

SNOWMAN LOGISTICS LIMITED

Annual Report 2016-17





FINANCIAL SNAPSHOT 2016-17

189.24

Revenue (Rs. Crore)

36.36

EBITDA (Rs. Crore)

-4.93

PAT (Rs. Crore)

21.36

Cash Profit (Rs. Crore)



103,600

Capacity (Pallet)

33

No. of Warehouses

15

No. of Cities

293

No. of Vehicles



Snowman is the leading integrated temperature controlled logistics service provider operating across locations servicing customers on a pan-India basis. We have set-up our temperature controlled warehouses adjacent to cities with a large potential for sourcing and/or consumption of temperature sensitive products including the larger cities such as Mumbai, Chennai, Bengaluru and Kolkata.

Company Profile

- Established in 1993, Gateway acquired majority shareholding of Snowman in 2006
- Promoted by Gateway Distriparks

Limited, one of India's largest logistic solutions provider

- Investors include Mitsubishi Group, International Finance Corporation and Norwest Venture Partners

About The Group

Gateway Distriparks Limited (GDL) is a leading integrated logistics facilitator in India with three synergetic verticals – Container Freight Stations (CFS), Inland Container Depots (ICD) with rail transportation, and Cold Chain Logistics. Gateway Rail Freight Limited, a subsidiary of GDL, provides inter-modal logistics and operate rail-linked Inland Container Depots.

Presence

- Corporate office in Bengaluru
- 33 temperature controlled warehouses in 15 cities, having a capacity of 103,600 pallets
- Listed and traded actively on NSE and BSE as 'Snowman'

Clients

The Company's clientele comprises prominent brands from diverse industries like pharmaceuticals, meat & poultry, seafood, fruits & vegetables, ice cream, confectionery, dairy products, quick service restaurants, ready-to-eat, processed foods, and industrial products among others.



Warehousing

- 103,600 pallet capacity in 33 warehouses across 15 cities
- Multi facility use of environment-friendly refrigerants
- Chambers designed to accommodate products in the temperature range of +20 to -25°C
- 100% power back-up with multi-generator
- State-of-the-art equipment
- Fully palletised; zero product damage
- Blast freezer with a refrigerant temperature of -40°C

Distribution

- Part cargo consolidation and movement
- Point-to-point (full truck load) service
- Customised milk run and door pickup /delivery
- 293 reefer vehicles
- Last mile distribution, multi-mode for air shipment
- Plug-in facility at each warehouse
- Real-time vehicle tracking and temperature monitoring via GPS
- Trained drivers ensure safe and timely delivery



Committed Management

- 20+ years of proven track record
- 500 CR+ Investment in infrastructure
- Backed by strong investors (GDL, IFC & Mitsubishi)
- Capacity growth (5 Years CAGR 23.35%)
- Experienced leadership team
- 1500 strong workforce

Strong Process Orientation

- State of art ERP System
- ISO22000 certification
- ISO14000 certification
- British Retail Consortium Certifications at select locations
- SOP driven Inventory Management and Location control
- 200+ external audits (conducted each year)



Best in class infrastructure

- Blast freezing capability
- Strategically located warehouses
- 100% power back up (0 % dawn time)
- Multi chamber and Multi temperature
- Ambient storage capability

Customer 1st Approach

- Availability of Pan India Network
- Customised Products, Services and solutions
- 24*7 Customer Care and execution support
- Time bound conflict escalation and resolution
- Key account manager assigned
- ERP driven CRM
- Group infrastructure for providing end-to-end EXIM support





Chairman's Statement

Dear Shareholders,

It is my pleasure to address you through the Annual Report of the company, for the financial year ending on 31st March 2017. Our company has had a year filled with challenges and opportunities, having still ongoing initiatives to maintain our position as the market leader. Our biggest strength has been that of the people, my hardworking colleagues and team members. We further supported this team with the induction of several experienced leaders and senior managers with the focus of bettering our infrastructure, our systems and our processes. I would also like to take this opportunity to introduce Mr. Sunil Nair, who has joined the Company as CEO & Whole Time Director on 1st December, 2016 and is leading the team on this journey.

We have continued on our discovery towards finding the optimal business model which can be best supported by our infrastructure and our team. As a result, I am pleased to say that the Company has maintained cash flow positive, continued to repay its loans, while at the same time turning from a loss making to a profitable company towards the end of the year. I am confident that the impact of these changes will be reflected in the performance of the Company in the coming year.

In FY 2016-17, the Revenue of the Company was Rs.189.24 crores as against Rs. 227.64 crores in the previous year. EBITDA decreased to Rs. 36.36 crores from Rs. 50.73 crores while PAT for the year was a loss of Rs. 4.93 crores as against a profit of Rs. 20.61 crores during 2015-16. The company adopted IND-AS for the financial year commencing from April 1, 2016 and accordingly the results for the year were prepared in compliance with IND-AS.

Our Company's vision is to continue the expansion plan to increase its footprint across India by expanding into new locations. An additional capacity of 5,100 pallets was added at Kochi during the year, taking the total installed capacity to 103,600 pallets. Construction work for building new facilities is under way at Krishnapatnam and Sricity and these facilities are expected to become operational in 2017-18.

The outlook for the industry continues to look very encouraging, and the introduction of GST augurs well for the Company. Under the new tax regime, customers stand to benefit while dealing with organized service providers who can offer automated back-end support. Further, the



improvement in the macro economic scenario is bound to improve the business prospects of our customers & the industry.

Note of Thanks

I wish to thank all our stakeholders – shareholders, investors, bankers, customers, vendors and employees for their continued support

Regards,
Prem Kishan Dass Gupta
Chairman

Board of Directors



**Mr. Prem Kishan
Dass Gupta**
Chairman



Mrs. Mamta Gupta
Director



Mr. Shabbir Hassanbhai
Independent Director



Mr. Tomoyuki Masuda
Director



Mr. AKT Chari
Independent Director



**Mr. Bhaskar Avula
Reddy**
Independent Director



Mr. Arun Kumar Gupta
Independent Director



**Mr. Sunil Prabhakaran
Nair**
CEO & Whole Time
Director