



CIN: L51909DL1984PLC019485

Registered Office: NECC House, 9062/47, Ram Bagh Road, Azad Market, , Delhi, 110006

Revenue from Operations reported at **Rs. 701.74MN** in Q4 FY22 and **Rs. 2,504.28 MN** for FY22

EBITDA stands at **Rs. 47.28 MN** in Q4 FY22 and **Rs. 150.23 MN** for FY22

PAT at **Rs. 12.59 MN** in Q4 FY22 and **Rs. 42.58 MN** for FY22

Q4 & FY22 – Earnings Update

New Delhi, 9th June, 2022: North Eastern Carrying Corporation Limited (NECC), one of the leading Logistics Service provider with presence across PAN India, Nepal, Bhutan & Bangladesh, in its Board Meeting held on 30th May 2022 has *inter-alia* considered and approved the Audited Financial Results of the Company for the Fourth Quarter and Financial Year Ended on 31st March 2022 as one of its agenda.

Financial Statement Highlights for Q4 FY22 v/s Q4 FY21

Particulars (INR MN)	Q4FY22	Q4FY21
Revenue from Operations	701.74	754.47
Other Income	3.17	16.37
Total Revenue	704.92	770.84
Total Expenses excluding Depreciation, Amortization & Finance Cost	654.47	707.33
EBITDA	47.28	47.13
EBITDA Margin (%)	6.74%	6.25%
Depreciation & Amortization	17.76	13.94
Finance Cost	14.57	16.69
PBT before Exceptional Item	18.11	32.88
Exceptional Items	0.00	0.00
PBT	18.11	32.88
Current Tax	7.80	4.55
Deferred Tax	(2.27)	(1.29)
Tax	5.52	3.26
PAT	12.59	29.62
Other comprehensive profit / loss	(0.42)	0.00
Net PAT	12.17	29.62
PAT Margin %	1.79%	3.93%
Diluted EPS	0.25	0.59

Financial Performance Comparison – Q4 FY22 v/s Q4 FY21

- Revenue from Operations **decreased from Rs. 754.47 MN in Q4 FY21 to Rs. 701.74 MN in Q4 FY22** mainly due to slower execution of work orders.
- The EBITDA **increased marginally from Rs. 47.13 MN in Q4 FY21 to Rs. 47.28 MN in Q4 FY22**
- Finance cost decreased to **Rs. 14.57 MN in Q4 FY22, compared to Rs. 16.69 MN in Q4 FY21**
- Net profit stood at **Rs. 12.17 MN in Q4 FY22, compared to Rs. 29.62 MN in Q4 FY21**

Financial Statement Highlights for FY22 v/sFY21

Particulars (INR MN)	FY22	FY21
Revenue from Operations	2,504.28	2,305.86
Other Income	4.28	27.26
Total Revenue	2,508.55	2,333.12
Total Expenses excluding Depreciation, Amortization & Finance Cost	2,354.05	2,215.98
EBITDA	150.23	89.89
EBITDA Margin (%)	6.00%	3.90%
Depreciation & Amortization	37.27	31.03
Finance Cost	60.37	68.56
PBT before Exceptional Item	56.86	17.56
Exceptional Items	0.00	0.00
PBT	56.86	17.56
Current Tax	17.55	4.55
Deferred Tax	(3.26)	(1.29)
Tax	14.29	3.26
PAT	42.58	14.30
Other comprehensive profit / loss	(0.42)	0.00
Net PAT	42.16	14.30
PAT Margin %	1.70%	0.62%
Diluted EPS	0.85	0.28

Financial Performance Comparison –FY22 v/sFY21

- Revenue from Operations **increased by 8.60% from Rs. 2,305.86 MN in FY21 to Rs. 2,504.28 MN in FY22** mainly due to reopening of economy and addition of new customers.
- The EBITDA **increased by 67.13% from Rs. 89.89 MN in FY21 to Rs. 150.23 MN in FY22**. The EBITDA margins expanded by a handsome 210 bps **from 3.90% in FY21 to 6.00% in FY22** majorly led by effective cost control in lorry freight charges and employee benefit expenses.
- Net profit stood at **Rs. 42.58 MN in FY22, compared to Rs. 14.30 MN in FY21 recording a growth of 197.73%**

CASH FLOW & BALANCE SHEET ANALYSIS

Particulars (INR MN)	FY22	FY21
Net Cash Flow from operating activities	(102.09)	(105.09)
Net Cash Generated/ (Used) from investing activity	(24.26)	3.97
Net Cash Generated/ (Used) from Financing activity	147.69	100.49
Net Increase in Cash and Cash Equivalents	21.34	(0.63)

