



IPO Report

19th Aug '25

Snapshot

Company provides shipping and logistic solution for dry bulk cargo at various Ports and Jetties at India and Sri Lanka. As of March 31, 2025, company have fleet of more than 80 vessels (consisting of barges, mini bulk carriers (MBCs), tug boats and floating cranes) and more than 370 earthmoving equipment (consisting of material handling machines, excavators, pay loaders, tippers including trailers, tankers and other vehicles) in services of its clients.

VALUATION

Company is bringing the issue at price band of Rs 240-252 per share at p/e multiple of approx. 29x on post issue FY25 basis. Company is prominent player in integrated shipping and logistic service provider in India with long-term institutional customer relationships in key sectors. Company has established cargo handling operations for Dry Bulk Cargo .Company has operational capabilities of its own fleet. Company has proven track record of growth in financial performance with experienced Promoters and committed management Team. Hence, we recommend “Subscribe” to the issue.

Price Band (Rs./Share)	240-252
Opening date of the issue	19th Aug '2025
Closing Date of the issue	21st Aug '2025
No of shares pre issue	14,66,20,254 Eq Shares
Issue Size	Rs 391-411 Cr
Fresh issue	16,298,000 Eq Shares
Face Value (Rs/ share)	Rs 10/share
Bid Lot	58

BIDDING DETAILS

QIBs (Including Anchor)	50% of the offer (Approx 81,49,000 Eq Shares)
Non-Institutional	15% of the offer (Approx 24,44,700 Eq Shares)
Retail	35% of the offer (Approx 57,04,300 Eq Shares)
Lead managers	Beeline Capital Advisors, Elara Capital (India)
Registrar to the issue	Bigshare Services

WHAT WE LIKE

Prominent player in integrated shipping and logistic service provider in India

Company provides shipping and logistic solution for dry bulk cargo at various ports and jetties in India and Sri Lanka. As of March 31, 2025, company have fleet of more than 80 vessels (consisting of barges, mini bulk carriers (MBCs), tug boats and floating cranes) and more than 370 earthmoving equipment (consisting of material handling machines, excavators, pay loaders, tippers including trailers, tankers and other vehicles) in services of its clients.

Long-term institutional customer relationships in key sectors

Company primarily cater to the customers in various sectors including Oil and Gas, Energy and Power, Fast Moving Consumer Goods (FMCG), coal and metal industry. Company's business is conducted on a business-to-business basis. For the Fiscal 2025, 2024, and 2023 company have served 106, 102, 96 customers, respectively. While company have diversified customer base across multiple industry verticals including Oil and Gas, Energy and Power, Fast Moving Consumer Goods (FMCG), Coal and Metal Industry, company depend on certain customers that contribute significantly to its revenue from operations

Proven Track Record of Growth in Financial Performance

For the Fiscal 2025, Fiscal 2024 and Fiscal 2023, company achieved an EBITDA margin of 33.03%, 27.07%, and 22.82%, respectively. For the Fiscal 2025, Fiscal 2024 and Fiscal 2023, company have achieved a PAT margin of 23.24%, 17.03% and 14.38%, respectively. This is attributable to company's continued focus on productivity, competitive pricing and cost optimisation. The debt-to-equity ratio of Company as of Fiscal 2025, Fiscal 2024 and Fiscal 2023 was 0.75 times, 0.50 times and 0.69 times, respectively, and company's net debt-to-equity ratio as of Fiscal 2025, Fiscal 2024 and Fiscal 2023 was 0.44 times, 0.50 times and 0.67 times, respectively. Company's total net debt was ₹1,503.57 million for Fiscal 2025, which primarily comprised of current borrowings of ₹ 2,534.09 million.



COMPANY BACKGROUND

Company have a legacy of more than three decades in the shipping and logistic industry with prominent experience in cargo handling, transportation, fleet chartering and equipment rentals and other ancillary services.

Company is the flagship company of Jamnagar based “Shreeji Group”, promoted and led by Ashokumar Haridas Lal and Jitendra Haridas Lal, having combined experience of more than sixty (60) years in the shipping and logistics industry. Under their leadership, company has evolved into an integrated shipping and logistic solution provider for dry bulk cargo handling at all-weather and seasonal ports in India and Sri Lanka. Though, company provide its services at major ports, company is primarily focused on non-major ports and jetties, particularly along the West Coast of India. As of March 31, 2025, company have provided its services at more than twenty (20) ports and jetties including major Indian ports at Kandla, non-major ports at Navlakhi, Magdalla, Bhavnagar, Bedi and Dharmatar and overseas port at Puttalam Port (Sri Lanka). (Source: *Dun & Bradstreet Report*) Company was erstwhile established as partnership firm in the year 1995, in the name of M/s. Shreeji Shipping.

With promoters, Ashokkumar Haridas Lal and Jitendra Haridas Lal, having significant experience in the shipping and logistics sector, the partnership firm has evolved its business to provide integrated shipping and logistic services, which later on converted in its present company on April 11, 2024, in order to optimise the business operations and avail benefits of corporate structure.

Company offer comprehensive shipping and logistic solutions for dry bulk cargo, including cargo handling and transportation services. Under its cargo handling segment, company provide STS (Ship to Ship) Lighterage, Stevedoring and other port services including cargo management services. Further, as a part of logistic supply chain, company also provide transportation services for dry bulk cargo including port to premise drop-off and vice versa.

