

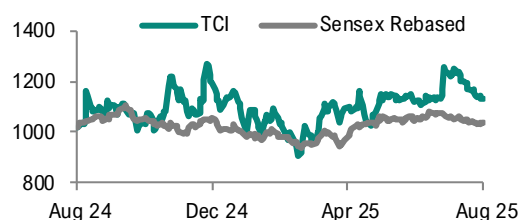
Transport Corporation of India Ltd.

18th August 2025

BUY

Data as of: 14-08-2025, 18.00 hrs

*over or under performance to benchmark index



Author: Anil R - Sr. Research Analyst

- TCI reported a 9% YoY revenue growth in Q1FY26, slightly above the expectations, driven by strong double-digit growth in the supply chain business and stable performance in Seaways.
- EBITDA grew 17% YoY, with margins expanding 70 bps to 10.6%, supported by lower fuel costs. Consequently, net profit also rose 17% YoY.
- One ship was dry-docked in Q1, with two more scheduled in Q2 and Q3, which may temporarily impact Seaways volumes. Management has guided for 0–5% revenue growth in the Seaways division for FY26.
- We revise our FY26 EPS estimates downward by 12–15% to factor in the impact of dry docking. Post revision, net profit is expected to grow at a 12% CAGR over FY25–27E, with stable margins around 10.7%.

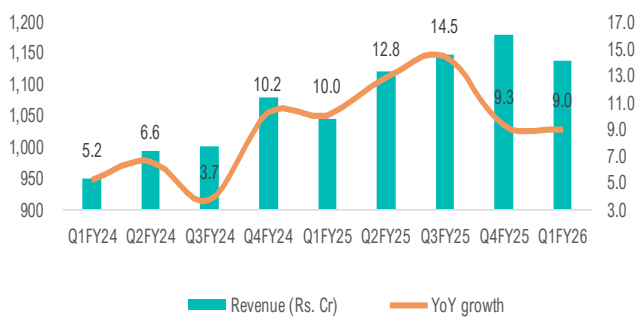
TCI's long-term outlook remains strong, driven by economic growth, rising e-commerce, and expansion into high-growth segments like chemicals, EVs, and cold chain. Asset-light freight operations, integrated services, and increasing LTL share will support profitability. With new ships expected over the next two years, the Seaways segment is poised for further growth. We maintain our confidence in TCI's growth trajectory. **We value TCI at 20x FY27E EPS and upgrade to Buy from Accumulate rating with a target price of Rs.1,353.**

Rs.cr	Q1FY26	Q1FY25	YoY (%)	Q4FY25	QoQ (%)
Sales	1,139	1,045	9.0	1179	(3.4)
EBITDA	121	104	16.6	122	(0.6)
EBITDA margin	10.6	9.9	0.7	10.3	0.3
EBIT	92	75	23.3	93	(0.3)
PBT	118	103	14.8	127	(7.4)
Reported PAT	107	92	17.0	115	(6.9)
Adjusted PAT	107	92	17.0	115	(6.9)
EPS (Rs)	14.0	12.0	17.0	15.0	(6.9)

