**Operator:** Welcome to Container Corporation of India Limited Q1 FY27 earnings conference call. 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 this conference call, please signal an operator by pressing star then zero on your touch-tone phone. Please note that this conference is being recorded. I now hand the conference over to Mr. Kunal Shah from DAM Capital Advisors. Thank you, and over to you, sir.

**Kunal Shah – DAM Capital Advisors:** Good afternoon. Welcome to the Q1 FY27 earnings call of Container Corporation of India. We have the management team represented by Mr. Sanjay Swarup, the Chairman and Managing Director. I would like to hand over the call to Mr. Swarup for his opening remarks, after which we can take up the Q&A. Thanks, and over to you, sir.

**Management:** Good morning to all of you. I am joined by Mr. Ajit Kumar Panda, Director of Projects and Services; Mr. Vijay Kumar Singh, Director of International Marketing and Operations; Mr. Vivek Gupta, Director of Finance; and Mr. Harish Chandra, Principal Executive Director of Finance and Company Secretary.

I am glad to announce that the Board of Directors has declared a dividend of Rs. 1.60 per share, which is 32% on the par value of Rs. 5. The throughput of the company was at an all-time high for any first quarter, reaching 1.4 million TEUs and registering a growth of 9.9% year-over-year. Within this, the EXIM segment contributed 9.8% growth, and the Domestic segment saw 6.2% growth.

The rail freight margin also increased by 85 basis points, from 26.96% to 27.81%. Significantly, we have increased our market share while also increasing margins. In EXIM, the market share has increased by 90 basis points, and in Domestic, it has increased by 370 basis points. The overall increase in market share is 160 basis points. The overall lead has also increased by 2% for the company, with primary contributions from domestic long-lead movements, Nepal movements, and double-stacking for JNPT. The volume of business to Nepal has seen a growth of 61%, which is a very handsome increase for this quarter on a year-over-year basis. Market share at JNPT increased by 4.2%. At Mundra, there was a slight drop, and at Pipavav, it was almost flat.

Empty running costs have also reduced by 10%, with EXIM contributing a 30% reduction and Domestic a 1.5% reduction. Another development which is very important for us is the connectivity of the Dedicated Freight Corridor (DFC) to JNPA, which was achieved on June 20, 2026. I am happy to announce that double-stack trains have been running from JNPA to various terminals, primarily in North India, since June 20, 2026.

Another product we have introduced is bulk cement transportation in tank containers. We now have a healthy fleet of around 700 tank containers. Additionally, the industry has purchased containers on their own, so we now have a fleet of around 1,000 tank containers in the country. We have placed orders for 2,000 more tank containers. By the end of this financial year, we will have a strong fleet which will positively contribute to both the top line and the bottom line.

Infrastructure additions have been quite good in Q1. We commissioned 19 high-speed rakes and are on path to achieving 500 rakes by 2028. We procured 560 new containers, and our fleet now consists of more than 58,000 of our own containers. We achieved a capex of around 118 crores.

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Regarding the budget of 945 crores for this financial year, I would like to keep it intact; we will revisit the budget after Q2 to decide whether to increase it.

EBITDA margins have also been very good this quarter at 23.6%, which is an increase from 23.1% in Q1 of the previous year. For the standalone results, PAT has seen a strong growth of 7.7%.

I will briefly give the business scenario in both EXIM and Domestic. In EXIM, double-stack trains have started from JNP to Dadri, Kathuwas, and Varnama. This is a big boost to trade. We are in talks with senior officers of Indian Railways, and once the monsoon completes its cycle in October, we will announce an assured transit time train between North India and JNPT. This will enable a shift of cargo from road to rail, and we expect a significant shift after this service starts.