For the period ended March 31, 2025, and for the Fiscal ended 2024, and 2023, company handled total cargo volume of 15.71 MMTs, 13.78 MMTs, and 13.87 MMTs respectively. For the same period, volume of cargo transported by company was 2.49 MMTs, 2.74 MMTs, and 2.96 MMTs, respectively.

Company believe that its prolong experience in the shipping and logistic industry and wide network of transportation and distribution model helps company to deliver its solutions to customers engaged across various industries. Company primarily cater to its customers in various sectors including Oil and Gas, Energy and Power, Fast Moving Consumer Goods (FMCG), Coal and Metal Industry. Company’s complete integrated end to end shipping and logistic services provides its customers with a preferable option of single-window solutions thereby negating the need to approach multiple service providers at different levels in the chain of shipping and logistic services. Further, company’s integrated service model provides company with greater business opportunities from its customers involving wide range of services, contributing to its revenue and profitability.

Company’s Service Offering

- *Cargo handling* services which primarily includes lighterage, stevedoring and other port services including cargo management services;
- *Transportation* which includes port to premise drop off services and vice versa providing complete logistic solutions;
- *Fleet Chartering and Equipment rentals* which primarily includes the providing its vessels and earthmoving equipment on charter basis. Company also provide other necessary equipment needed for loading and unloading of cargo;
- *Other operational income* which primarily includes the sale of scrap and other sundry activities.



INVESTMENT RATIONALE

<i>Experienced Promoters and committed Management Team</i>	<p>Company is led by its individual Promoters, Ashokkumar Haridas Lal and Jitendra Haridas Lal. Both of its promoters have a combined experience of more than sixty (60) years in shipping and logistic industry. Company's promoters ventured in the shipping and logistic industry as a partnership firm in the name of "M/s. Shreeji Shipping" which was incorporated in 1995. Under their leadership and strategic vision, Company has evolved its business to provide integrated shipping and logistic services. They are supported by an experienced and professional Key Managerial Personnel and Senior Managerial Personnel team.</p> <p>Company's Promoters' extensive experience enables it to foresee challenges and implement mitigating steps to preserve its customers' timeline. Company's promoters have been instrumental in leading its business and operations, building the "Shreeji Shipping" brand, and driving company's success within the shipping and logistics industry. With company's Promoters' experience, company believe that it is equipped to respond to challenges posed by a rapidly evolving logistics industry in India.</p>
<i>Established cargo handling operations for Dry Bulk Cargo</i>	<p>Company's cargo handling business, which is its largest business operation, can be categorised into the following: (i) STS (Ship-to-Ship) Lightering services; (ii) Stevedoring services; and (iii) Other port services including cargo management services.</p> <p>Currently, company operate in both, all-weather ports and seasonal ports in India and Sri Lanka. Though company is actively engaged in the major ports such as Kandla, company primarily operate in non-major ports and jetties ports specifically those ports having major tidal variations and draft restrictions. Company handle a large variety of dry bulk cargo including coal, clinker, salt, iron-ore, pet coke, sulphur, limestone and other commodities. For the Fiscal 2025, Fiscal 2024, and Fiscal 2023, company handled cargo of 15.71 MMTs, 13.78 MMTs, and 13.87 MMTs, respectively, as part of company's cargo handling business.</p>

OBJECTS OF OFFER

The Issue comprises of a fresh issue of 16,298,000 Equity Shares.

Utilisation of Net Proceeds

The net proceeds of the Fresh Issue, i.e., gross proceeds of the Fresh Issue less Issue related expenses ("Net Proceeds"), are proposed to be utilized in the following manner:

1. Acquisition of Dry Bulk Carriers in Supramax category in the secondary market; ("Acquisition of Vessels")
2. Pre-payment/ re-payment, in part or full, of certain outstanding borrowings availed by company;
3. General Corporate Purposes

RISKS

Company had derived 20.86 %, 15.20%, and 16.83% of its revenue from operations from its largest customer in Fiscal 2025, 2024 and 2023 amounting to ₹ 1,267.51 million, ₹ 1,111.23 million, ₹ 1,391.71 million respectively. Any loss or reduction of business from this customer and company's inability to maintain close relationship with this customer could reduce company's revenues and adversely affect company's business, cash flows, financial condition and results of operations.

Source:RHP



Consolidated Financials

(Rs in Mn)

Financials	FY23	FY24	FY25
Total Revenue (A)	8269.97	7310.03	6076.13
Total Expenditure (B)	6383.21	5378	4094.56
EBIDTA	1886.76	1932.03	1981.57
EBIDTA Margin	22.81	26.43	32.61
Other Income	3.32	51.71	28.38
Depreciation	168.01	202.81	216.51
EBIT	1722.07	1780.93	1793.44
Interest	161.17	111.99	122.65
PBT	1560.90	1668.94	1670.79
Share of profit in Asso	0.00	0.00	0.00
PBIT	1560.90	1668.94	1670.79
Exceptional	33.73	-0.18	218.16
PBT	1594.63	1668.76	1888.95
Tax	405.78	423.64	476.58
PAT	1188.85	1245.12	1412.37
NPM	14.38	17.03	23.24
ROE%	58.17	43.61	42.91
EPS	8.49	8.89	9.83
Eq Cap	1.00	1.00	1,466.20
Net Worth	2,558.07	3,151.83	3,431.72

(Source: RHP)



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