

13<sup>th</sup> November 2024

**To,  
BSE Limited  
Corporate Relationship Department,  
1st Floor, New Trading Ring, Rotunda Building,  
P.J. Towers, Dalal Street, MUMBAI - 400 001.**

**Subject: Transcript of Q2 & H1 FY25 Earnings Conference Call held on Thursday, 07<sup>th</sup> November 2024 at 04:00 PM (IST).**

Dear Sir/Ma'am,

Please refer to our intimation for the Q2 & H1 FY25 Earnings Conference Call scheduled on **Thursday, 07<sup>th</sup> November 2024 at 04:00 PM (IST)** intimated vide our letter dated 04/11/2024.

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the transcript of the said Earnings Conference Call. The said transcript is also available on the website of the Company.

Please take the above information on record.

Thanking you,

Yours faithfully,  
**For Tiger Logistics (India) Limited**

**Vishal Saurav  
Company Secretary & Compliance Officer**



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**Tiger Logistics (India) Limited  
Q2 & H1 FY25 Earnings Conference Call Transcript**

**07<sup>th</sup> November 2024**

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**MANAGEMENT:**

**Mr. Harpreet Singh Malhotra  
Chairman & Managing Director**

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**Moderator:**

Ladies and gentlemen, good day and welcome to the Tiger Logistics (India) Limited Q2 and H1 FY25 Earnings Conference Call hosted by Rik Capital. We have with us today from the management, Mr. Harpreet Singh Malhotra - Chief Managing Director of Tiger Logistics (India) 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 \* and then 0 on your touchtone phone. Please note that this conference is being recorded.

Before we proceed with this call, I would like to take the opportunity to remind everyone about the disclaimer related to this conference call. Today's discussion may be forward-looking in nature based on management's current beliefs and expectations. It must be viewed in conjunction with the risks that our business faces that could cause our future results, performance or achievements to differ significantly from what we may be expressed or implied by such forward-looking statements. I now hand the conference over to Mr. Harpreet Singh Malhotra for opening remarks. Thank you and over to you, sir.

**Harpreet Singh Malhotra:**

Thank you for your introduction. Good evening everybody and it a pleasure to again talk to all of you and I welcome all of you and appreciate your presence in today's Earnings Call for Q2 & H1 FY25. I hope everybody is good and everybody is in good health.

To begin with, I would just like to share how the last quarter was for us. So, we are continuing our business growth on how we have been shaping up in last few quarters. So, last quarter was also overall very good for the organization. Apart from focusing on our core business, we have been able to shape up other growth verticals, growth engines very well, which have been doing good for us. So, as we have mentioned in the past also that for us, future growth engines are very important. So, those growth engines are now in shape and they are driving well for us, which includes setting up the import logistics, which is doing well for us. Project logistics, government logistics - all these sectors are doing good for us overall.

And apart from that, our regular business in automobile logistics is growing well and overall, India's logistics export, auto export is doing well. In the same way, our overall business is also doing good for us. There has been good traction on the import side also. We have been able to get some good contracts and get our old contracts renewed, especially in the government sector contracts. This includes contracts with BHEL, BEML, HAL, BNPL and other similar government organizations with whom we have been working for a very long time. So, last quarter was a smooth and growing quarter for us. We were able to focus on our core strengths. The business grew overall and the topline was also doing well. We grew by good percentage. So, that was a good encouraging point for us. Major reason for the growth in the topline was firstly that overall business, in terms of the company, we have added some new sectors, new

businesses, new trade lanes, which has contributed and along with that new sector like imports especially in the renewable energy sector is doing well for us.

