# TRANSPORT CORPORATION OF INDIA

**Rating: ▲ | Target price: ◀▶ | EPS: ▼**

| CMP | Target Price | Rating |
|---|---|---|
| Rs. 915 | Rs. 1,180 | BUY |

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## OUTLOOK REVIEW 1QFY27
**4 August 2026**

| | |
|---|---|
| Industry | LOGISTICS |
| **Key Stock Data** | |
| Bloomberg | TRPC IN |
| Shares o/s | 77mn |
| Market Cap | Rs. 70bn ($735mn) |
| 52-wk High-Low | Rs. 1242 – 909 |
| 3m ADV | Rs. 39.9mn |
| F&O | NO |

**Latest Shareholding (%)**

| | Dec-25 | Mar-26 | Jun-26 |
|---|---|---|---|
| Promoters | 68.7 | 68.7 | 68.7 |
| Institutions | 15.9 | 15.9 | 15.7 |
| Public | 15.4 | 15.4 | 15.6 |
| Pledge | 0.0 | 0.0 | 0.0 |

**Stock Performance (%)**

| | 1m | 3m | 12m |
|---|---|---|---|
| TRPC | -1.6 | -1.2 | -21.5 |
| Sensex | 1.1 | 2.2 | -2.9 |


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## ONE YEAR OUTLOOK

### Business & Earnings ◀▶

- Maintain our 'BUY' with TP of Rs. 1,180. TRPC may benefit from: 1) scale-up of new client contracts in supply chain segment (SCS) across auto, large-scale warehousing & e-commerce, 2) sustained demand in coastal shipping led by addition of 2 new ships in 2HFY27E with potential order for an additional new ship, and 3) rising LTL contribution (~37% in FY26) in freight segment (~50% by FY30E).
- In 1QFY27, Seaways revenue grew 6% YoY to Rs. 1.7bn. EBIT margins fell 440 bps QoQ to 34.7% due to elevated bunker prices. TRPC would make final payment for 2 new ships in FY27 (~15-16k tonnes combined capacity), with deliveries likely in 3Q-4QFY27 & advance for new ship. Penciling in revenue & EBITDA CAGR of 15%/7% (FY26-28E). Further benefits contingent on addition of second-hand ships to cater to incremental demand.
- Consolidated SCS segment revenue grew 10% YoY led by auto and quick commerce segment. TRPC has increased its exposure to quick commerce and focuses on growth in Chemical logistics. Expect new opportunities from diversified industries, sustained auto demand & opportunities in multimodal (addition of two rakes in FY27) to drive revenue/EBITDA CAGR of 14% & 13% (FY26-28E).
- Freight division is likely to benefit from: 1) higher LTL contribution (40% through FY27E), and 2) growth in multimodal logistics. Expect network expansion-led incremental volumes to drive revenue/EBITDA CAGR (FY26-28E) of 6%/13%.

### Valuation Multiples ◀▶

- Valuing TRPC based on SOTP (page 6) to arrive at TP of Rs. 1,180 (FY28 Consol). Our multiple factors in back-ended benefits of seaways capacity addition (12x EV/EBITDA) and sustained customer wins across supply chain segment (14x EV/EBITDA).

## FINANCIAL SUMMARY

| | Net Sales (Rs mn) | EBITDA (%) | PAT (Rs mn) | EPS (Rs) | P/E (x) | EV/EBITDA (x) | ROE (%) |
|---|---|---|---|---|---|---|---|
| FY25 | 44,918 | 10.3 | 3,863 | 50.4 | 18 | 15 | 18 |
| FY26 | 49,168 | 10.5 | 4,574 | 59.7 | 15 | 14 | 19 |
| FY27E | 53,920 | 10.4 | 4,599 | 59.9 | 15 | 13 | 16 |
| FY28E | 60,020 | 10.5 | 4,999 | 64.7 | 14 | 11 | 16 |
| FY29E | 67,215 | 11.0 | 5,796 | 75.1 | 12 | 10 | 16 |

