cement in tank containers, running double-stack trains to Varnama near Nhava Sheva and expecting additional business at new terminals.
- Capex budget finalized at Rs. 610 crores for FY '25, focused on wagons, containers, rolling stock, terminal development, land procurement, and IT.
- Company bullish on growth with strong commitments and support from customers.

### Service and Pricing Strategy:

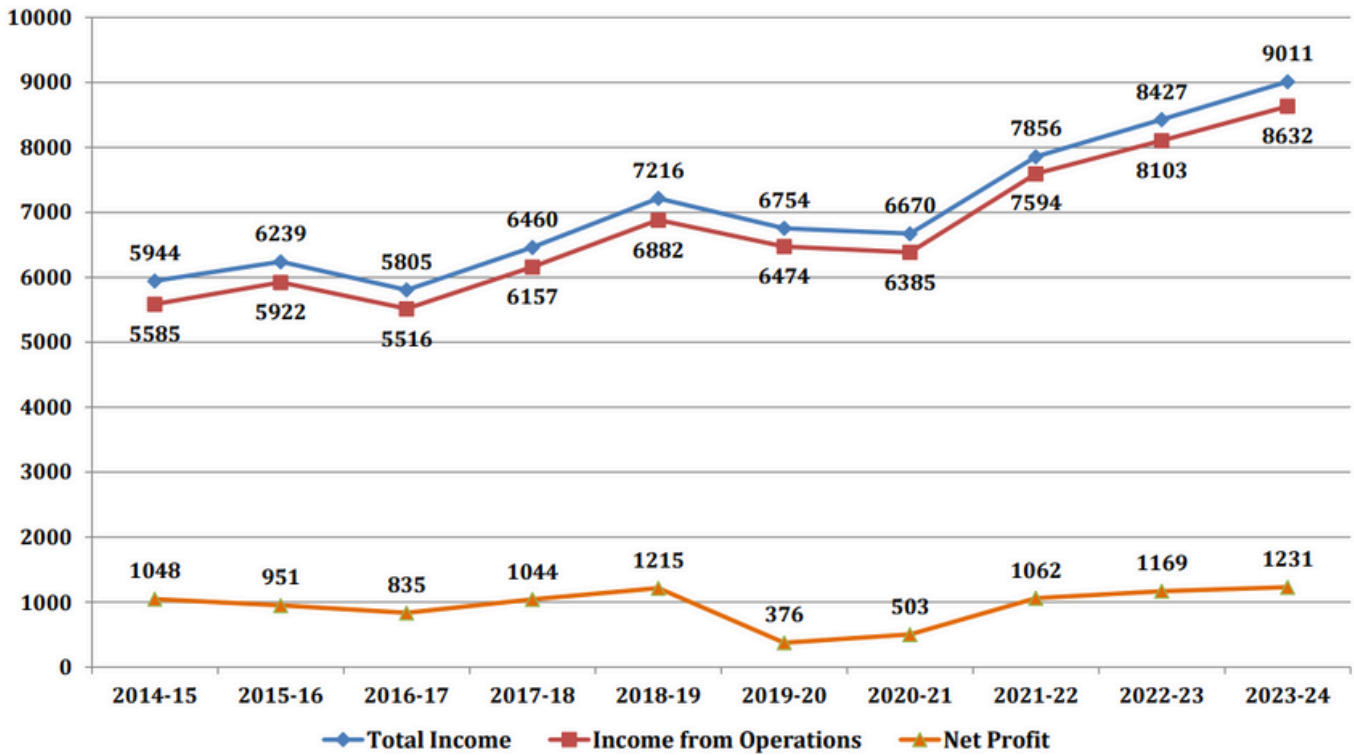
- Focus on providing excellent service to customers while maintaining reasonable margins.
- Offering predictability in service with timetable trains and value-added services at MMLPs.
- Providing IT-based solutions and logistics app for customer convenience.
- Maintaining EBITDA margin at around 25%.
- Strategic pricing in response to rail haulage increases and busy season surcharge.
- Absorbed rail haulage increase for 40 days leading to a temporary decline in realization.

### Industry Outlook and Market Share:

- Expecting traffic shift from road to rail due to sustained efforts.
- Drivers of growth include double-stack movement, DPD movement, and new terminals.
- Market share in EXIM around 55% to 56%, domestic around 67% to 68% in FY '24.
- National rail plan projects rail commission to grow from 18% to 20% to 40% to 45% in the future.
- Targeting 80% to 85% first mile, last mile service by FY '26.

