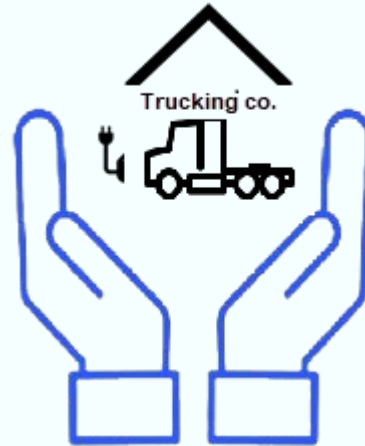




IRG – Logistics

A Complete Solution for Logistics Industry



**Transport Sector Illustred; Covers Airfreight, shipping, warehousing,
last-Mile Deliveries, Material Handlin Systems**

*Rohit Tidke holds IRPs of IRG FTRs

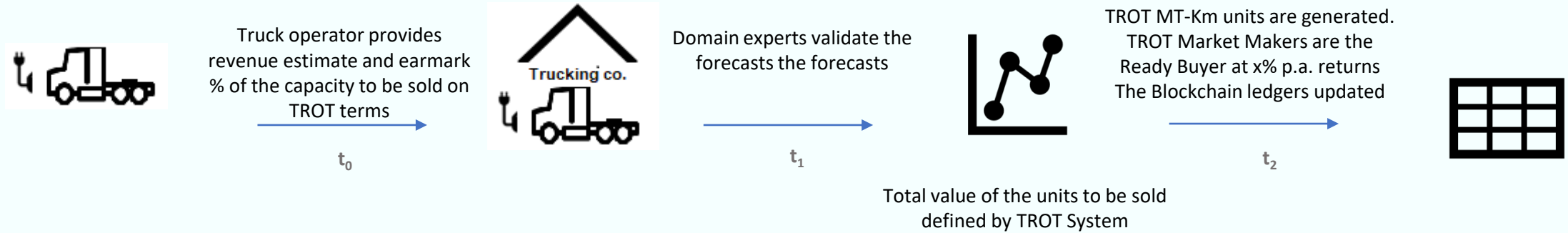
He has authored 539-page treatise on IRG FTRs titled 'IRG Exchange – Redefining the World of Finance'®

What is is IRG-Logistics FTRs

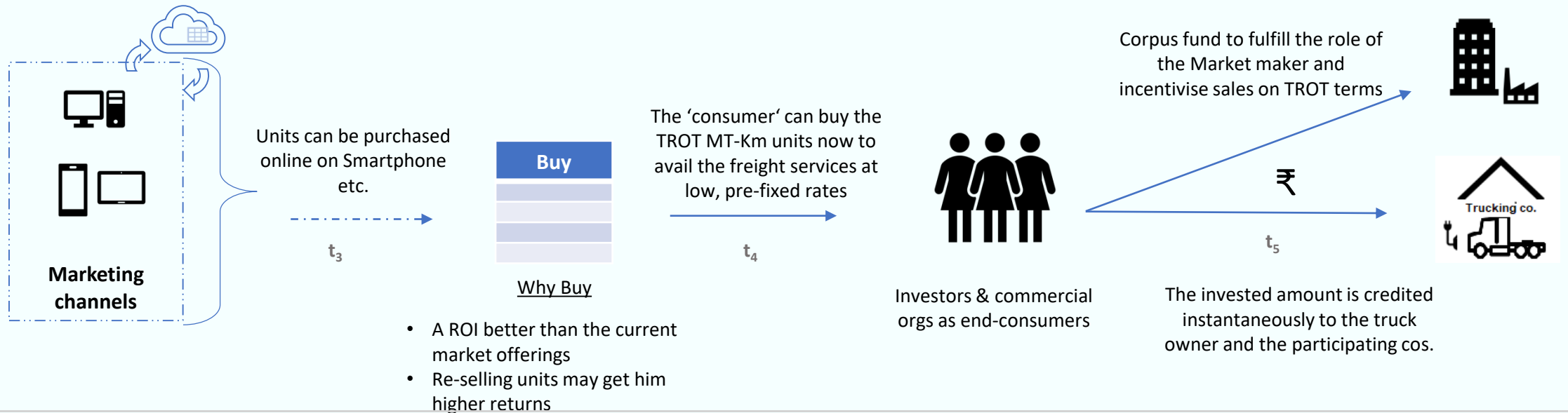
- A globally Freely Tradable Rights (FTRs) with Hedge benefit - x number of the globally standard units give the right to its owner to avail specified freight services at any time in the future on pre-fixed terms.
- An innovative solution to the Automobile Industry to help
 - boost sales overcoming the operational viability blues for the operators
 - generate investable float
 - protect future EV market share
- A platform for listing and trading TROT Product units between the key players
 - Automobile companies and their dealers
 - Users/Consumers of the Services
 - Freight companies/Truck owner-operators
 - Logistic companies