Our vertical of TiGreen, which we had launched a few quarters back where we are looking at managing the logistics in the renewable sector which is doing well for us. So, overall, that has contributed good for us and that is the reason for growth in the top line and also increasing the revenues as well. Even in the Air Freight sector, as you all know that we are an IATA company now, so air freight is a growing business for us that has also contributed to overall good results for the last quarter. I would say that we see this growth to continue in the coming quarters as well and now with the new government shaping up in the US, the overall business scenario will get better, especially if you look at the outbound from India. I think we are looking at least for the next 2 years, the exports from India to the US will increase drastically and we are really looking forward to that business growth which will be coming over. This is one area and overall, also we are looking that the wars, especially the Ukraine war which has been going on for the last 2 years, I think there could be some respite on that and the exports to Europe and all will pick up better and even the energy, the overall fuel prices will also ease out. So, I think these are all good indicators for the international trade. They are also good indicators for the growth in the logistics sector and we are really hopeful that this will also contribute and keep the growth tempo going for the company's overall growth.

I would also put it on record that we are also in the coming quarters looking at some inorganic growth. That is what we have been looking at some acquisition options also and I think that we are hopeful to materialize that in the coming quarters. So, coming quarters, they are looking good, the order book is good, the pipeline is good and we feel that the growth in last few quarters will continue. And we are not looking at any major big investment in this. We want to continue on the same growth path which we have and that is working well for us and we want to focus on reducing the cost and getting more efficiency in the system. Especially in the IT sector, we are investing a lot, so that we can get some better efficiency in the IT sector. So, things are looking good for us and I hope that we are not looking at any headwinds in coming quarters. I think we are not even forcing any major challenges which we don't see in the coming quarters. So, overall, we are very hopeful and positive and bullish about the business in coming months and we hope to continue to trade on this growth path which we already have.

So, with this, I would like to conclude that we will continue to keep on working on the same lines and keep on growing the business for the company. Thank you. And if anybody has any questions, I would be more than willing to take them.

**Moderator:**

Thank you, sir. We will now begin the question-answer session. We have the first question from the line of Tanush Mehta from JM Financial. Please go ahead.

**Tanush Mehta:**

The increase in air transport volume is 4.5x year-on-year, so what are the strategies driving this growth?

**Harpreet Singh Malhotra:** So, Tanush, the strategy is, that we were not IATA agents earlier. We were outsourcing this activity through other IATA agents. But as you know that last year, we became IATA agents ourselves and because of that we were able to focus on this business more ourselves. We have better buying power, we have a better purchasing power and that is what is driving the business for us. So, that is the reason of growth in this sector.

**Tanush Mehta:** And my next question is that I have seen the balance sheet and in balance sheet the short-term borrowings have been increased substantially in H1 FY25. So, what is the purpose of these borrowings?

**Harpreet Singh Malhotra:** Borrowing is only working capital. There is no CAPEX. There is nothing of any other usage, but it is purely being used for working capital. So, since the business is growing, overall, the credit periods are growing, though we are trying to reduce the credit periods and the receivables. We are trying to minimize to minimum days, but still, since the business is growing quite a lot. So, it is purely being used in the working capital only.

**Tanush Mehta:** Do you see any additional debt in the near term?

**Harpreet Singh Malhotra:** Any debt which will be there if we have will be in the form of an overdraft towards working capital only. We are not looking at any asset, any CAPEX or any such thing in the coming quarters.

**Tanush Mehta:** And sir, in the speech, you have said that you are looking for acquisition, so if you can shed some light on that?

**Harpreet Singh Malhotra:** We are looking at some acquisition in the LCL space which we have mentioned earlier also because we feel that LCL is one product that we don't have with us and we are willing to acquire a mid-size company which will augment our growth overall and which will give a full proof business, at least all of our products will be in place. So, whether it can be an Indian company or a foreign company because as Tiger Logistics, business is concerned, we are in the FCL business more of full container load, we are not in the LCL business. So, we are looking at acquisitions in this sector, mainly in the LCL space.

**Tanush Mehta:** And sir, my last question is on Freight Jar. So, can you elaborate the progress and adoption of Freight Jar 2.0 and how it has impacted the customer acquisition and cost efficiency?