# Revenue Highlights

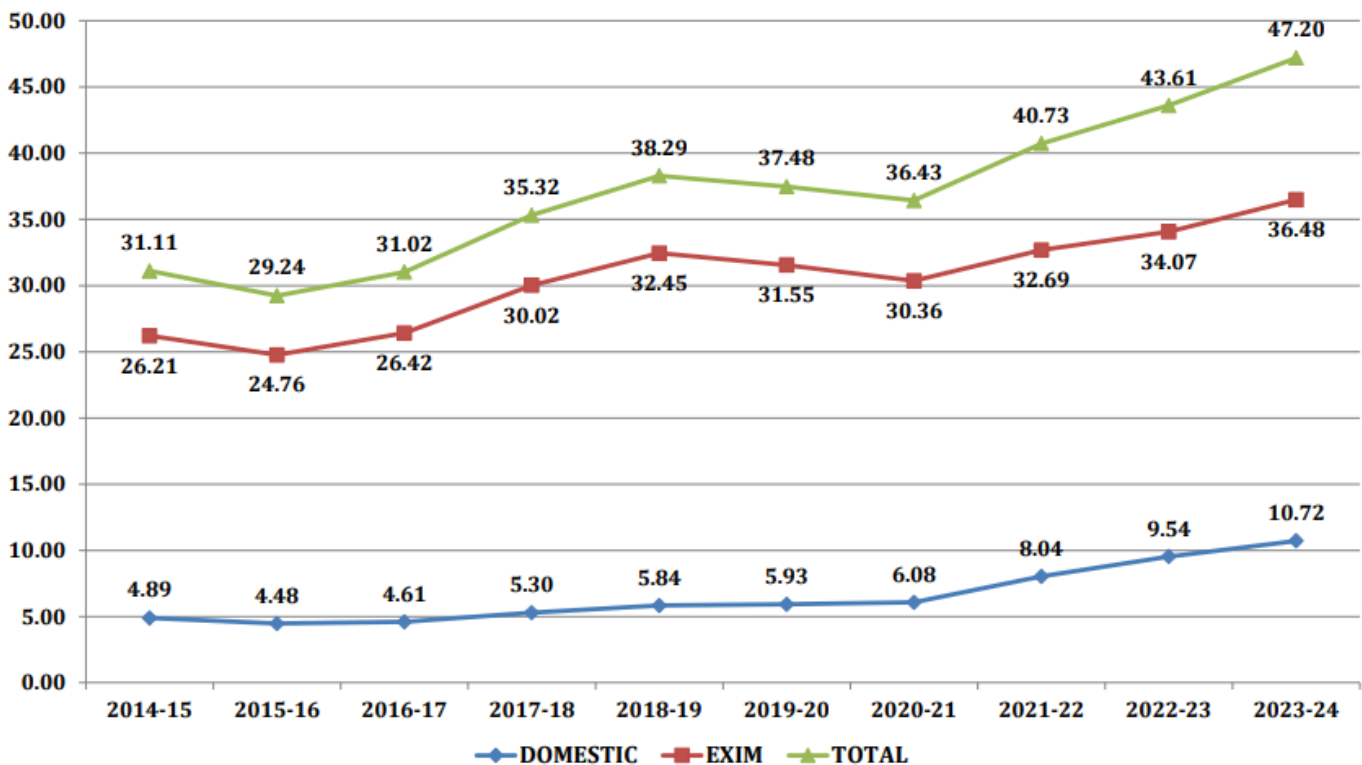
## FINANCIAL



## PERFORMANCE (TEUs in Lakh)

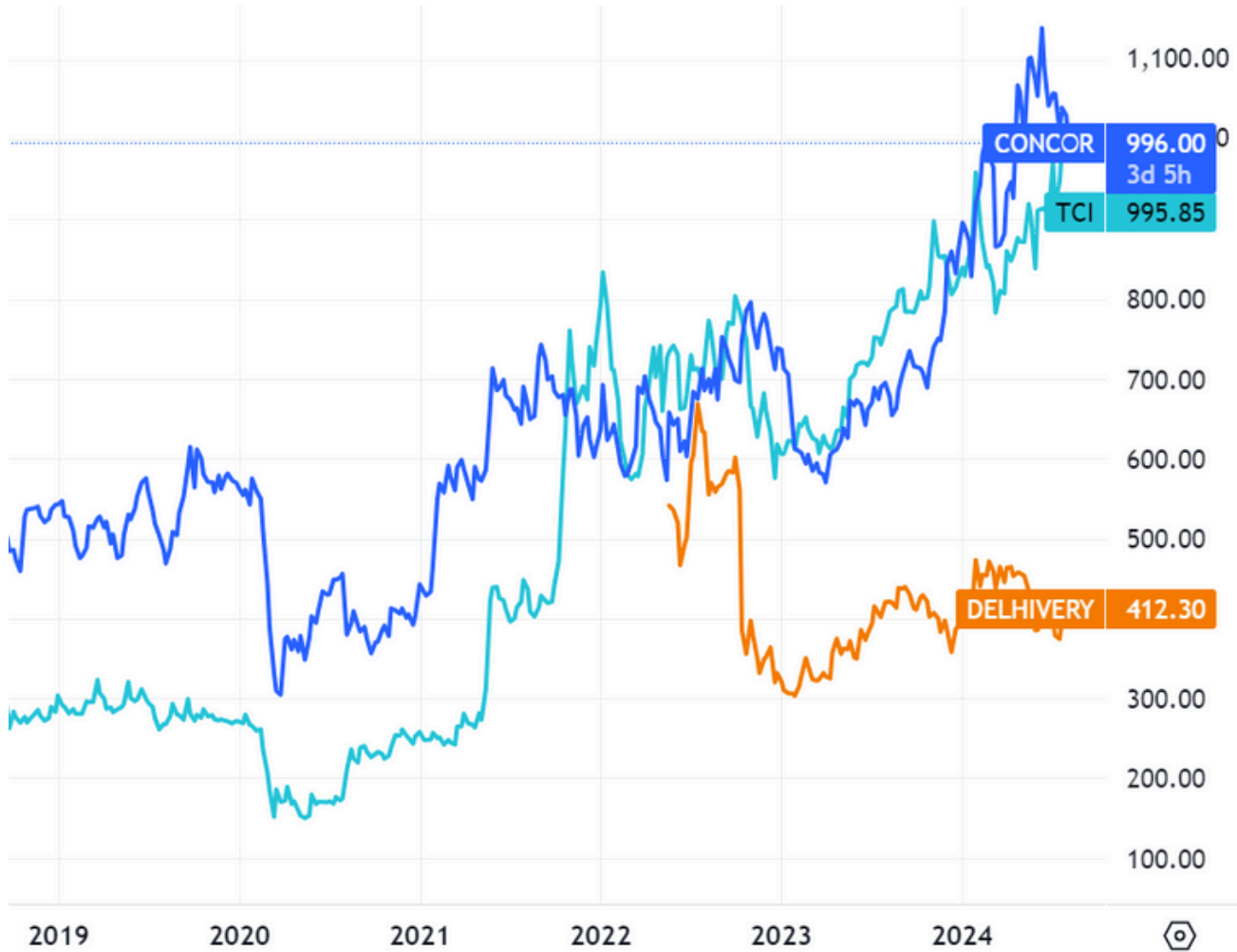


## PHYSICAL



# Peer Comparison

## Peer Stock Performance (5Y) Indexed



Source: Trading View

## Peer Financial Performance

S.No.	Name	CMP Rs.	P/E	Mar Cap Rs.Cr.	Div Yld %	NP Qtr Rs.Cr.	Qtr Profit Var %	Sales Qtr Rs.Cr.	Qtr Sales Var %	ROCE %
1.	Container Corpn.	998.90	48.33	60862.40	1.09	317.83	13.55	2325.13	6.45	13.69
2.	Delhivery	412.30		30477.18	0.00	54.36	166.48	2172.30	12.57	-1.31
4.	Transport Corp.	990.40	21.32	7712.86	0.98	91.60	10.57	1045.10	10.03	19.92

Source: Screener

# Final Outlook

**CONCOR : BUY | LTP: 1003.95**

Container Corporation of India Ltd. (CONCOR) exhibits strong financial stability and attractive shareholder returns, making it a viable investment option. The company is almost debt-free, enhancing its financial stability and reducing risk for investors. It has consistently maintained a healthy dividend payout ratio of 55.3%, reflecting a commitment to returning value to its shareholders. Trading at 5.62 times its book value, the stock commands a significant premium over its net asset value. Despite delivering modest sales growth of 4.46% over the past five years and a relatively low return on equity of 10.6% over the last three years, CONCOR's government ownership ensures consistent profitability and perceived stability. Known for paying regular dividends, the company appeals to income-focused investors. Given the solid fundamentals, regular dividend payments, and financial stability.

**I Will Give BUY/HOLD Recommendation For this stock**