

Transport Corporation of India Ltd. (TCI)

Complete 
LOGISTICS Partner



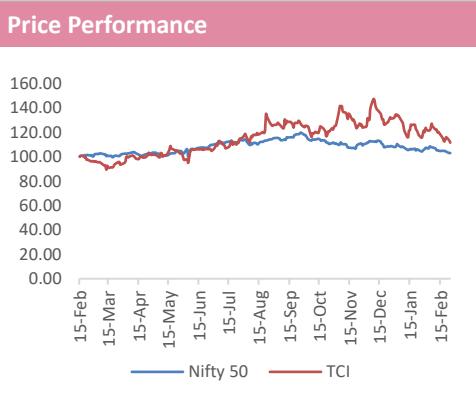
Accumulate

Key Data	
DATE	24-Feb-2025
Reco Price	970-990
Target	1172
Sector	Logistics
BSE Code	532349
NSE Code	TCI
Face Value (INR.)	2.00
Market Cap (Cr)	7,287
52-week High/Low (INR)	1309/758

Source : NSE, BSE

Shareholding pattern (Dec-2024)	%
Promoters	68.73
DILs	12.33
FII	3.35
Public	15.59
Total	100.00

Source : NSE, BSE



Rebased to 100

Transport Corporation of India Ltd

Company Background

Transport Corporation of India Ltd (TCI) is Incorporated in 1958, as a “One Man, One Truck, One Office” company, TCI today is a leading integrated supply chain and logistics solutions provider and a pioneer in the sphere of cargo transportation in India. With more than 64 years of experience in the logistics industry, TCI has continuously delivered excellence in every facet of its activities, satisfying the aspirations of its stakeholders, including society, shareholders, and the Indian transport community. The Company operates through three business divisions: TCI Freight, TCI Supply Chain Solutions and TCI Seaways. The Company also offers multimodal transportation solutions.

TCI Freight division is a surface transport solutions provider. TCI Supply Chain Solutions division is a single-window enabler of logistics and supply chain solutions. TCI Seaways division deals with multimodal coastal players, connecting its western, eastern, and southern ports. The Company's subsidiaries include TCI-CONCOR Multimodal Solutions Pvt. Ltd., TCI Cold Chain Solutions Ltd., TCI Bangladesh Ltd., among others.

Outlook and Valuation

TCI has transitioned from a traditional transportation company to India's leading integrated logistics service provider. As “Leaders in Logistics”, TCI continuously strives to better existing systems, processes and productivity. Its integrated and diversified business profile and customer base, coupled with a healthy proportion of contracted business, provide adequate revenue visibility. The long-term outlook for the sector is improving, given strong economic growth prospects and the increasing penetration of e-commerce. A recovery in government spending and an improvement in consumer spending will provide impetus for the sector.

We expect the company's revenue to grow at a **CAGR of 12.0% over FY24-FY27E**. Hence, we recommend Transport Corporation of India Limited with a target price of **Rs 1,172 based on FY27E EPS of Rs 62.7 with a forward PE Valuation multiple of 18.70**; it looks value buy with growth potential at current levels. Hence, we recommend **ACCUMULATE** rating for the medium to long term.

Financial Snapshot (Consolidated)

Particulars (INR. in Cr.)	FY24	FY25E	FY26E	FY27E	CAGR % (FY24- FY27E)
Revenue	4,024	4,467	5,003	5,653	12.0%
EBITDA	411	451	525	612	14.2%
EBITDA %	10.2%	10.1%	10.5%	10.8%	
PAT	348	380	417	479	11.3%
EPS (Rs.)	44.7	49.8	54.5	62.7	