**Harpreet Singh Malhotra:** So, Freight Jar as such is doing well. Freight Jar overall is doing good for us, but I would like to say that surely the acceptance is low. People are very willing to know as to what is the new product, what is the new age business, and what are the new options which are available to them, but the adoption is still low, but the only benefit which it is giving us is that it is opening doors for us to the new businesses. So, people, though they want to know what is this, they want to adapt to this digital logistics space, but maybe there is some kind of a hitch from their

side. But this is helping us that they at least open doors for us and we start the business with them and slowly and slowly they get on to the digital space. But till the time they get on to the digital space, they are already started the work with our old business, the brick-and-mortar model which is already in place for us. So, both ways it is good for us that it is opening doors for us. It is showing the customer as to what are the new things which we are doing, and how we have an edge over other logistics players. At the same time, it is also giving us time as to what are the new requirements of these customers, which we can incorporate in our digital portal.

**Moderator:** Thank You. We have the next question on the line of Kamal Jeswani from YouFirst Capital. Please go ahead.

**Kamal Jeswani:** I just wanted to know that how is the momentum in the ocean freight business going on. I see a small dip quarter-on-quarter, but there is a decent 35% jump in the Y-o-Y volumes. So, this Q-o-Q dip is seasonal or one-time or how is the momentum?

**Harpreet Singh Malhotra:** Yes, of course, because during this time, in the monsoon time, there is no movement of commodities, rice and cotton and wheat and all does not move in this quarter. So, there is a slight dip in the volumes because of that. But overall, we picked up some good businesses which are long-term businesses, and long-haul businesses, which have contributed to the overall growth of the business. So, the slight dip in the TEU volume is purely because in this quarter, we don't have much movement because of the monsoons of these commodities business.

**Kamal Jeswani:** So, overall, the momentum seems all right?

**Harpreet Singh Malhotra:** Overall, we feel that in the coming quarters, business is looking good. We are not seeing any challenges. We are only seeing that we may be having some resolutions to those challenges, especially the war scenarios here and there. I think we are hopeful that will get eased out and that will only contribute to the overall international business.

**Kamal Jeswani:** And how the margins in the ocean freight business currently?

**Harpreet Singh Malhotra:** Margins are increasing, and margins are getting better. I would say that rates are fluctuating still because sometimes, now Indian market on the ocean flight is completely dependent on the Chinese market. So, however, if the rates in China go up Indian rates also go up. If the rates get softened, the volumes, they are soft in China, rates in India also get soft here. So, now what we were seeing in the first quarter of this financial year, the freights in China were very good. So, the rates really got very high in India also, but in the second quarter, it was a soft market, so the rate started getting lower. So, now also we are seeing that in the month of October, the rates were getting lower only. But last week only the market, they have started getting better. Rate levels have started picking up in China. So, I think Indian rates would also be going up, so overall business is fine. Honestly, our focus is not looking at these spikes in the rates going up and down, but our focus is the acquisition of the business and that is good for us and we get an advantage whenever the rates go up and we have better buying, so that is an advantage for us.

- Kamal Jeswani:** So, I guess going forward, our air freight will pick up?
- Harpreet Singh Malhotra:** Yes, air freight business, we feel that it will be growing, but to be very honest, since we are a sea freight company, we don't want to put too many resources into the air freight business. Because our nature of business is that we want continuity throughout the year, air freight business is more seasonal and we focus only on a particular commodity which is either high fashion goods or some emergency spares or things like that or electronics which is moving. So, air freight will be a growing sector for us, but our focus, our main business would always remain sea freight and since we are position holders on some of the trade lanes, we would like to continue to grow in those businesses, but yes, overall air freight will definitely contribute to the overall growth of the company.
- Kamal Jeswani:** And the last question was what is the kind of size of acquisition you are looking for?
- Harpreet Singh Malhotra:** So, we are looking at a company which has closer to around maybe 100 plus crores of business topline where we can acquire. We don't want to run it ourselves. We want the company, maybe have management control, we have a majority stake in that and providing them with growth fund, providing them with overall vision, and overall bigger growth umbrella, so that they can also grow. But they grow with our vision and whatever support they need from our side as far as possible because we have got better buying, better purchasing power. So, that is the support we want to provide them and at least have the majority control with us.
- Kamal Jeswani:** I have also seen that there is a green logistics business which you are trying to set up. This is on the EV division you have mentioned. So, this is like transportation of EVs?
- Harpreet Singh Malhotra:** No, this will be green logistics. We are looking at having EV trailers for the movement of export containers. So, we are working on it though the CAPEX is big in that. So, we are still trying to evaluate, look at the profitability, look at how this will work out. So, that is what this EV green logistics is, that is a step in that direction.
- Kamal Jeswani:** So, is it different from the normal automobile logistics which you are doing?
- Harpreet Singh Malhotra:** No, EV trailer, what happens is that normal, today, the trailers are all on the fossil fuel which is there. This EV trailer is a new concept like where the flat bed trailers on which the containers move, they will be EV trailers. So, that will help the companies earn some carbon points and have better carbon footprints and all those things, so bigger companies always look for such kind of solutions. So, we are working to set up EV trailer fleet.
- Kamal Jeswani:** So, this will help us reduce cost also?
- Harpreet Singh Malhotra:** Not really, but it will set up a separate division for us. It will not reduce the cost because we are replacing the present business with the EV fleet, but definitely it will be the only first of its kind