## THREE YEAR OUTLOOK

### Business & Earnings ◀▶

- Expect TRPC to benefit from: 1) shift in volumes from the unorganized to organized sector, and 2) traction in multimodal logistics (TRPC is one of the few players with a presence across the value chain), which would drive revenue & EBITDA CAGR of 11%/14%, respectively, through FY26-30E.
- TRPC's established infrastructure, longstanding customer relationships and experienced management team (vintage of ~six decades) are expected to aid its position as a preferred 3PL partner. Further, the company's presence across the multimodal logistics value chain (JV with Concor for rail transportation & fleet of ships for waterway transportation) enables it to provide efficient end-to-end logistics solutions. Robust demand for multimodal logistics is likely to drive coastal shipping volume growth, benefiting the Seaways division. The addition of a new ship is a first for the organization and we believe it would be returns accretive. Expect the addition of a new ship every 15-18 months to cater to incremental demand. However, softening demand and increasing competition may dilute realization/profitability.
- Expect freight segment to benefit from higher contributions from LTL services. Freight segment's share in overall revenues would fall from 49% in FY25 to ~40% by FY30E.

### Valuation Multiples ◀▶

- Improving operating cashflows, combined with reducing debt, are expected to drive RoCE (~15% in FY30E). Based on FY30E estimates, we see a potential upside of 66% (incl. dividends).

## KEY ESTIMATES REVISION

| Consolidated* | FY27E | | | FY28E | | |
|---|---|---|---|---|---|---|
| | Old | New | Change | Old | New | Change |
| Sales | 54,007 | 53,920 | 0% | 60,155 | 60,020 | 0% |
| EBITDA (%) | 10.3 | 10.4 | 10 bps | 10.5 | 10.5 | 10 bps |
| PAT | 4,705 | 4,599 | -2% | 5,170 | 4,999 | -3% |
| EPS | 61.3 | 59.9 | -2% | 66.9 | 64.7 | -3% |
| Implied Target P/E | Before Results: | | 17.6 | After Results: | | 18.2 |

**Valuing on consolidated basis vs Standalone earlier, to factor chemical logistics segment; All figures in Rs.Mn;*

# Transport Corporations of India Outlook Review 1QFY27 | Rating: BUY | TP: Rs. 1,180

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## Quarterly Financial Statement

- Consolidated Revenue came in at Rs. 12.5bn, +10% YoY and -6% QoQ.
- Freight segment reported revenues of Rs. 5.9bn, +9% YoY and -10% QoQ. The segment's EBIT margin at 2.2% was up 30bps QoQ.
- Supply Chain segment reported revenues at Rs. 5.5bn, +10% YoY and -1% QoQ. EBIT margin at 5.5% was up 10bps QoQ.
- Seaways segment revenues were at Rs. 1.7bn, +6% YoY and -10% QoQ. EBIT margin at 34.7% contracted 440bps QoQ.
- Gross margin at 20.5% was up 70bps QoQ.
- Employee costs as a % of revenue stood at 5.9%, up 90bps QoQ. In absolute terms, employee costs were up 9% YoY at Rs. 735mn.
- Other expenses as a % of revenue stood at 3.8%, down 30bps QoQ. In absolute terms, other expenses were up 23% YoY at Rs. 473mn.
- Consequently, EBITDA came in at Rs. 1.4bn, +12% YoY/-5% QoQ. EBITDA margin came in at 10.8%, an increase of 10bps QoQ.
- Depreciation was at Rs. 361mn, +25% YoY and +1% QoQ. Other income stood at Rs. 63mn, -44% YoY and -49% QoQ.
- Consolidated PAT including share from subsidiaries, associates and JVs came in at Rs. 1.1bn, -1% YoY/-14% QoQ.