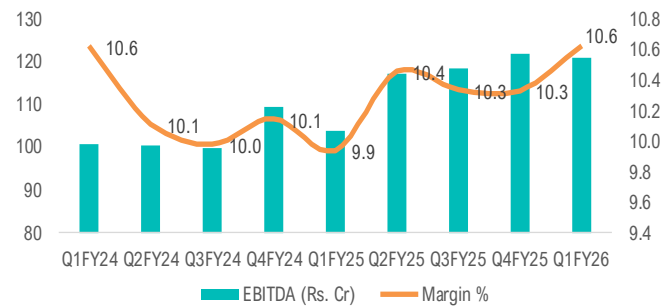
Key Concall Highlights

- Management remains confident of achieving 10–12% revenue and profit growth, supported by diversified growth drivers and strong execution.
- Capex planned for FY26 amounts to Rs. 450cr, targeting fleet expansion, warehousing, and multimodal logistics.
- With two new ships expected by FY27, Seaways is set to add 15,000–20,000 tonnes of capacity, with no scrapping planned until FY28.
- Supply chain solutions are expected to grow at 15% CAGR, driven by automotive, chemicals, EVs, and warehousing.
- The company continues to expand its multimodal logistics footprint, with 625 rake movements in Q1 and increasing terminal infrastructure supporting green logistics. Strategic investments in AI, control towers, and tech startups (~₹30 crore) are enhancing operational efficiency and customer experience.
- Cold chain and JV businesses are gaining traction, with CONCOR JV growing 33% and cold chain JV expanding 18–20%.
- TCI maintains its asset-light model in freight, with a focus on increasing LTL contribution to improve margins.

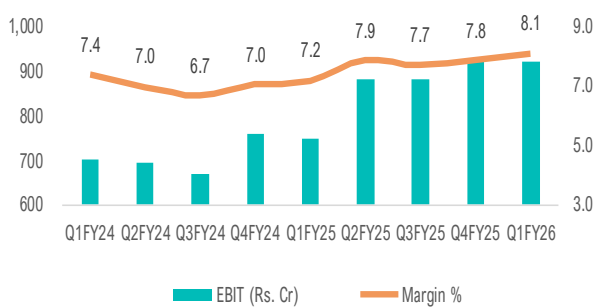
Revenue



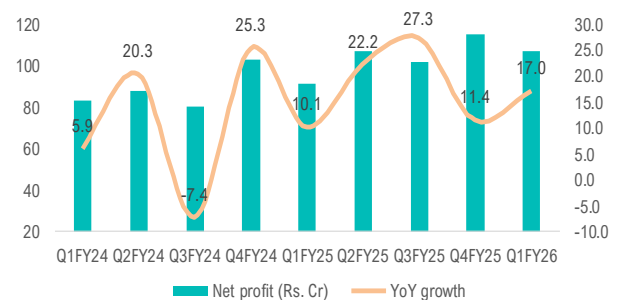
EBITDA



EBIT



PAT



Change in Estimates

Year / Rs cr	Old estimates		New estimates		Change (%)	
	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E
Revenue	5,033	5,702	4,900	5,594	(2.7)	(2.0)
EBITDA	539	610	522	596	(3.2)	(2.3)
Margins (%)	10.7	10.7	10.7	10.7	-	-
Adj. PAT	464	534	454	517	(2.2)	(3.1)
EPS	60.6	69.7	59.3	67.5	(2.2)	(3.1)



Consolidated Financials

Profit & Loss

Y.E March (Rs cr)	FY23A	FY24A	FY25A	FY26E	FY27E
Sales	3,783	4,024	4,492	4,900	5,594
% change	16.1	6.4	11.6	9.1	14.2
EBITDA	424	411	461	522	596
% change	3.7	(3.2)	12.3	13.2	14.2
Depreciation	121	128	118	127	145
EBIT	303	282	343	395	450
Interest	10	13	20	24	25
Other Income	30	46	47	56	66
Share of JV	44	76	90	100	111
PBT	364	388	459	528	602
% change	10	7	18	15	14
Tax	43.4	33.6	43.4	73.9	84.3
Tax Rate (%)	12	9	9	14	14
Reported PAT	321	354	416	454	518
Adj.*	(3)	(4)	(4)	-	-
Adj. PAT	317	351	412	454	518
% change	9.6	10.5	17.6	10.1	14.2
No. of shares (cr)	7.8	7.8	7.7	7.7	7.7
Adj EPS (Rs)	41.3	45.6	54.3	59.2	67.6
% change	10.4	10.3	19.1	9.0	14.2
DPS (Rs)	7.0	7.0	7.1	7.1	7.1