in India. It will give us an edge over lot of other people and of course give us entry into some new businesses.

**Kamal Jeswani:** I guess a lot of corporates they require ESG theme, so maybe?

**Harpreet Singh Malhotra:** Yes, that is the whole idea about it.

**Moderator:** Thank you. We have the next question from the line of Vikram from Phillip Capital. Please go ahead.

**Vikram:** Would it be possible to share what was the air freight revenue in this quarter or first half?

**Harpreet Singh Malhotra:** Air freight in terms of tonnage you are asking?

**Vikram:** Revenue, rupees, crores or millions?

**Harpreet Singh Malhotra:** No, we don't have a separate revenue available with me. I don't have it with me right now, but I just have the volume numbers with me, but I don't have the revenue numbers with me. But you can send a mail to us and we can share that with you. Because all the revenue goes under one head only, so that is the reason we don't divide it in our numbers.

**Vikram:** But now I think with the kind of volume growth, it could become a sizeable business for us, right?

**Harpreet Singh Malhotra:** Yes, but we would still not like to do so because there is no way to separately post that. It will just be on the numbers, on the volumes, on the tonnage that will be visible. But we have no plans to highlight off as a separate vertical or things like that. It will always be part of the whole business because that is how it has always been done. So, we are not showing it separately.

**Vikram:** And what is the typically criteria for an IATA agent?

**Harpreet Singh Malhotra:** IATA, it is a foreign body. They assess your growth, they assess your capabilities to handle air freight, they assess what kind of businesses which you have handled in the past few years and then they give you the IATA accreditation. So, when we have the IATA accreditation, then we can deal with the shipping lines directly and book the shipment directly through the airlines. So, that is the biggest advantage which we have now that we can deal with the airlines directly, we can issue airlines, airway bills ourselves, so we get the airway bill stock with ourselves and book the shipment on behalf of the airlines ourselves. For that, we have to give a bank guarantee and all those things to IATA. So, they check a lot of credentials in terms of payment capabilities, handling capabilities, handling dangerous goods capabilities, what is the staff qualification as far as handling of air freight is concerned. So, they consider all that and then they give you the IATA accreditation.

**Vikram:** So, these air transport volumes are mostly for international trade?



**Harpreet Singh Malhotra:** Only international.

**Vikram:** And how was the mix between export-import during this quarter?

**Harpreet Singh Malhotra:** As we mentioned that export is our major focus always. That is our strength. But I would say that import is picking up. Definitely, imports is rising which is good news for us, because we see imports to rise much better in coming quarters because those are different, that will help us reduce our dependence on complete exports. So, at the moment in percentage wise, I would still say that export contributes a major 80% or so, but I think that like 20% still remains imports, but we see that imports getting bigger and bigger in coming quarters.

**Vikram:** Because if you look at most of the companies that India trade probably import-export, there might be import heavy, but for our case import is still significantly lower. So, is there any entry barrier or what actually we need to do to improve the import component? Does it require any specialized capabilities or what is that we are looking for so that we can improve import?