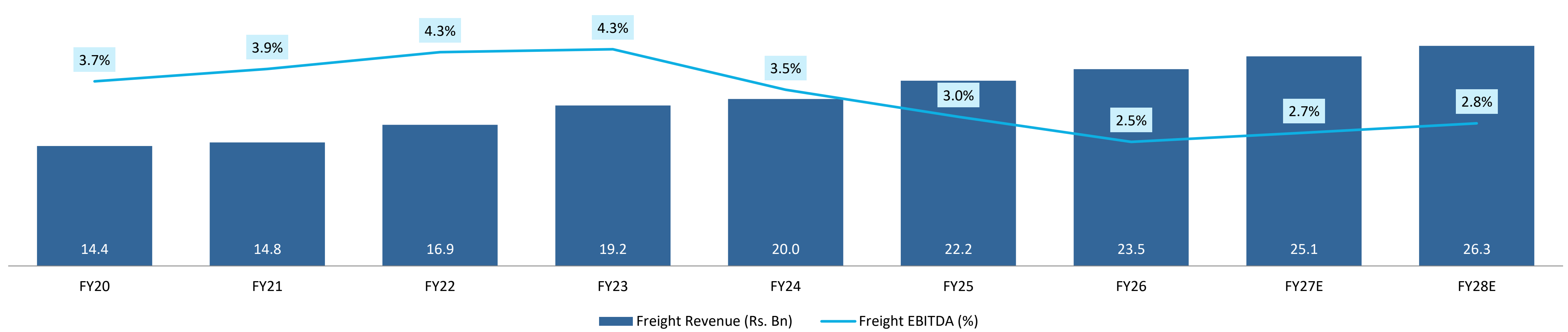
### Consolidated Financial Results

| Rs. mn\Period | 1QFY27 | 1QFY26 | yoy Growth | 4QFY26 | qoq Growth | FY26 | FY25 | Yoy Growth |
|---|---|---|---|---|---|---|---|---|
| **Revenue** | **12,485** | **11,393** | **9.6%** | **13,238** | **-5.7%** | **49,168** | **44,918** | **9.5%** |
| Operating expense | 9,925 | 9,123 | 8.8% | 10,611 | -6.5% | 39,393 | 36,238 | 8.7% |
| Emp. cost | 735 | 675 | 8.9% | 657 | 11.9% | 2,760 | 2,497 | 10.5% |
| Other expenses | 473 | 385 | 22.9% | 546 | -13.4% | 1,844 | 1,572 | 17.3% |
| Total Expenditure | 11,133 | 10,183 | 9.3% | 11,814 | -5.8% | 43,997 | 40,307 | 9.2% |
| **EBITDA** | **1,352** | **1,210** | **11.7%** | **1,424** | **-5.1%** | **5,171** | **4,611** | **12.1%** |
| Margin % | 10.8% | 10.6% | 21 bps | 10.8% | 7 bps | 10.5% | 10.3% | 25 bps |
| D&A | 361 | 288 | 25.3% | 358 | 0.8% | 1,273 | 1,178 | 8.1% |
| **EBIT** | **991** | **922** | **7.5%** | **1,066** | **-7.0%** | **3,898** | **3,433** | **13.5%** |
| Other income | 63 | 113 | -44.2% | 123 | -48.8% | 482 | 467 | 3.2% |
| Net Interest exp (inc) | 70 | 54 | 29.6% | 58 | 20.7% | 228 | 202 | 12.9% |
| **PBT** | **984** | **981** | **0.3%** | **1,131** | **-13.0%** | **4,152** | **3,698** | **12.3%** |
| Tax provision | 102 | 106 | -3.8% | 79 | 29.1% | 389 | 695 | -44.0% |
| Tax rate % | 10.4% | 10.8% | **-4.1%** | 7.0% | 338 bps | 9.4% | 18.8% | -942 bps |
| **PAT (Reported)** | **882** | **875** | **0.8%** | **1,052** | **-16.2%** | **3,763** | **3,003** | **25.3%** |
| **PAT (Adjusted)** | **1,057** | **1,065** | **-0.8%** | **1,236** | **-14.5%** | **4,574** | **3,863** | **18.4%** |
| Adjusted PAT Margin % | 8.5% | 9.3% | -88 bps | 9.3% | -87 bps | 9.3% | 8.6% | 70 bps |
| Shares Outstanding | 77 | 77 | | 77 | | 77 | 77 | |
| **EPS (Reported)** | **11.5** | **11.4** | **0.3%** | **13.7** | **-16.6%** | **49.1** | **39.2** | **25.3%** |
| **EPS (Adjusted)** | **13.7** | **13.9** | **-1.3%** | **16.1** | **-14.9%** | **59.7** | **50.4** | **18.4%** |