Source: Company, ACMIL Retail Research

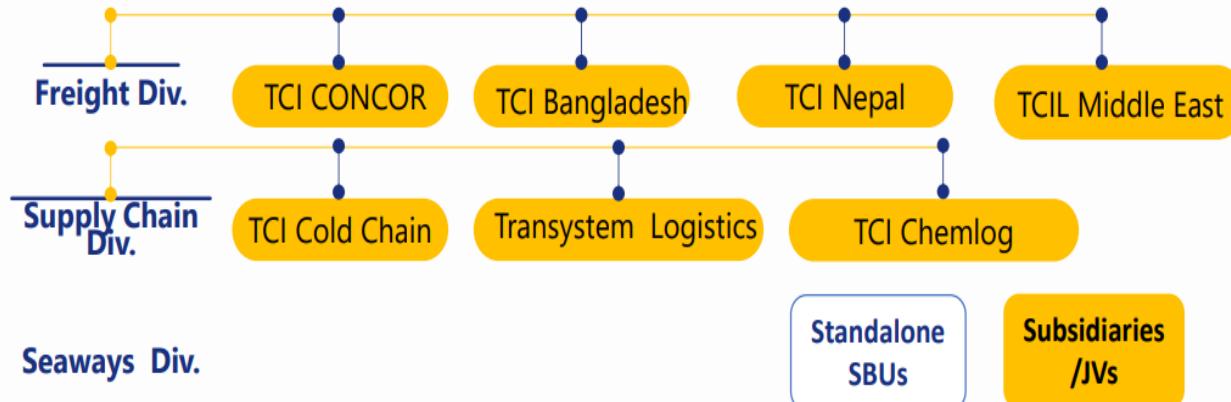
Company at a Glance

- TCI has a network of 1,000+ company-owned offices and 3,500+ employees. TCI's offers a diverse range of services which includes 1) surface logistics, 2) 3PL (Third-party logistics), 3) transportation through waterways, 4) cold chain solutions and 5) others.
- TCI handles more than five million tons of cargo and services nearly 200,000 customers annually.
- It operates a fleet of ~10000 trucks in operation (more than 1150 trucks owned), 3 Automobile Freight Train Operator (AFTO) trains and 6 coastal cargo ships, 8,000 general purpose containers, 650 ISO liquid tank containers, 13,000 cold pallet positions and a warehousing space of more than 15mn sqft.
- The hub-and-spoke marketing network, comprising over 25 hubs and 1000 branches, enables TCI to handle freight across 18,000 locations.
- TCI has demerged its express cargo division into a separate entity, TCI Express Ltd with effect from April 1, 2016.

Company Overview

Transport Corporation of India (TCI) is engaged in the Business of Freight Transport, Supply Chain Solutions and Transport through Coastal Shipping. With more than 64 years of experience in the logistics industry, TCI has continuously delivered excellence in every facet of its activities, satisfying the aspirations of its stakeholders, including society, shareholders, and the Indian transport community. TCI's ability to work in challenging conditions and deliver consistent results has set it apart from its peers. The Company has also taken steps to promote sustainable practices through its robust ESG Framework. The company has an extensive pan-India network with a presence across major districts. TCI has emerged as the pioneer in providing integrated multimodal logistics and supply chain solutions.

Group Structure



Source: Company Reports

TCI has several subsidiaries, key among them being TCI-CONCOR Multimodal Solutions Pvt. Ltd. (51% shareholding with Container Corporation of India Ltd; offers multi-modal rail-road container services) and TCI Cold Chain Solutions Limited (80% shareholding with Mitsui & Co. Ltd., Japan; integrated cold-chain services to meet temperature-controlled warehousing and distribution services). Additionally, it has joint venture with Mitsui & Co., Japan (holding 49% stake), Transystem Logistics International Pvt. Ltd. (Logistical partner for Toyota Kirloskar and other Japanese companies). TCI has emerged as the pioneer in providing integrated multimodal logistics and supply chain solutions. It provides an array of end-to-end logistics and supply chain solutions in India and SAARC countries (Afghanistan, Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan and Sri-Lanka) through multiple modes, including road, rail, and sea.

Delivering High-value Added and Niche Service Solutions



3PL/4PL



End-to-End Supply Chain Solutions



Integrated Multimodal Solutions



Control Tower and Consultancy

Benefits For Customers



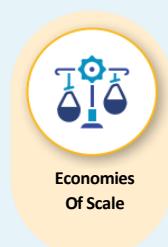
Single Window Solutions



Operational Cost Efficiencies



Trusted Delivery & Fulfillment



Economies Of Scale

Source: Company Reports, ACMIL Retail Research

Business Divisions

TCI has emerged as the pioneer in providing integrated multimodal logistics and supply chain solutions. It provides an array of end-to-end logistics and supply chain solutions in India and SAARC countries through multiple modes, including road, rail, and sea.

The Company leverages its multi-modal network and ESG based modern warehouses to help customers reduce GHG (Greenhouse Gases) emissions and achieve their sustainability goals. TCI's rapid adoption of technology at all levels has further distinguished it from its competitors. TCI has also established itself as a centre of excellence for digital transformation and technology adoption, enabling it to offer value-added services to its customers using the latest tools and technologies.

Freight Division

With a legacy of over 6 decades in the Logistics industry, it is fully equipped to provide surface transport solutions for cargo of any dimension or product segment ranging from Full Truck Load, Less than Truck Load, Control towers and Over-dimensional Cargo & Project Heavy Haul. TCI Freight is a leading surface transport service provider in India, known for its reliable and customized logistics solutions. Whether it's large equipment, heavy machinery, or small packages, TCI Freight's network reaches every nook and corner of India, as well as the SAARC nations. By providing comprehensive and efficient logistics solutions, TCI Freight aims to be the go-to choice for businesses looking to the movement of goods anywhere, everywhere.



Supply Chain Solutions

It provides services such as Dynamic supply chain network design, Scientifically and professionally managed inventory, Modern warehousing management using smart material handling equipment, and Multimodal transportation. At TCI Supply Chain Solutions (TCI SCS), its core mission is to empower customers by optimizing supply chain processes, reducing costs, boosting efficiency, and enhancing customer satisfaction. Through the seamless integration of advanced logistics technologies and software, TCI ensures end-to-end visibility and control across the entire supply chain, spanning from production logistics to distribution centers and aftermarket warehouses. Its commitment lies in providing innovative solutions that enable informed decision-making and operational streamlining, allowing clients to navigate the complexities of the supply chain with confidence and competitiveness. TCI's modern warehousing management systems, smart material handling equipment, and multi-modal transportation services ensure fast, reliable, and secure delivery of goods. With TCI SCS, businesses can benefit from professionally managed inventory, dynamic supply chain network design, and integration with numerous logistics partners, all within a single-window user experience.