Cash Flow

Y.E March (Rs cr)	FY23A	FY24A	FY25A	FY26E	FY27E
Net inc. + Depn.	442	483	534	581	663
Non-cash adj.	(8)	(85)	(83)	(133)	(152)
Changes in W.C	(73)	(99)	(92)	(178)	(131)
C.F. Operation	361	299	359	270	380
Capital exp.	(153)	(242)	(354)	(125)	(372)
Change in inv.	(7)	4	(10)	(130)	(130)
Other invest.CF	(33)	(167)	265	156	177
C.F - Investment	(193)	(404)	(99)	(99)	(325)
Issue of equity	4	4	5	-	-
Issue/repay debt	(8)	78	(8)	-	-
Dividends paid	(54)	(55)	(77)	(54)	(54)
Other finance.CF	(7)	(9)	(14)	(24)	(25)
C.F - Finance	(65)	18	(292)	(78)	(79)
Chg. in cash	102	(87)	(32)	93	(24)
Closing cash	170	83	51	144	120

Balance Sheet

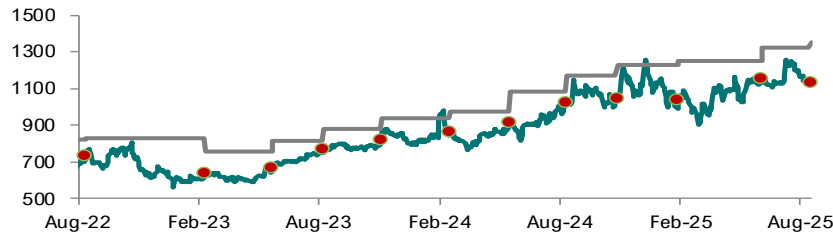
Y.E March (Rs cr)	FY23A	FY24A	FY25A	FY26E	FY27E
Cash	170	83	51	144	120
Accounts Receivable	561	601	722	792	904
Inventories	5	11	7	9	11
Other Cur. Assets	262	294	370	427	503
Investments	286	543	411	541	671
Gross Fixed Assets	1,347	1,536	1,745	2,095	2,445
Net Fixed Assets	788	859	961	1,184	1,389
CWIP	26	109	255	30	52
Intangible Assets	3	3	3	3	3
Def. Tax (Net)	(30)	(33)	(36)	(36)	(36)
Other Assets	0	0	0	0	0
Total Assets	2,071	2,469	2,743	3,094	3,617
Current Liabilities	240	253	323	269	307
Provisions	28	32	38	43	64
Debt Funds	71	147	191	191	191
Other Liabilities	30	33	36	36	36
Equity Capital	16	16	15	15	15
Reserves & Surplus	1,686	1,988	2,139	2,539	3,003
Shareholder's Fund	1,702	2,004	2,155	2,554	3,018
Total Liabilities	2,071	2,469	2,743	3,094	3,617
BVPS	219	258	281	333	394

Ratios

Y.E March	FY23A	FY24A	FY25A	FY26E	FY27E
Profitab & Return					
EBITDA margin (%)	11.2	10.2	10.3	10.7	10.7
EBIT margin (%)	8.0	7.0	7.6	8.1	8.1
Net profit mgn.(%)	8.4	8.7	9.2	9.3	9.3
ROE (%)	20.3	18.9	19.8	19.3	18.6
ROCE (%)	18.0	14.9	15.7	14.5	14.3
W.C & Liquidity					
Receivables (days)	51.6	52.7	53.7	56.4	55.3
Inventory (days)	0.6	0.7	0.7	0.6	0.6
Payables (days)	2.8	2.9	2.8	2.7	2.4
Current ratio (x)	3.7	3.5	3.2	4.4	4.1
Quick ratio (x)	3.0	2.7	2.4	3.5	3.3
Turnover & Leverage					
Gross asset T.O (x)	2.8	2.8	2.7	2.6	2.5
Total asset T.O (x)	2.0	1.8	1.7	1.7	1.7
Int. covge. ratio (x)	30.8	21.3	17.0	16.7	18.2
Adj. debt/equity (x)	0.0	0.1	0.1	0.1	0.1
Valuation					
EV/Sales (x)	2.3	2.2	2.0	1.8	1.6
EV/EBITDA (x)	20.2	21.2	19.0	16.7	14.7
P/E (x)	27.4	24.8	20.8	19.1	16.7
P/BV (x)	5.2	4.4	4.0	3.4	2.9