**Harpreet Singh Malhotra:** No, it was a very conscious decision to focus on exports for all these years because we wanted to have a very strong capability in exports and have a very strong standing in exports and then get into the import side. So, both the customer bases are different. So, their import customers are different and export customers are different. So, surely, it was a conscious decision by us to become strong first in one export side of the businesses and then start focusing on imports. So, in last few years, we started focusing on imports after we had established ourselves as a very strong player in the export logistics. So, now, the focus is to develop imports also. Both need different sets of expertise, qualifications, staffing, client acquisition is totally different, agents, purchasing, everything is totally different. So, that answers your question that both are different, the pricing and everything is totally different for both the verticals.

**Vikram:** And we typically pick up from CFS or ICD or how is it?

**Harpreet Singh Malhotra:** No, we pick it up from foreign ports.

**Vikram:** We will book a slot with shipping line also for you?

**Harpreet Singh Malhotra:** Yes, we book a slot with the shipping lines. We book a slot with the agents, we buy from the agents. All those things happen, so that is the reason it is a totally different way of working. Both are totally different. Exports and imports are totally different ways of working.

**Vikram:** And last question from my side, if you look at our revenue mix, we still have a significant portion from the auto segment. So, I think there has been in the news about inventory pile up and all that, so how does auto side business, our outlook looks for second-half?

**Harpreet Singh Malhotra:** So, we are very bullish as I mentioned, we are very bullish about the next two quarters, and we hope that both the exports and imports will be growing well for us. And of course, these congestions, are part and parcel of our business. So, I don't see that affecting the business as such, but we feel that the coming two quarters will be good for the company.

**Moderator:** Thank you. We have the next question from the line of Madhu Sharma from SK Capital. Please go ahead.

**Madhu Sharma:** Sir, my question is what factor contributed to the 58.3% increase in the revenue on a Q-o-Q basis and what were the key strategies that drove the improvement in Q2 FY25 EBITDA margin of 5.5%?

**Harpreet Singh Malhotra:** So, ma'am, as I mentioned earlier, overall business is growing because we are focusing on new trade lanes, we are focusing on acquiring new businesses, which has contributed in this overall growth. Even the imports growth has also contributed in this overall growth, like imports for us is doing well and that has also contributed and overall, the business scenario, acquiring new customers because of our better purchasing power, because of our better market reach due to Freight Jar, the digital platform and also because of the air freight business growth. So, all these factors have contributed to the growth of the business. So, we are focusing on our core strength, we are focusing on our core businesses and that is the reason we continue this growth path.

**Moderator:** Thank you. We are the next personal line of Kamal Jeswani from U First Capital. Please go ahead.

**Kamal Jeswani:** I just wanted to check the what is our growth expectation for the second-half and we have already done almost in the two quarters about ₹262 crores kind of run rate. Maybe we should be comfortably above ₹ 500 crores, but any chances of crossing at all-time high and over Rs. ₹615 crores of March 22?

**Harpreet Singh Malhotra:** That will be a very bullish number to say, but it is always good to always keep on doing better and always setting more records. But that will be very bullish to say at this point of time. But yes, the market is looking good, and the business is looking good. So, you have the numbers with you that we have already crossed last year's turnover and we continue to grow on the same line. So, yes, I would not like to give any numbers as such, but yes, surely, we are on the right path and I can assure you that the business is growing and I think we will exceed the expectations.

**Moderator:** Thank you. That was the last question. I would now like to hand over the call to Mr. Harpreet Singh Malhotra for closing comments.

**Harpreet Singh Malhotra:** Thank you so much. Thanks a lot for attending this earnings call and I am always grateful and thankful to everybody for having faith and trust in us. And I can always assure you that all our shareholders, stakeholders, our partners, and vendors that we are on the right growth path and we are doing the right things and I am very hopeful that things will keep on getting better. So, thanks again for all your encouragement and all your faith in us and I can only say that we won't let you down and business is good. And thank you again for being with us, and always supporting us. Thank you.

**Moderator:** Thank you. On behalf of Tiger Logistics (India) Limited, that concludes the conference. Thank you for joining us and you may now disconnect your lines.

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(This document has been edited for readability purposes.)