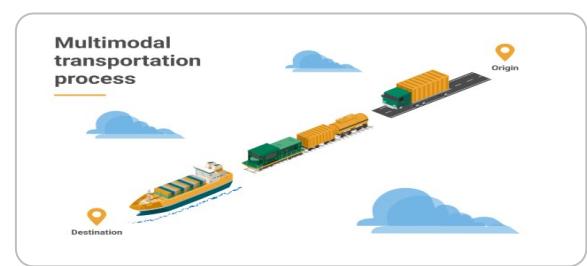
Coastal Shipping

Company has a presence in coastal shipping, container cargo movements and transportation services. TCI Seaways is a premier multi-modal coastal transport provider in India, connecting the country's major ports in the west, east, and south. From container cargo movement and liner services to charter operations and first and last-mile connectivity via rail and road, TCI Seaways offers a complete range of coastal shipping solutions that provide a hassle-free experience to customers.



Multimodal Capabilities & Network

The company manages 15 Mn Sq ft. of warehousing space. Additionally, it has a customized fleet of 1,150+ trucks and trailers, owns 3 Automobile Trains, operating under the AFTO Rail scheme, and owns 6 ships with 8000+ GP containers. Also has a set-up of 25 strategically located hubs across India with 750+ IT Enabled Owned offices. Multimodal capabilities includes managing 65 yards and 60 terminals.



Key Differentiated customer base catering to a wide range of industries

Emerging Segments	Logistical Needs	TCI Edge
	<ul style="list-style-type: none"> Ultra-clean and dust-free transportation environment Strict adherence to ESD (Electrostatic Discharge) protocols Just-in-time delivery for production continuity 	<ul style="list-style-type: none"> Specially designed and air-conditioned vehicles Trained personnel with ESD certification Time-sensitive delivery solutions to meet production schedules
Semiconductors Manufacturing		
	<ul style="list-style-type: none"> Transportation of bulky and fragile solar panels Delivery to remote or off-grid locations Expertise in handling oversized and project cargo 	<ul style="list-style-type: none"> Specialized trailers and lifting equipment for solar panels Experience in delivering to remote and challenging locations Project cargo handling capabilities for large-scale solar projects
Solar Power		
	<ul style="list-style-type: none"> Environmentally responsible disposal of hazardous waste Compliance with strict regulations for battery transportation Track and trace system for waste management 	<ul style="list-style-type: none"> Specialized vehicles for hazardous materials transportation Expertise in adhering to EPR (Extended Producer Responsibility) regulations Waste tracking and management systems for responsible disposal
EPR and Batteries		
	<ul style="list-style-type: none"> Maintaining cold chain integrity for temperature-sensitive products Ensuring hygiene and food safety standards Timely delivery to meet retail and consumer demand 	<ul style="list-style-type: none"> Refrigerated trucks and temperature- controlled warehouses Stringent sanitation protocols and hygiene practices Scheduled deliveries to meet retailer and distributor needs
Dairy Products & Processed Food		
	<ul style="list-style-type: none"> Real time CRM Integration with digital portals Secure Connectivity - GPS & Financial Integration Robust Product & Services Catalogue 	<ul style="list-style-type: none"> Robust Tech enabled Infrastructure Secure integration with ULIP & ONDC Platforms Off-the-shelf & customizable service offerings
B2B Sourcing Marketplaces		
	<ul style="list-style-type: none"> Perishable goods require specific temperatures Deliveries need to be quick to avoid spoilage Fragile items require careful handling 	<ul style="list-style-type: none"> Refrigerated trucks and temperature- controlled containers Time-definite delivery solutions Fleet with specialized handling equipment for delicate cargo
Agri-Tech		
	<ul style="list-style-type: none"> Fast and efficient delivery within tight timeframes Real-time tracking and visibility of shipments Urban logistics expertise for navigating congested areas 	<ul style="list-style-type: none"> Dedicated express delivery network Advanced tracking and tracing systems Experience in last-mile delivery
Quick-Commerce		
	<ul style="list-style-type: none"> Secure and high-value cargo transportation Strict compliance with regulations and safety standards Oversized or specialized equipment handling 	<ul style="list-style-type: none"> Armored vehicles and high-security trailers Experienced personnel with knowledge of defense regulations Capability to handle oversized and project cargo
Aero-Space & Defense		