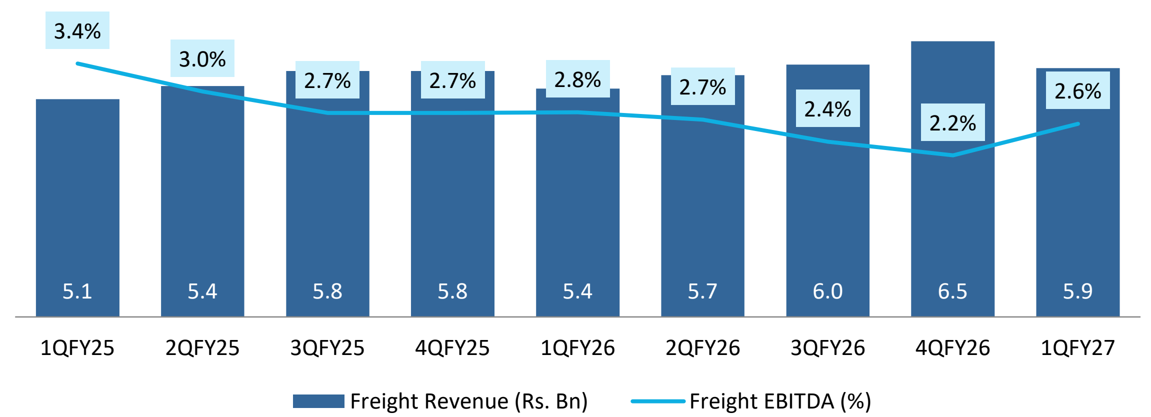
Source – Avendus Spark

## Freight segment to benefit from higher LTL contribution

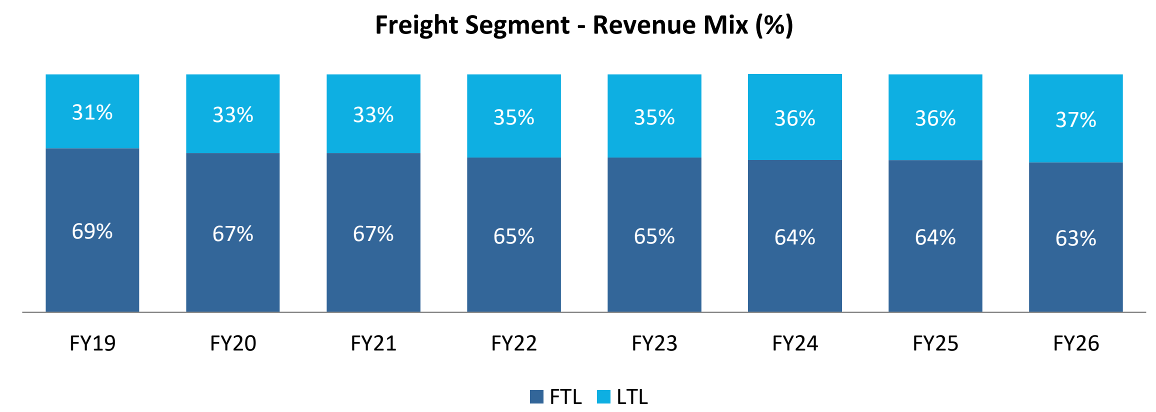
### Freight Revenue CAGR estimated at 6% through FY26-28E driven by increasing LTL contribution in freight segment