Solution Process Landscape

How units are generated?



How units are purchased?



Time

Process Entities – A Win–Win for All



Logistics companies

Pivotal entity selling TROT MT-Km Product arising out of the truck operators TROT obligations; Owns freight booking portal and monitors Corpus Fund escrow bank account

- Earns booking commission
- Replace ‘consumed’ units to maintain the cash flow as a result of low pre-fixed freight rates



Truck manufacturing companies

Offers trucks to operators on TROT terms with an option to buy after 10 years or on completing TROT obligation,

- Non-debt long term interest-free cashflow to meet capex and working capital needs
- Boost to sales as the operators not to ‘buy’ but gets the truck under TROT obligations; zero cost to ‘buyer’



Truck ‘Buyers’ – operating the truck on TROT terms

Offers certain capacity on TROT terms i.e. at the low, pre-fixed rate over a period of 10 years

- Gets a truck without cost – zero upfront payment; option to buy the truck at nominal value
- Safeguard from technological obsolescence – truck can be returned, replaced or upgraded without charge
- No loan EMI obligations; redemptions linked to booking; negligible fixed cost brings BEP much lower



Market makers

Generate cashflow with Buy/Sell market activities globally

- Earns better than market returns;
- No risk of loss to Market Makers – Benchmark Pricing mechanism



Customers as end-consumers

The customer avail the freight services at a low pre-fixed rates using TROT MT-Km units

- Long term hedging of the future freight costs without premium, buy only when beneficial; free to resale the units

Financials Illustrated

Say, a heavy EV truck: Capacity & TROT MT-Km Product selling limit

Pay load capacity in MT	50
Average round trip Km	200
Round trips/day	2
Days/yr	330
Life yrs	10
Life time MT-Km	6,60,00,000
Freight @ 100% utilization	1.82
Freight Life time Rs. lakh	12,02,85,000
Capacity earmarked for selling on TROT terms	40%
Earmark for booking on TROT terms	4,81,00,000
TROT MT-Km Product net sales Rs.	2,41,00,000

Utilization of TROT MT-Km Product net Sale Proceeds

Particulars	Truck Owner Rs.	IPLT Rs. crore
Trucks - Nos.		1,000
Corpus for incentives 30%	72,30,000	723
Truck manufacturing & selling co. 55%	1,32,55,000	1,326
Buy other's TROT Products 15%	36,15,000	362

Heavy truck Operator – 1st year workings for different capacity utilizations

Capacity in Mt-Km p.a.	66,00,000	66,00,000	66,00,000
Capacity utilized (bookings) %	50%	70%	85%
Bookings on TROT terms:	24,10,000	24,10,000	24,10,000
Market bookings	8,90,000	22,10,000	32,00,000
Revenue:			
Sales @ TROT pre-fixed rates	20,11,379	20,11,379	20,11,379
Corpus Fund returns for the units redeemed	7,73,610	7,73,610	7,73,610
Market sales	16,22,025	40,27,725	58,32,000
Less Expenses			
Variable costs	(25,47,600)	(35,66,640)	(43,30,920)
Fixed expenses	(10,56,000)	(10,56,000)	(10,56,000)
Gross Profit	8,03,414	21,90,074	32,30,069

The truck continued to owned by the truck manufacturing & selling co. and is given for operations on TROT conditions. It sells TROT MT-Km products arisen out of the TROT terms. CF share is released per truck 'sold'.