A new DPD long-lead service from JNP to Kolkata was started in this quarter, as was a new LCL export service from Dadri to JNPT, which is a significant milestone for EXIM movement. We achieved 45% growth in reefer exports this quarter year-over-year and 8% growth in DPD movement. We also achieved 9% growth in laden exports and around 5% growth in laden imports. We have seen growth at almost all ports. Primarily, Chennai saw 10% growth, Kamarajar Port 88% growth, and Vizag Port 57% growth.

Regarding Domestic, we started an assured transit train from Tughlakabad (TKD) to Kolkata via Agra and Kanpur about 8 or 9 months ago, which has been very well received by the trade. There are firm indications that the Ministry of Railways will soon announce another assured transit train from South India to North India, which will further increase our domestic business.

Bulk cement in tank containers is a big hit in the trade. With a good fleet of tank containers, we hope to ramp up volumes and add positively to the top line and bottom line. Gunny bales traffic, which had been suspended, has restarted, and we are seeing good demand in Eastern India.

Another development is a very large order we are going to sign soon from a leading Maharatna status company based in South India. This agreement will involve movement from South India to Western India, adding 1 million tons in domestic business every year. We expect to sign this agreement in about a week or 10 days. Apart from that, several reforms have been announced by the Honorable Minister of Railways for the containerization of commodities like salt, fly ash, fertilizer, and food grains, which will boost our domestic business.

At this point, I am revising my guidance for this financial year. The revised guidance for EXIM is 15%, for Domestic is 25%, and the overall guidance will be 18% for this financial year. With these developments, we are quite bullish and confident about achieving this growth. This concludes my opening remarks, and we are now ready for your questions.

**Operator:** Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Alok from Motilal Oswal. Please proceed.

**Alok - Motilal Oswal:** Good morning, Sir. I had a couple of questions. First, could you provide the originating volumes for this quarter?

**Operator:** It seems that the participant has disconnected. The next question is from the line of Mukesh from Avendus Park. Please proceed.

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**Mukesh – Avendus Park:** Thank you for the opportunity. My question is regarding the DFC and the potential for a road-to-rail shift. Over the last few years, we saw this shift happen at Gujarat ports, but the absolute volume did not see much improvement for us. How will JNPT be different from the Gujarat ports in terms of DFC and road-to-rail shift?

**Management:** There is a slight difference because, at Mundra and Pipavav, the DFC did not go entirely to the ports; there was a feeder route involved where other trains also operated. At JNPT, it will be pure DFC access to the ports. On the NCR and JNPT circuit, there will only be freight trains running on that track. Efficiency will definitely be higher and movement faster.

**Mukesh – Avendus Park:** Currently, how much JNPT cargo moving to the hinterland is moving by road? What are your expectations for how much of that could shift to rail after a year of DFC operations?

**Management:** Currently, the rail coefficient at JNPT is around 15% to 16%. The rest is moving by road, supplemented by some transshipment volume. I expect that once the DFC is fully operational, we should double the rail coefficient to at least 30-35% in another 2 to 3 years, which aligns with the National Rail Plan.

**Mukesh – Avendus Park:** If the current rail coefficient is 15-16%, the remaining 85% might include short distances that must move by road. The addressable market for the Northern hinterland might be smaller than that. Is that correct?

**Management:** That percentage includes transshipment volume, and as you pointed out, short-distance movements. We have the detailed data, but I cannot share all of it in this forum at this time.

**Mukesh – Avendus Park:** Could you provide your market share specifically in the Northern hinterland? I believe you provided that earlier, noting you had exited some short-lead distances. It would be helpful to understand where we stand now.

**Management:** I do not have the market share for the Northern hinterland alone, but I have the Pan-India rail transportation share. As I mentioned, market share has increased in both EXIM and Domestic. In Q1 year-over-year, the EXIM market share rose from 53.1% to 54%, an increase of 90 bps. In Domestic, it increased from 55% to 58.7%, up 370 bps. The overall market share increased from 53.6% to 55.2%, a growth of 160 bps. We have seen a good increase in both market share and margins in Q1.