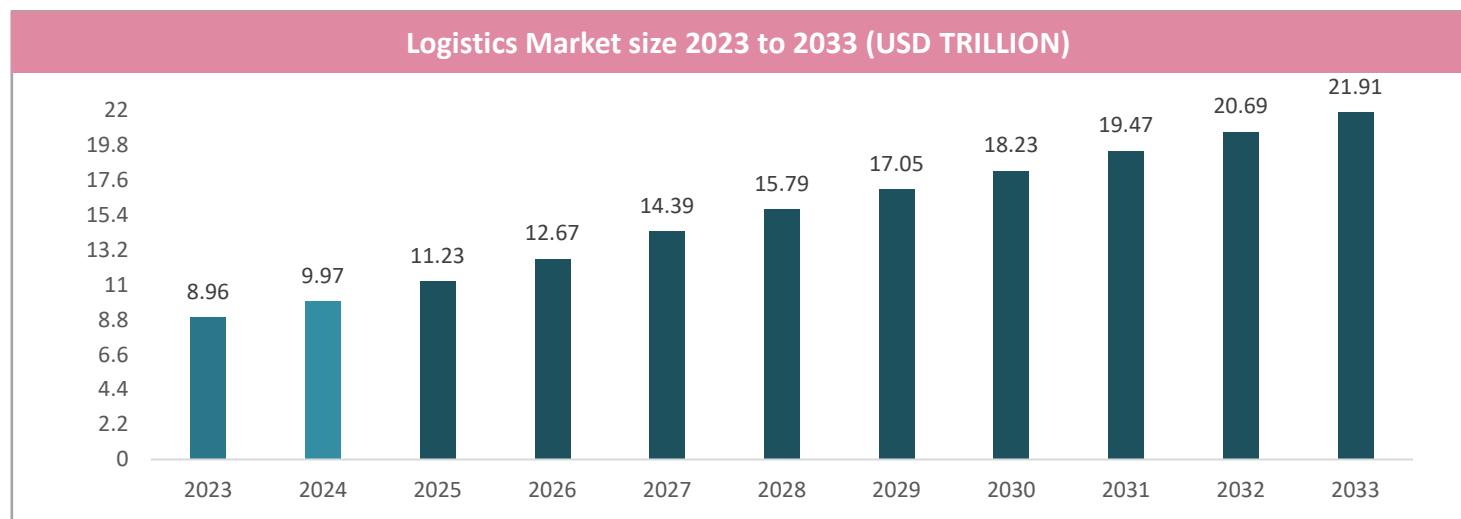
Source: ACMIL Retail Research, Company Reports

Industry Overview

Global Logistics

Logistics is an indispensable element of all economic activities. On an average, logistics sector accounts for anywhere between 8-10% in the GDP of various countries across the globe. The global logistics market size accounted for USD 8.96 trillion in 2023 and it is expected to be worth around USD 21.91 trillion by 2033 with a noteworthy CAGR of 9.35% from 2024 to 2033.

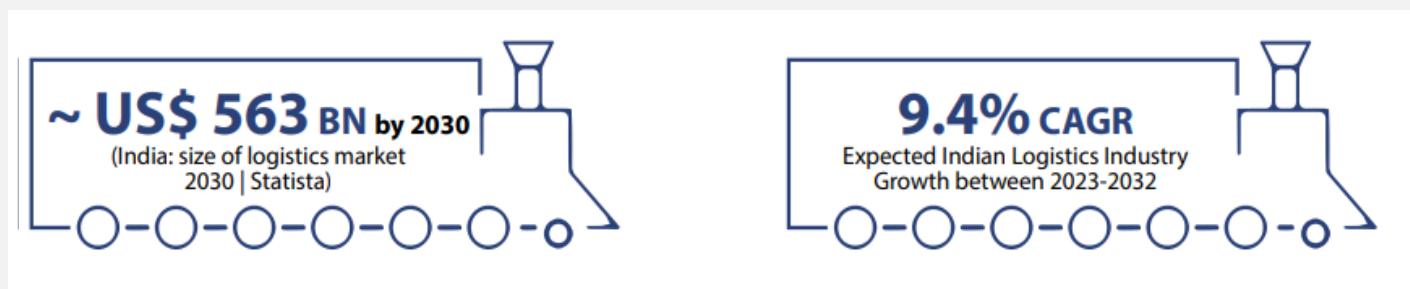
The cover story of global logistics in the past year has been about sustainability & resilience. The disruptions caused by various geo-political events has made organizations as well as governments to relook at the resilience of their supply-chains and logistics ecosystem. Rise in demand for robust and sustainable multi-modal logistics provided the necessary momentum for the growth in the global logistics sector. This is a great opportunity for the entire Logistics industry. Established players has a chance to leverage their strengths and partner with their customers for creating incremental value across the value system. Going ahead, the focus will remain on increasing the resilience and efficiency of logistics. Logistics players will have to opt for redesigning supply chains and adopting technology partners to offer seamless customer experience. The Industry emphasizes elevating customer satisfaction, reducing costs, standardization, automation and improving delivery performance as critical factors for global logistics competitiveness.



Source: Company Reports, Precedenceresearch, ACMIL Retail Research

Indian Logistics

The logistics industry in India is booming, driven by the country's rapidly growing economy. India is uniquely poised for a transformation in the logistics sector, with significant interventions observed in the past year, and this momentum is expected to continue in the coming years. As India aims to become a USD 7 trillion economy in coming years, the logistics sector plays a crucial role in propelling this growth. Focused public investment in improving transportation infrastructure by the Indian government has provided the necessary boost to enhance the efficiency of the logistics industry. The combined force of government impetus, technology adoption and automation herald a decade of transformation and robust growth ahead for the Indian logistics industry which is estimated to grow at an impressive CAGR of around 7.85% from the present USD 282.3 Bn to USD 563 Bn by 2030.