Particulars (INR MN)	FY22	FY21	Particulars (INR MN)	FY22	FY21
Assets			Liabilities		
Non-Current Assets	168.52	175.18	Shareholders Fund	989.36	947.20
Property, Plant&Equipment	86.72	90.24	Equity Share Capital	501.97	501.97
Intangible Assets	42.70	48.04	Other Equity	487.39	445.23
Loans	28.11	29.17	Non-Current Liabilities	53.96	15.94
Deferred Tax Assets (Net)	10.99	7.73	Borrowings	28.31	15.94
			Provisions	25.65	0.00
Current Assets	2,010.17	1,788.74	Current Liabilities	1,135.37	1,000.77
Trade Receivables	1,058.60	1,043.34	Borrowings	981.06	845.74
Cash, Bank and Cash Equivalents	76.65	55.31	Trade Payables	35.26	39.84
Loans	874.93	690.09	Provisions	37.16	41.61
			Other Current Liabilities	81.90	73.58
TOTAL ASSETS	2,178.69	1,963.92	TOTAL EQUITY&LIABILITIES	2,178.69	1,963.92

Financial Performance Comparison – FY22 v/s FY21

- Total Fixed Assets degrown by **3.90%** from **Rs. 90.24 MN** in FY21 to **Rs. 86.72 MN** in FY22
- Current Assets stood at **Rs. 2010.17 MN** in FY22, compared to **Rs. 1,788.74 MN** in FY21.
- Long term borrowings stood at **Rs. 28.31 MN** in FY22, compared to **Rs. 15.94 MN** in FY21 and Short-term borrowings at **Rs. 981.06 MN** in FY22, compared to **Rs. 845.74 MN** in FY21. The Company is planning to reduce debt reasonably in future.
- Cash flow from operations stood at **Rs. (102.09) MN** in FY22 compared to **Rs. (105.09) MN** in FY21.
- Debt Equity ratio has increased marginally, to **1.02** in FY22 compared to **0.91** in FY21.
- Return On Capital Employed improved to **10.83%** in FY22 compared to **6.11%** FY21
- Return On Equity improved to **4.30%** for FY22 compared to **1.51%** FY21

Management Comments

Commenting on the performance of FY22, Mr. Sunil Kumar Jain, Chairman & Managing Director, said "Revenues from operations has increased by 8.60% from Rs. 2,305.86 MN in FY21 to Rs. 2,504.28 MN in FY22 mainly due to reopening of the economy, declining COVID cases and with the

Q4&FY22 Earnings Update

addition of new customers. EBITDA and PAT expanded significantly by 67.13% and 197.73% respectively from Rs. 89.89 MN&Rs. 14.30 MN inFY21 to Rs.150.23 MN&Rs. 42.58 MN inFY22, mainly on account of reduction in the operating cost and increase in the efficiency with scale of operations. Increase in the EBITDA and decrease in the Finance Cost has led to increase in the PAT.

Our Bulk Operation Segment, in which we have business with large MNCs, has resumed operations in this quarter and we are expecting a size able revenue from this segment that will reflect in the upcoming quarters of FY23. We further believe that our company, being one of the largest logistic service providers is well positioned to take advantage of the government's infra push since we are already working with infrastructure companies and related entities.

NECC has been strengthening its position in warehousing and 3PL logistics by setting up warehouses all over the country. It now has a staggering 2 million sq ft+ of warehouses under its belly. The company further plans to scale up its warehousing area to 3 million sq. ft. by the end of FY23.

Our company has partnered with Reliance group for 3PL (end-to-end logistics solution) services for their e-commerce and retail division. We are anticipating a huge demand coming from this division in the coming years and are fully equipped to pacify some of the demands arising. NECC also wants to become one of the trusted vendors for these companies. We have already started operations at multiple warehouses all across the country and have anticipated a strong growth in this division.

NECC plans to increase its reach to at least 350 locations in India by end of FY23. Currently, we are present in 270 locations on pan India basis. On the 12-monthbasis we were able add **20 new locations** to our existing reach of **250 locations**. With our complete portfolio of logistic services, strong network of national and international routes supported by highly experienced and talented operational team, we foresee an extremely positive outlook for the company for FY22-23"

Management Guidance

- The management expects the revenue to **grow by 35% - 40%** for FY23, mainly on account of resumption of mining business and capitalizing on growth in warehousing and 3PL segment.
- EBITDA margin will **improve by 40to 50bps** owing to larger operational efficiency.

About North Eastern Carrying Corporation

North Eastern Carrying Corporation Ltd was incorporated in 1968, currently under the leadership of Mr. Sunil Jain, headquartered in New Delhi, India. North Eastern Carrying Corporation Ltd is engaged in providing Comprehensive Logistics solution throughout India, Nepal, Bhutan & Bangladesh. It mainly provides services like PTL (Part truck load), FTL (Full truck load), Bulk operations along with 3PL logistics & warehousing management. The Company

has more than 270 operational set ups PAN India. North Eastern Carrying Corporation Ltd is specialized in providing goods transportation in the challenging parts of East & North East India.

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