**Mukesh – Avendus Park:** Thank you. I will get back in the queue.

**Operator:** The next question is from the line of Archal Lohade from Nuvama. Please proceed.

**Archal Lohade – Nuvama:** Good morning, Sir. Could you talk about the Nepal cargo opportunity? How much are we doing currently on an annual basis, and what was the contribution in FY26?

**Management:** We have seen a 61% increase in Nepal cargo in Q1 year-over-year. In Q1 of FY26, we ran 69 trains to Nepal, whereas in Q1 of this year, we ran 111 trains. This is very good growth for our business, especially from Visakhapatnam to Nepal, which is a long-lead movement of 1,400

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kilometers.

Another development is that until now, we have only been running trains to Birgunj, which is a dry port in Nepal bordering Raxaul. Customs has now granted permission for another location, Biratnagar, bordering Jogbani in India. We have already handled one train there and intend to run 8 to 10 trains every month for the Biratnagar-Jogbani circuit. Serving both Birgunj and Biratnagar will lead to very good growth in Nepal movements in the coming months.

**Archal Lohade – Nuvama:** What was the full-year contribution in FY26, and what do you expect for FY27? I am trying to understand how much of the upward revision in guidance is due to Nepal.

**Management:** I do not have the specific full-year numbers with me right now; we can share them later.

**Archal Lohade – Nuvama:** Regarding the revised 15% EXIM growth guidance, what underlying port volume growth have you built into that assumption?

**Management:** This growth will be primarily driven by double-stack movements to JNPT and a shift from road to rail. We have also brought Jodhpur onto the double-stack network; our first double-stack train there will be handled in the next few days. This will shift cargo from road to rail. In Ahmedabad, we are adding another terminal designed for double-stacking, where Concor previously lacked that facility. In South India, at the Kadakola terminal in Mysore, we have good waste paper cargo and have received customs notification, which will provide a further boost.

**Archal Lohade – Nuvama:** Employee costs were down 22% year-over-year. What is the sustainable run rate? Also, the Land License Fee (LLF) cost was higher at 113 crores; is that the new quarterly normal?

**Management:** LLF already sees a 7% annual increase, but we are continuously surrendering terminals that are no longer required without sacrificing business. There is not much growth in LLF this quarter. Regarding employee costs, I will ask my PED Finance to clarify.

**Management:** Employee costs fell slightly compared to last year. Last year's Q1 included one-off transactions, such as an award paid to employees. We also made a one-off contribution to the provident fund trust to provision for an investment that did not perform well. There is nothing extraordinary beyond that.

**Archal Lohade – Nuvama:** Thank you.

**Operator:** The next question is from the line of Sumit Kishore from Axis Capital. Please proceed.

**Sumit Kishore – Axis Capital:** Thank you. Q1 EXIM performance was quite good despite the West Asia crisis. Could you elaborate on the business impact of geopolitical events in Q1 and its bearing on Q2?

**Management:** The West Asia crisis impacted us in Q4 of the last fiscal year. For Q1, as I mentioned, we did not feel much impact. Exports grew by 9% and imports by 5% year-over-year. However, in July, we are feeling the impact of monsoon-related disruptions in train services. Regarding West

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Asia, the impact is minimal, except for Morbi where tile production has not completely returned to normal.

**Sumit Kishore – Axis Capital:** How did double-stacking pan out in Q1 compared to last year? With the JNPT connectivity to DFC, how do you expect these numbers to look a few quarters from now?

**Management:** Double-stacking actually saw a 12% fall this quarter. This was because the imports were mostly in 20-foot containers, and only 40-foot containers are allowed on the upper deck of double-stack trains. Furthermore, the DFC connection to JNPT was only operational for the last 10 days of Q1. We are hopeful it will pick up as the JNPA-DFC circuit stabilizes.

**Sumit Kishore – Axis Capital:** For FY26, the double-stack number was 6,396, which was up barely 1%. How do you see FY27 panning out? What efficiencies can Concor retain from double-stacking on the DFC versus pre-DFC economics?