Source: Company Reports, Statista, ACMIL Retail Research

This calls for a fresh look at solving for the challenge of improving cost efficiency across the entire value chain - delivering a major boost to the Logistics sector. As India continues to insource manufacturing, it offers a plethora of opportunities for the logistics industry to flourish by capitalizing on the nation's vast geographic area and large population. This, coupled with strong Government impetus is positioning the logistics industry to achieve further growth. Post the launch of National Logistics Policy, today India's logistic ecosystem is in transformative stage which is acting as a catalyst for these opportunities. This plan is proving to be the game changer as it targets reducing the cost of logistics in India to be comparable to global benchmarks by FY 2029-30.

Industry Overview

Industrial Key Growth Drivers

- The Indian Government is placing significant emphasis on improving the country's road network, constructing dedicated freight corridors, implementing technology-driven warehousing, and establishing multimodal logistics parks to ride on the opportunity. The contribution of logistics to India's GDP is about 13-14 per cent, reflecting its critical role in the economy.
- PM Gati Shakti is a ₹100 lakh crore (₹100 trillion) infrastructure development plan that integrates 16 Ministries and Departments for coordinated planning and implementation of projects related to roads, railways, ports, airports, water transport, logistics infrastructure, and digital connectivity. Thus, facilitating the infrastructural last mile connectivity & seamless movement.
- The Bharatmala Pariyojana is a broad-based initiative by the Government of India to develop about 26,000 km length of Economic Corridors, along with Golden Quadrilateral (GQ) and North-South and East-West (NS-EW) Corridors to carry a majority of the Freight Traffic on roads.
- Sagarmala Programme is the flagship program of the Ministry of Ports, Shipping and Waterways to heighten the use of waterways in multimodal transport and create career opportunities in ports and the maritime sector.
- The Multi-Modal Logistics Parks policy aims at improving the country's logistics sector. It will lower freight costs, vehicular pollution, congestion and also warehouse costs by acting as a single platform optimizing performance for cargo, warehousing, custom clearance, and parking and maintenance services.
- The Integrated National Logistics Action Plan strives to facilitate the seamless movement of goods, providing a substantial boost to the trade sector within the economy.
- Technology adoption: The industry's embrace of technology (such as GPS tracking, RFID, and advanced analytics) improves operational efficiency, reduces costs, and enhances overall productivity. This technological advancement positively influences the broader economic landscape.
- India's Production Linked Incentive (PLI) schemes, spanning 14 key manufacturing sectors, are attracting global value chains. This initiative aims to establish India as a major hub for large-scale production, catering to both domestic and international markets.
- India's e-commerce industry has evolved rapidly, becoming one of the largest and fastest-growing markets in the world. This growth has been fuelled by increased internet accessibility, an expanding middle class and a surge in digital payment options. Initially concentrated in urban areas, e-commerce has since extended its reach to tier 2 and 3 cities and, more recently, rural areas, where it is gradually transforming local economies and consumer habits. India's e-commerce market was valued at approximately USD 67 billion in 2021 and is expected to reach nearly USD 123 billion by 2024 and USD 325 billion by 2030, delivering a CAGR of 25.3%. The rapid expansion of mobile and internet access, driving a surge in online shopping across all demographics, is igniting a new era of innovation and disruption within the logistics sector.
- India's increasing household income and purchasing power have also played a significant role in the growth of the logistics and warehousing industry. As more people enter the middle class and their disposable incomes rise, there is a corresponding increase in consumption. This surge in demand for consumer goods requires robust logistics and warehousing systems to ensure products are available where and when they are needed.



Investment Rationale

Strong headroom for long-term growth

TCI holds significant long-term growth potential in the fragmented logistics industry. With over six decades of experience, the company's presence in multi-modal logistics and supply chain businesses uniquely positions it for further growth. TCI is poised to benefit from sectoral growth driven by factors like e-way bills and GST, increased logistics outsourcing, government emphasis on Atmanirbhar Bharat, and global supply chain realignments. Given these positive fundamentals and TCI's inherent strengths, we anticipate the company to maintain a sustained growth trajectory.

Diversified customer base and high share of contracted business provides revenue visibility

TCI has a diversified customer base, which has remained stable over the years. The business caters to various industries that account for a healthy proportion of its revenues. Although the fragmented nature of the transportation business leads to intense competition, TCI continues to have a healthy proportion of contracted business (especially in the Supply Chain Solution and seaways divisions). This, coupled with the diversified customer mix, insulates the business from any downturn in demand in any industry, to an extent, thereby providing healthy revenue visibility.

Supply Chain business likely to sustain the growth momentum

The Supply Chain business has successfully upheld its growth trajectory through a strategic emphasis on retaining and expanding business relationships, both with existing clients and through new acquisitions. Furthermore, the company anticipates that its other business will also experience positive momentum as a result of a broader industry shift from unorganized to organized sectors. This strategic alignment positions the company to capitalize on emerging opportunities within the evolving logistics landscape.