### Intensive competition led weakness in operations



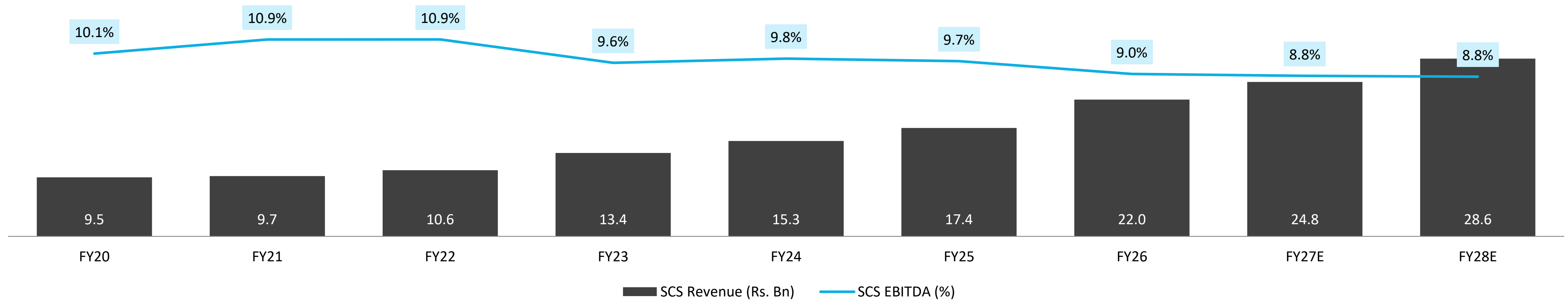

### Expect LTL contribution at 40% through FY27E



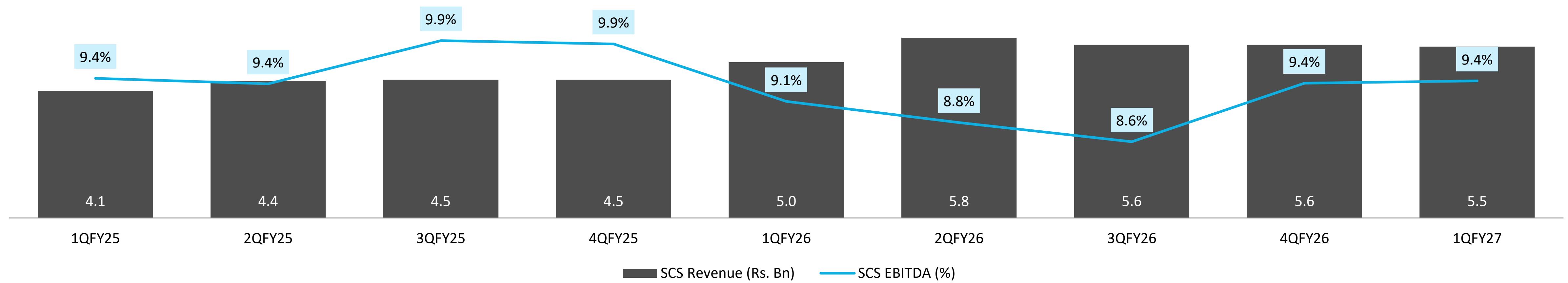

*Source – Avendus Spark*

## SCS segment to benefit from scale up of new client contracts

### Expect addition of new clientele across verticals to drive 14% CAGR through FY26-28E



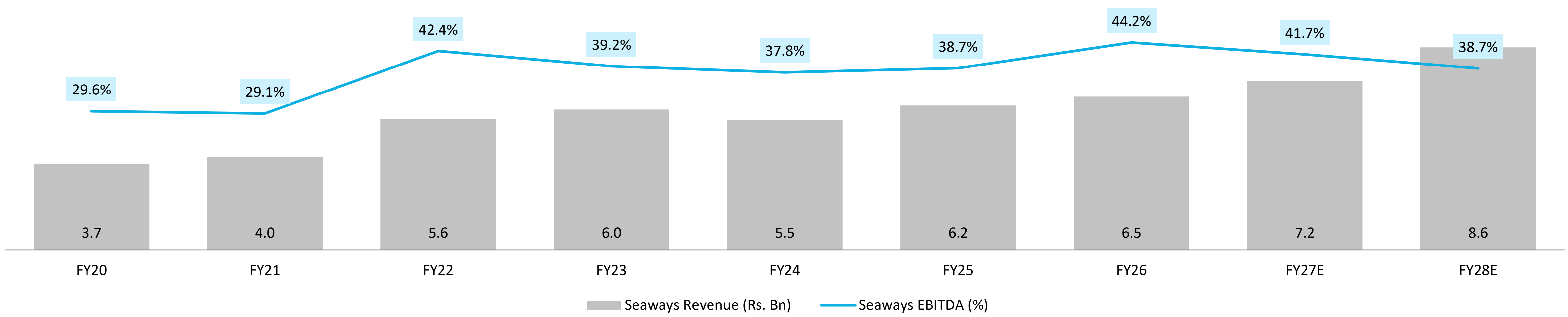

### Growth momentum continued amidst retention and expansion of clients and new business acquisitions



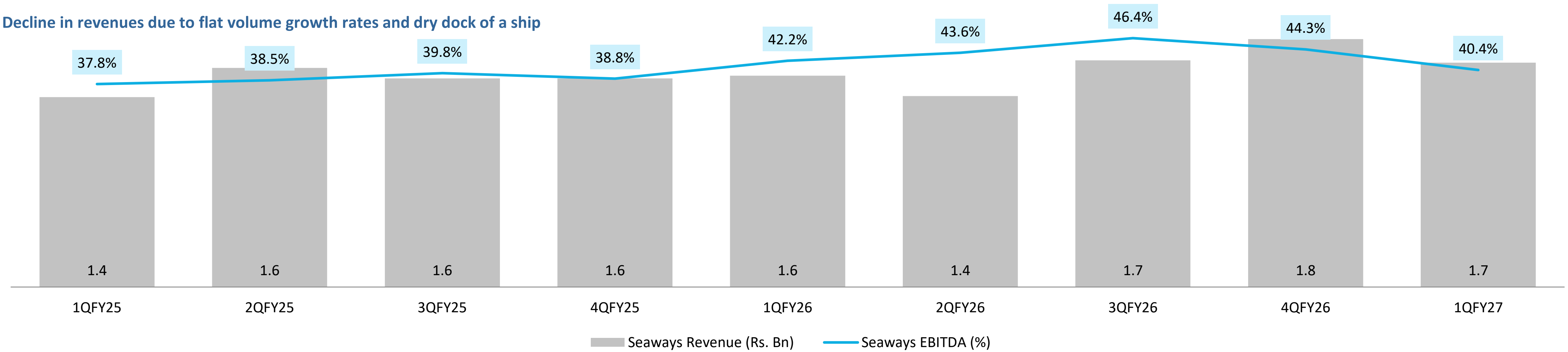

*Source – Avendus Spark*

## Healthy growth in Seaways segment to be driven by ship addition

New ship addition-led incremental volumes to drive revenue/EBITDA CAGR (FY26-28E) of 15%/7%.




Decline in revenues due to flat volume growth rates and dry dock of a ship




*Source – Avendus Spark*

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## SOTP

**Arriving at Target price based on SOTP valuation**

| SOTP (Consolidated) | Rs./Share | Value (Rs. mn) | Basis |
|---|---|---|---|
| TCI Freight | 53 | 4,121 | 5.5x FY28e EV/EBITDA |
| TCI SCS | 456 | 35,221 | 14x FY28e EV/EBITDA |
| TCI Seaways | 518 | 40,021 | 12x FY28e EV/EBITDA |
| Net Cash(Net Debt) | | -2,666 | |
| **Value from TCI** | **992** | **76,697** | **84.1% of Total** |