**Management:** I anticipate 8% to 10% growth on the JNPT circuit once it stabilizes. Regarding the specific impact on EBITDA margins, we have made some rough calculations, but I cannot share the exact numbers on this forum right now.

**Sumit Kishore – Axis Capital:** Thank you, Sir. Wish you all the best for your superannuation.

**Operator:** The next question is from the line of Aditya from Kotak Securities. Please proceed.

**Aditya – Kotak Securities:** Congratulations on the results. Are the market share numbers based on handling volumes or originating volumes?

**Management:** The market share is based on tonnage—strictly speaking, originating volumes carried by the railway.

**Aditya – Kotak Securities:** Regarding EXIM, there appears to be a dip in realization based on originating volume numbers. Could you provide some color on the drivers behind this?

**Management:** Realization is a function of both tonnage and distance (NTKM or Net Ton Kilometers). In Q1, railway tonnage fell by 3.3%, and our EXIM tonnage fell by 1.8%. This is because heavy cargo, such as metal scrap, iron scrap, aluminum scrap, and machinery parts, did not move in high volumes. Even though the number of containers increased, the weight carried decreased because we were carrying light cargo. Scrap imports are also impacted by international prices. This fall in tonnage is the primary reason for the realization trend.

**Aditya – Kotak Securities:** Regarding the assured transit rakes, when they have been used in the past, has Concor achieved a combination of higher volumes and higher margins?

**Management:** We currently run an assured transit train for domestic traffic between Delhi and Kolkata via Agra and Kanpur, which has provided additional business diverted from road to rail. We also run an assured transit train from our MMLP at Dadri to Mundra port, which is yielding very good volumes. I do not have the separate financials for these specific movements with me. The upcoming Dadri-JNPT assured transit service starting in October will further build on this.

**Aditya – Kotak Securities:** Thank you.

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**Operator:** The next question is from the line of Priyanka Biswas from JM Financial. Please proceed.

**Priyanka Biswas – JM Financial:** Recently there has been news of significant flooding beyond Dahanu and in Gujarat. Has there been a significant impact on cargo volumes?

**Management:** In Q1, specifically in June, we were impacted by heavy rains in Mumbai that caused disruptions to train services, affecting our volumes. In July, which is part of Q2, there has been heavy rain and flooding in Gujarat that has impacted cargo movement. While this will show up in Q2 numbers, we are hopeful for a quick recovery as the railways are efficient at repairing tracks.

**Priyanka Biswas – JM Financial:** So when you gave the 15% EXIM growth guidance, was this flood impact baked in?

**Management:** Yes, I have taken that into account. Cargo that needs to be sent will usually be sent eventually. When flooding occurs, road movement is also impossible, and rail remains more reliable. The impact is temporary rather than permanent.

**Priyanka Biswas – JM Financial:** Regarding your first-mile and last-mile (FMLM) services, what percentage of your containers currently use these services, and what are your targets for FY27 and FY28?

**Management:** Three years ago, only 10% of our cargo utilized our FMLM services. By the end of FY26, this number reached 46%. For FY27, we have set a target of 80%, and for FY28, we aim for 100%. This is a huge value addition for our customers, who are very happy with the service and want us to provide it everywhere.

**Priyanka Biswas – JM Financial:** Could you provide the rail coefficient and market share for JNPT, Mundra, and Pipavav?

**Management:** In Q1 for JNPT, the rail coefficient was 14.13%, and our market share was 62.6%. Last year, the rail proportion was 15.5%, and the market share was 58%, so we have seen significant growth in market share at JNPT. At Mundra, the rail coefficient was 24.5% compared to 24.7% last year, almost the same, but our market share dipped slightly from 36% to 34%. In Pipavav, the rail coefficient remained at 55%, and our share was 48.2% compared to 48.8% last year.