Logistics Market's Steady Expansion Over Next few Years

The Indian logistics sector stands as one of the world's largest and plays a crucial role in driving economic growth. Following a 2% contraction in FY21, the market experienced post-COVID a robust recovery in FY22, witnessing a remarkable approx 14% growth. The combined force of government impetus, technology adoption and automation herald a decade of transformation and robust growth ahead for the Indian logistics industry which is estimated to grow at an impressive CAGR of around 7.85% from the present USD 282.3 Bn to USD 563 Bn by 2030.

TCI's Strategic Hub & Spoke Logistics: Enhancing Efficiency in Cargo Consolidation and Transportation

The Hub & Spoke Model employed by TCI involves a robust network comprising 25 strategically located hubs across India. This model serves as a logistical framework where these hubs act as central points (hubs) for the collection, sorting, and distribution of cargo. The strategically positioned hubs enable TCI Freight to efficiently consolidate and transport goods, enhancing the reliability of their distribution network. In this model, the hubs are connected to various spoke locations, which can be used as warehouses, distribution centers, or other delivery points. And spokes serve as the endpoints for the transportation network, facilitating the movement of goods to and from the central hubs. This setup optimizes the overall logistics process, making cargo consolidation and transportation more streamlined and cost-effective. As part of this model, TCI Freight currently operates a substantial fleet of trucks, with over 4,500 trucks in operation, of which 120 are owned by the company. This extensive fleet further supports the efficiency of the Hub & Spoke Model, ensuring a smooth and reliable flow of goods throughout the distribution network.

Strategic Product Mix: TCI's Resilience in Varied Market Conditions

A right product mix has enabled TCI to grow steadily even in tough times where the slowdown in one segment had been adequately compensated by robust growth in another one. For e.g. In pandemic period the auto sector was not doing well due to supply constraints. However, its shipping business did quite well, as it went overseas to some locations, opportunistically to move cargo and containers. At present, international freight rates has come down, but the Supply Chain Solutions is doing well.

TCI's Maritime Momentum: Government Boosts Multimodal Logistics amid Rising Sea Cargo Demand

TCI is witnessing an increased demand for shifting of cargo by sea, as it is cheaper, more efficient and has better green footprint. Being green and an environmentally friendly option, companies are increasingly looking to transport their goods by coast in a larger way. As this is a multimodal activity, and while the time taken could be the same, or maybe slightly more, the cost is slightly lower. Most importantly carbon emissions are low and as a result of which the Government is giving more thrust on improving multimodal logistics. Increasing adoption of green logistics solutions is accelerating growth across the waterway logistics industry.