Recommendation Summary (last 3 years)



Dates	Rating	Target
12.Aug.22	ACCUMULATE	829
09.Feb.23	BUY	755
23.May.23	BUY	813
08.Aug.23	ACCUMULATE	882
06.Nov.23	ACCUMULATE	938
16.Feb.24	ACCUMULATE	977
17.May.24	ACCUMULATE	1,081
28.Oct.24	ACCUMULATE	1,227
30.Jan.25	ACCUMULATE	1,248
09.June.25	ACCUMULATE	1,322
18.Aug.25	BUY	1,353

Investment Rating Criteria

Ratings	Large caps	Midcaps	Small Caps
Buy	Upside is above 10%	Upside is above 15%	Upside is above 20%
Accumulate	-	Upside is between 10%-15%	Upside is between 10%-20%
Hold	Upside is between 0% - 10%	Upside is between 0%-10%	Upside is between 0%-10%
Reduce/sell	Downside is more than 0%	Downside is more than 0%	Downside is more than 0%

Not rated/Neutral

Definition:

Buy: Acquire at Current Market Price (CMP), with the target mentioned in the research note; **Accumulate:** Partial buying or to accumulate as CMP dips in the future; **Hold:** Hold the stock with the expected target mentioned in the note.; **Reduce:** Reduce your exposure to the stock due to limited upside.; **Sell:** Exit from the stock; **Not rated/Neutral:** The analyst has no investment opinion on the stock.

Symbols definition:



Upgrade



No Change



Downgrade

To satisfy regulatory requirements, we attribute 'Accumulate' as Buy and 'Reduce' as Sell.

The recommendations are based on 12 month horizon, unless otherwise specified. The investment ratings are on absolute positive/negative return basis. It is possible that due to volatile price fluctuation in the near to medium term, there could be a temporary mismatch to rating. For reasons of valuations/ return/lack of clarity/event we may revisit rating at appropriate time. Please note that the stock always carries the risk of being upgraded to BUY or downgraded to a HOLD, REDUCE or SELL.

Not rated/Neutral- The analyst has no investment opinion on the stock under review.

DISCLAIMER & DISCLOSURES

Certification: I, ANIL R, author of this Report, hereby certify that all the views expressed in this research report reflect our personal views about any or all of the subject issuer or securities. This report has been prepared by the Research Team of Geojit Investments Limited, hereinafter referred to as GIL.

For general disclosures and disclaimer: Please [Click here](#).

Regulatory Disclosures:

Group companies/ Fellow subsidiaries of Geojit Investments Ltd (GIL) are Geojit Financial Services Limited (GFSL), Geojit Technologies Private Limited (Software Solutions provider), Geojit Credits Private Limited (NBFC), Geojit Fintech Private Ltd, Geojit IFSC Ltd (a company incorporated under IFSC Regulations), Qurum Business Group Geojit Securities LLC (a subsidiary of holding company in Oman engaged in Financial Services), Barjeel Geojit Financial Services LLC (a joint venture of holding company in UAE engaged in Financial Services), and BBK Geojit Consultancy and Information KSC (C) (a joint venture in Kuwait-engaged in Financial services). In the context of the SEBI Regulations on Research Analysts (2014), GIL affirms that we are a SEBI registered Research Entity and in the course of our business as a stock market intermediary, we issue research reports /research analysis etc. that are prepared by our Research Analysts. We also affirm and undertake that no disciplinary action has been taken against us or our Analysts in connection with our business activities.

In compliance with the above-mentioned SEBI Regulations, the following additional disclosures are also provided which may be considered by the reader before making an investment decision:

1. Disclosures regarding Ownership:

GIL confirms that:

(i)It/its associates have no financial interest or any other material conflict in relation to the subject company (ies) covered herein, at the time of publication of the research report.