**Operator:** The next question is from the line of Koundanya from Jefferies. Please proceed.

**Koundanya – Jefferies:** Rail volume data from FOIS suggests industry volumes declined by 4% while your volumes grew at 2%. Could you elaborate on this, and how should we look at July volumes given the reported 8-9% decline in broad data?

**Management:** ISO container growth is positive in percentage terms but not in tonnage. The railway experienced a 3.3% negative growth in ISO containers and a 5.4% negative growth in domestic tonnage. The primary reason is that light commodities moved in containers while heavy commodities did not. Regarding July, the month is not yet complete, so it is premature to comment.

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**Koundanya – Jefferies:** Given global freight rates, should we expect this trend of lower heavy cargo to continue?

**Management:** I do not think so. Heavy commodities, scrap, and machinery parts move based on various factors. With international conflicts, some containers come quickly and others get stuck at transshipment points. On an annual basis, it should balance out.

**Koundanya – Jefferies:** What did you do differently to gain market share at JNPT, and what levers will help you sustain this?

**Management:** We introduced several new products, including the Aushadhi Pharma Express between Hyderabad and JNPT using refrigerated containers in partnership with Maersk. We also started an export service from Whitefield in Bangalore to JNPT, which went from one train per week to three due to high demand. We also focused on speedy clearance; we are aiming for an import dwell time of 30-35 hours, as benchmarked by NITI Aayog. These factors are driving our market share growth.

**Operator:** The next question is from the line of Krishnendu Saha from Quantum AMC. Please proceed.

**Krishnendu Saha – Quantum AMC:** How many trains are you currently running from JNPT, and how many will transition to double-stack once DFC is fully operational?

**Management:** We are currently doing 11 to 12 trains every day from JNPT. Once the DFC is fully operational, we expect this to increase to between 15 and 18 trains per day. Currently, following the DFC connectivity on June 20, we are already doing about 3 or 4 double-stack trains daily. We expect this to reach 6 or 7 trains per day as cargo shifts from road to rail over the next six months.

**Krishnendu Saha – Quantum AMC:** How do you see the EXIM lead distance evolving?

**Management:** In Q1, the EXIM lead increased from 688 kilometers to 714 kilometers, partly due to Nepal movements. We expect it to remain stable above 700 kilometers.

**Krishnendu Saha – Quantum AMC:** Any plans for price increases?

**Management:** We have already implemented some price increases in the EXIM segment.

**Operator:** The next question is from the line of Vineeth Thakur from Plus 91 AMC. Please proceed.

**Vineeth Thakur – Plus 91 AMC:** What factors led to the increase in margins this quarter?

**Management:** The increase is due to operational excellence. Empty running costs have come down 10%. We are also building domestic circuits to ensure loaded movements both ways, and double-stacking is contributing positively as well.

**Vineeth Thakur – Plus 91 AMC:** What are the savings for a double-stack rake on the DFC?

**Management:** On the upper deck, we pay 50% of the haulage to the railways. I do not have the exact savings or margin numbers with me right now.

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**Operator:** The next question is from the line of Vignesh Iyer from Sequent Investments. Please proceed.

**Vignesh Iyer – Sequent Investments:** Regarding bulk cement, what is the traction like, and what is your annual target?

**Management:** Bulk cement is very promising, with high demand from industries. We have signed agreements with UltraTech, Maha Cement, Ambuja, and others. We are currently limited by a shortage of tank containers, though some customers are procuring their own. By the end of this financial year, we will have a strong fleet. We are targeting at least 1 million tons of bulk cement traffic annually once the full fleet is available.

**Vignesh Iyer – Sequent Investments:** How has business been from Morbi in the last two months?

**Management:** Morbi business is picking up, but it is not yet normal due to issues with gas supply. Industries there are not yet working at their full capacity.