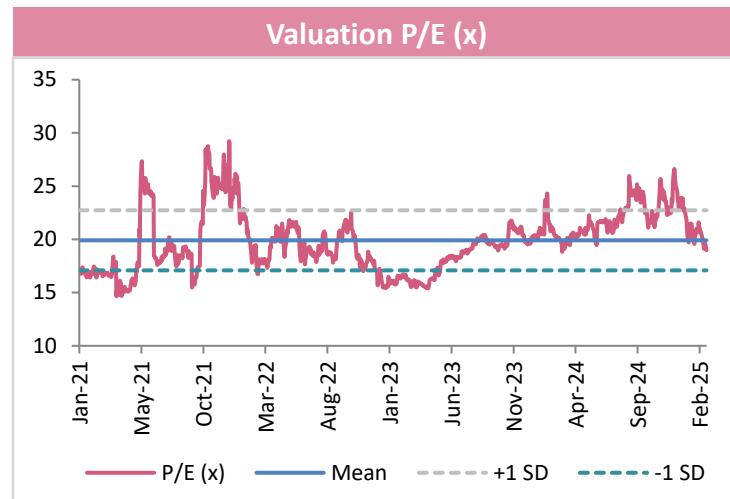
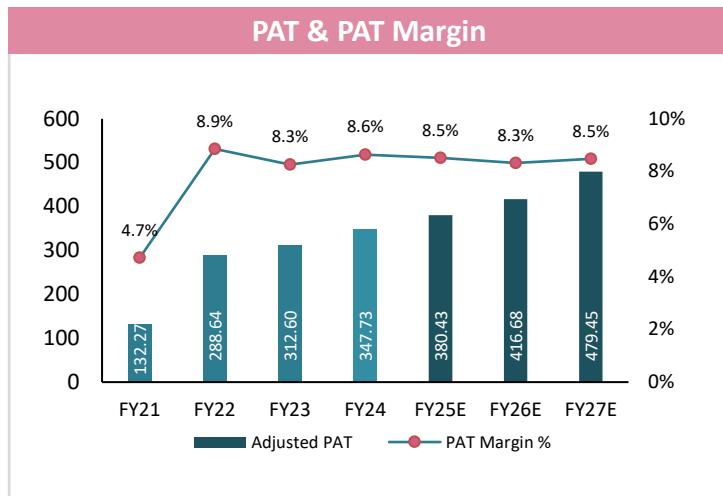
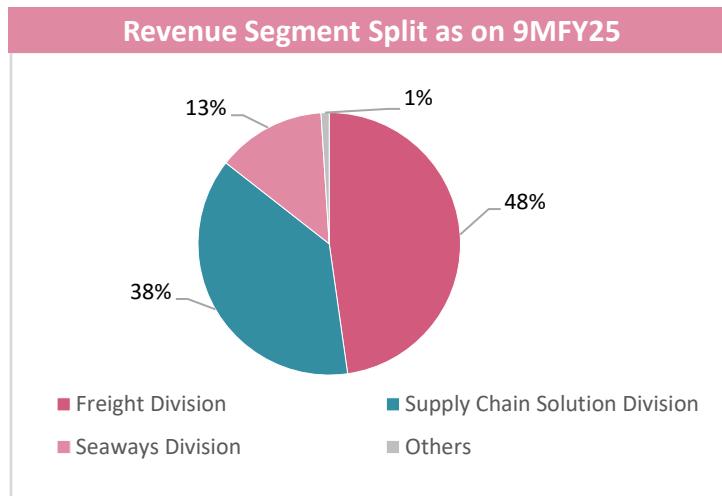
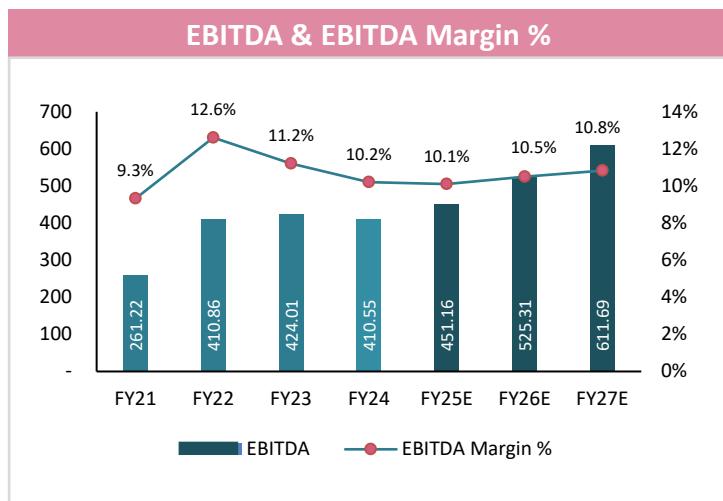
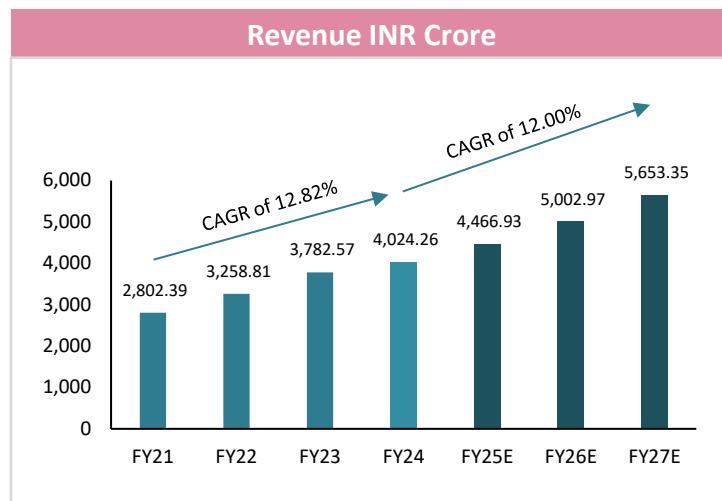
Investment Rationale

Additional Key Growth Drivers

- The rise of Direct to Customers (D2C), Direct to Retailers (D2R), and Direct to Kirana (D2K) business models is driving a critical need for innovative approaches to production, warehousing, and logistics. As a result, logistics players need to develop capabilities in distribution, fulfillment, last-mile delivery, and the utilization of technology for inventory management, optimization, customer data analytics, and route optimization. Meeting these growing customer expectations is crucial.
- TCI's CAPEX guidance for FY25, initially set at Rs. 375 crore, is expected to moderate to approximately Rs. 275 crore due to delays in land purchases for hub centers including Rs.80 crore advance payments for new ships, despite Rs. 205 crore already spent in the first nine months; this revised figure reflects adjustments to their expansion plans, which also include branch network expansion, sorting center construction, and IT infrastructure development. The company will do the capex organically and inorganically in coming years. TCI plans to fund the majority of its capital expenditure through internal accruals, with the remaining portion financed by debt.
- The expansion of the manufacturing sector in India is driving demand for logistics services, providing a significant opportunity for companies to expand their operations.
- TCI's freight division remains asset-light in nature, with a large pool of truck suppliers/partners to support its asset-light model. This asset light model provides company the flexibility in operation and helps in higher return generation.
- As per the industry estimates, the road transportation is expected to grow at 7-8% CAGR (in line with GDP growth) over the medium term. LTL (Less-than-Truckload) is expected to perform better.
- TCI is in line with the strategy to focus on providing quality growth, maintaining margins, and enhancing customer service through technology and training.
- Transport Corporation of India (TCI), a key logistics and supply chain solution provider associated with the quick commerce platform Zepto, has expanded its southern base by leasing around 1 lakh sq. ft. logistics park of TVS ILP in Coimbatore, Tamil Nadu. TCI's latest expansion with TVS ILP in Coimbatore highlights a strong partnership that will enable the rapid growth of quick commerce in Tier 2 and 3. Coimbatore has emerged as a major hub for logistics and e-commerce companies due to its proximity to key transport routes, growing consumer base, and industrial expansion. The newly leased facility in Coimbatore developed by TVS ILP is a built-to-suit, Grade-A industrial park designed to meet TCI and Zepto's operational needs and enhance their supply chain efficiency with state-of-the-art infrastructure and sustainability.
- It aims to provide integral technology services, enhance customer satisfaction, and maintain a strong value system and culture. Increasing foreign investment in the Indian economy is expected to drive demand for logistics services, providing a significant opportunity for companies in the sector. This increase also fuels the conversion of a large unorganized sector into a formal, process driven and tech-enabled sector.
- The agriculture and pharmaceutical industries are experiencing a surge in demand for organized logistics service providers. The pharmaceutical sector, in particular, requires highly efficient logistics. Integrated supply chains including stable cold chain infrastructure are critical to support its growth. Several pharmaceutical companies are outsourcing their logistics functions to third-party logistics (3PL) providers due to their efficient, temperature-controlled supply chain management and lower operating costs.