The retained Corpus Incentive Fund with the investment returns earned to be released to the truck owners linked to the services booked on TROT terms

The working applied to both the EV and ICE commercial vehicles of any pay-load capacities with the changes in the financials accordingly.

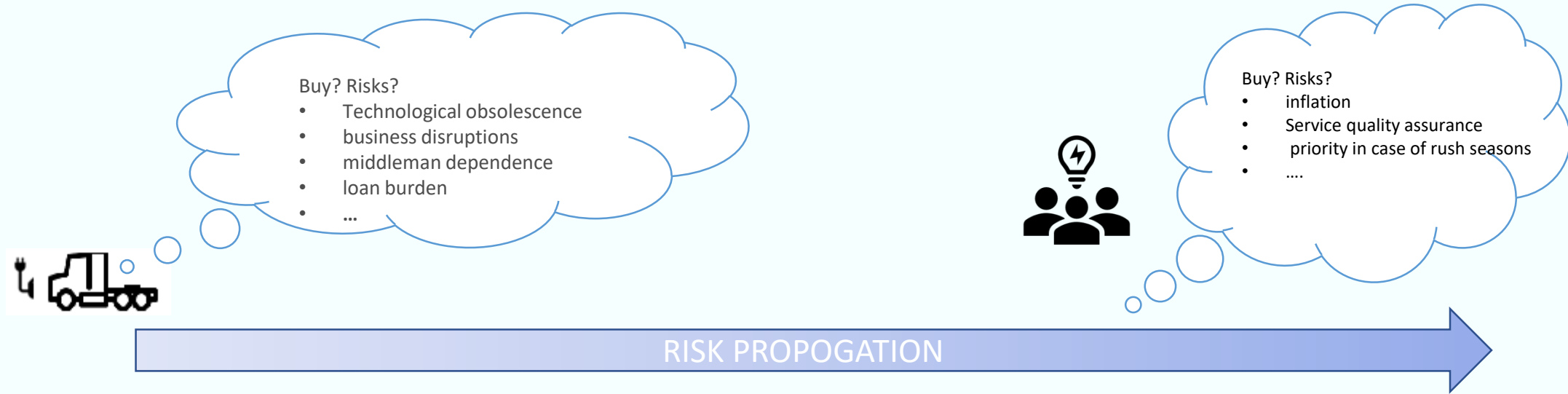
Legal and Tax Considerations

Our Opinion – Not Advice

- The amount realized by the Truck Owners and others selling the units is not their debt as there is no repayment or interest obligation
- Selling TROT M T-Km Product Units is not a sale of the underlying service
- Selling the units does not amount to advance sale or advance against sales as the sale itself is optional and the sale may not take place at all
- Not a forward contract in absence of any fixed date or period or even any obligation to buy
- The amount received on sale of the units is not an income of the Truck Owner as he needs to provide for the liability to pay default compensation on failure to deliver on the TROT terms in the future
- The units 'consumed' or redeemed against sale of the services provided on the TROT terms, however, needs to be accounted as income of the respective years

You are advised to consult legal and tax consultants

Risk Mitigation Business Model



- The truck owner has inherently a risk model in mind – the risk of business disruptions, seasonal low prices, rising operational costs, break-even revenue, upcoming better vehicles,
- The risk model of the truck owners is of lower average accuracy than that of the manufacturers and logistics companies due to better domain, field knowledge and the system tools.
- The investment in the truck includes also a price he pays (sub-consciously at times) for the future risk of its ownership loss or value erosion
- The end-consumer considers the risk of inflation, quality issues, shortages, delivery defaults
- A better risk model is the non-debt long term resources with corpus fund and recall mechanism for all the participants and the retail investors as the risk is mitigated with the TROT solution

Thank You!

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