**Operator:** The next question is from Aachal Lohade from Nuwama. Please proceed.

**Aachal Lohade – Nuwama:** Could you provide the empty running cost for the quarter?

**Management:** For EXIM, it was 19.2 crores compared to 27.7 crores last year. For Domestic, it was 64.7 crores compared to 65.6 crores last year. The total was 83.9 crores against 93.3 crores last year.

**Aachal Lohade – Nuwama:** Domestic realizations rose 10%, but costs rose 12%. Per-TEU margins declined. What drove this?

**Management:** Lead distance is the reason. Domestic lead decreased from 1,356 kilometers last year to 1,323 kilometers this year.

**Operator:** The next question is from Koundanya from Jefferies. Please proceed.

**Koundanya – Jefferies:** Could you share the port-wise volume mix and double-stack volumes?

**Management:** JNPT was 37%, Mundra 33%, Pipavav 7%, Visakhapatnam 6%, Chennai 4.4%, and Cochin 5.3%. Double-stack volumes were 1,322 this quarter compared to 1,508 last year, a drop of 12%.

**Operator:** The next question is from Aditya Mongia from Kotak Securities. Please proceed.

**Aditya Mongia – Kotak Securities:** You have been gaining share at JNPT but losing it at Mundra and Pipavav. Is there a competitive advantage specific to JNPT or its hinterland?

**Management:** JNPT caters to markets in Andhra Pradesh, Maharashtra, Nagpur, Madhya Pradesh, and Karnataka, where we have a very strong presence with large MMLPs. Mundra and Pipavav cater mostly to North India, where there is significant competition from private ICD operators. That may be the reason, but we will analyze it in further detail.

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**Operator:** The next question is from Sumit Kishore from Axis Capital. Please proceed.

**Sumit Kishore – Axis Capital:** The share of originating volumes relative to handling volumes has been declining over the last three years. How should we think about this ratio?

**Management:** As we adopt more hub-and-spoke movements, transshipment volumes will increase. Therefore, handling volumes are bound to grow faster than originating volumes. Historically, originating volume is about 65% to 70% of handling volume, but increased hubbing will shift that ratio toward the downside for originating share.

**Operator:** The next question is from Mohit Chug from Shubhlal Research. Please proceed.

**Mohit Chug – Shubhlal Research:** How are your discussions with Indian Railways regarding haulage charges? Can we expect a reduction that we can pass on to customers to win share from road?

**Management:** Transport choice depends on two factors: transit assurance and cost. Until now, the railways struggled with transit assurance because freight trains shared tracks with passenger trains. With the DFC, we can now provide that certainty. For example, our assured transit train from Dadri to Mundra was very well received and resulted in a road-to-rail shift. The Delhi to Kolkata service, reaching within 120 hours with stopovers in Agra and Kanpur, has also seen a very good response. We are also working on a South-to-North service, perhaps Bangalore to Delhi. Finally, once the monsoon is over in October, we will launch an assured transit service between JNPT and North India. These services prove that transit assurance is a major factor in driving shifts from road to rail, even without significant cost tweaks.

**Mohit Chug – Shubhlal Research:** Do you have the capacity at your Northern ICDs to handle the increased cargo once JNPT connects fully to DFC?

**Management:** Absolutely. We have massive MMLPs spanning over 300 acres, and we have four MMLPs on the Western DFC with a fifth coming up near Ahmedabad. Our infrastructure is ready, and we are inducting high-capacity rakes to support double-stacking.

**Mohit Chug – Shubhlal Research:** Thank you, Mr. Swarup. Good luck with your future endeavors.

**Operator:** Ladies and gentlemen, due to time constraints, that was the last question. I hand the conference over to the management for closing remarks.

**Management:** To summarize, Q1 has been quite good. The company stands on strong fundamentals, a strong team, and world-class infrastructure. I am confident that we will increase our market share and business, and EBITDA margins will grow. The logistics industry is going to benefit significantly from the services of Concor in the bright future ahead. Thank you very much.

**Operator:** On behalf of DAM Capital Advisors Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.

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