Story in Charts (Values in INR Crore.)



Source: Company, ACMIL Retail Research

Financial Statements

Condensed Consolidated Income Statement

Amount in INR Crore, Except Per Share	FY23	FY24	FY25E	FY26E	FY27E
Revenue from Operations	3783	4024	4467	5003	5653
Total Expenditure	3359	3614	4016	4478	5042
EBITDA	424	411	451	525	612
Other Income	70	1499	1370	1537	1689
Finance Costs	10	2846	2678	2608	2583
Depreciation and Amortisation Expense	121	3888	4226	4534	4576
Profit Before Tax	359	385	426	477	547
Tax Expense	43	34	43	57	66
PAT To Common Shareholders	313	348	380	417	479
EPS	40.3	44.7	49.8	54.5	62.7

Other Income: Included Profit from Joint Venture/Associates.

PAT: After Exceptional Income / Expenses

Ratio Analysis

Amount in INR Crore, Except Per Share	FY23	FY24	FY25E	FY26E	FY27E
EBITDA Margin %	11.2	10.2	10.1	10.5	10.8
PAT Margin %	8.3	8.6	8.5	8.3	8.5
ROE %	20.2	19.0	19.1	20.4	21.6
ROCE %	23.1	20.7	20.7	22.2	23.0
Debt/Equity (x)	0.03	0.06	0.08	0.13	0.15

Source: Company Reports, ACMIL Retail Research

Risks and concerns

- Economic slowdown and Geo-political instability may affect business and growth of the company.
- Highly competitive industry having multiple unorganized players.

Condensed Consolidated Balance Sheet

Amount in INR Crore, Except Per Share	FY23	FY24	FY25E	FY26E	FY27E
ASSETS					
Non-Current Assets					
Net Block	791	862	1007	1135	1280
Financial Assets	26	109	75	50	50
Non-Current Assets	198	212	184	343	385
Other Non-Current Assets	50	27	36	35	37
Total Non Current Assets	1065	1210	1303	1563	1752
Current Asset					
Inventories	5	11	8	7	8
Currents Investments	88	331	340	355	405
Other Current Assets	757	854	754	771	784
Cash and Bank	185	96	166	45	140
Total Current Assets	1035	1291	1268	1178	1336
TOTAL ASSETS	2101	2501	2570	2741	3089
EQUITY AND LIABILITIES					
TOTAL EQUITY	1702	2004	2021	2101	2354
LIABILITIES					
Non-Current Liabilities					
Financial Liabilities	40	102	108	208	308
Provisions	6	7	8	7	8
Deferred Tax Assets / Liabilities	30	33	32	34	32
Other Non-Current Liabilities	25	38	38	37	38
Total Non-Current Liabilities	101	180	186	286	386
Current Liabilities					
Financial Liabilities	6	20	62	55	50
Other Current Liabilities	164	173	162	163	166
Provisions	23	25	23	22	23
Trade Payables	76	66	83	81	76
Total Current Liabilities	268	284	330	321	315
Minority Interest	30	33	33	33	33
TOTAL LIABILITIES	399	498	549	640	734
TOTAL EQUITY AND LIABILITY	2101	2501	2570	2741	3089

Source: Company Reports, ACMIL Retail Research

ACMIL Retail Research Products

Informational Products	Recommendation Products
Morning Notes	Momentum calls
Market Watch	Smart Delivery trades
Weekly Technical Synopsis	Positional technical calls
Quarterly Kaleidoscope	Investment ideas
Market Pulse	Master trades High & Medium Risk
RBI Monetary Policy	Techno Funda
Budget Report	Stock Basket
Weekly Derivatives Synopsis	Mutual fund model portfolios
Rollover Snapshot	Portfolio Doctor
Rollover Analysis (Monthly)	IPO Note
Special Report (Industry/Calendar year/Financial year)	
Investment Idea	
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