(ii)It/its associates have no actual beneficial ownership of 1% or more in relation to the subject company (ies) covered herein, at the end of the month immediately preceding the date of publication of the research report.

Further, the Analyst confirms that:

(i) He, his associates and his relatives shall take reasonable care to ensure that they do not have any financial interest in the subject company (ies) covered herein, and they have no other material conflict in the subject company, at the time of publication of the research report.

(ii) He, his associates and his relatives have no actual/beneficial ownership of 1% or more in the subject company covered, at the end of the month immediately preceding the date of publication of the research report.

2. Disclosures regarding Compensation:

During the past 12 months, GIL or its Associates:

(a) Have not received any compensation from the subject company; (b) Have not managed or co-managed public offering of securities for the subject company (c) Have not received any compensation for investment banking or merchant banking or brokerage services from the subject company. (d) Have not received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company. e) Have not received any compensation or other benefits from the subject company or third party in connection with the research report (f) The subject company is / was not a client during twelve months preceding the date of distribution of the research report.

3. Disclosure by GIL regarding the compensation paid to its Research Analyst:

GIL hereby confirms that no part of the compensation paid to the persons employed by it as Research Analysts is based on any specific brokerage services or transactions pertaining to trading in securities of companies contained in the Research Reports.

4. **Disclosure regarding the Research Analyst's connection with the subject company:** It is affirmed that I, ANIL R, Research Analyst (s) of GIL have not served as an officer, director or employee of the subject company.

5. **Disclosure regarding Market Making activity:** Neither GIL/its Analysts have engaged in market making activities for the subject company.

6. **Disclosure regarding conflict of interests:** GIL shall abide by the applicable regulations/ circulars/ directions specified by SEBI and Research Analyst Administration and Supervisory Body (RAASB) from time to time in relation to disclosure and mitigation of any actual or potential conflict of interest. GIL will endeavour to promptly inform the client of any conflict of interest that may affect the services being rendered to the client.

7. "Registration granted by SEBI, membership of BASL (in case of IAs) and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors."

8. Clients are required to keep contact details, including email id and mobile number/s updated with the GIL at all times.

9. In the course of providing research services by GIL, GIL cannot execute/carry out any trade (purchase/sell transaction) on behalf of, the client. Thus, the clients are advised not to permit GIL to execute any trade on their behalf.

10. GIL will never ask for the client's login credentials and OTPs for the client's Trading Account Demat Account and Bank Account. The Clients are advised not to share such information with anyone including GIL.

11. Standard Warning: "Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

12. Disclosures regarding Artificial Intelligence tools.

Neither Geojit Investments Limited nor its Analysts have utilized any AI tools in the preparation of the research reports.

Please ensure that you have read the "Risk Disclosure Documents for Capital Market and Derivatives Segments" as prescribed by the Securities and Exchange Board of India before investing.

Geojit Investments Ltd. Registered Office: 7th Floor 34/659-P, Civil Line Road, Padivattom, Kochi-682024, Kerala, India. Phone: +91 484-2901000, Website : www.geojit.com/GIL . For investor queries: customer-care@geojit.com

GRIEVANCES

Step 1: The client should first contact the RA using the details on its website or following

contact details: Compliance officer: Ms. Indu K. Address: 7th Floor, 34/659-P, Civil Line Road, Padivattom, Ernakulam,; Phone: +91 484-2901367; Email: compliance@geojit.com. For Grievances: grievances@geojit.com. **Step 2:** If the resolution is unsatisfactory, the client can also lodge grievances through SEBI's SCORES platform at www.scores.sebi.gov.in **Step 3:** The client may also consider the Online Dispute Resolution (ODR) through the Smart ODR portal at <https://smartodr.in>

Corporate Identity Number: U66110KL2023PLC080586, Research Entity SEBI Reg .No: INH000019567; Depository Participant : IN-DP-781-2024.