| **Value from JV** | **188** | **14,496** | **15.9% of Total; Adjusted for hold co discount** |
| **No. Of Shares O/s (mn)** | | **77** | |
| **Target Price** | **1,180** | **91,193** | |

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## Financial Summary

Consolidated Financial Statements

| Rs mn | FY21 | FY22 | FY23 | FY24 | FY25 | FY26 | FY27E | FY28E | FY29E | FY30E |
|---|---|---|---|---|---|---|---|---|---|---|
| **Profit & Loss** | | | | | | | | | | |
| **Revenue** | **28,024** | **32,567** | **37,826** | **40,242** | **44,918** | **49,168** | **53,920** | **60,020** | **67,215** | **75,372** |
| Gross profit | 5,052 | 6,805 | 7,519 | 7,811 | 8,680 | 9,775 | 10,989 | 12,533 | 14,371 | 16,492 |
| EBITDA | **2,612** | **4,087** | **4,240** | **4,105** | **4,611** | **5,171** | **5,590** | **6,330** | **7,395** | **8,647** |
| Depreciation | 928 | 1,130 | 1,214 | 1,284 | 1,178 | 1,273 | 1,532 | 1,824 | 2,080 | 2,337 |
| EBIT | 1,684 | 2,957 | 3,026 | 2,821 | 3,433 | 3,898 | 4,059 | 4,506 | 5,315 | 6,311 |
| Other Income | 255 | 199 | 302 | 458 | 467 | 482 | 331 | 329 | 349 | 396 |
| Interest expense | 267 | 128 | 98 | 133 | 202 | 228 | 232 | 237 | 242 | 247 |
| Exceptional items | 131 | 0 | 34 | 24 | 0 | 0 | 0 | 0 | 0 | 0 |
| PBT | 1,541 | 3,028 | 3,196 | 3,122 | 3,698 | 4,152 | 4,158 | 4,598 | 5,422 | 6,460 |
| Reported PAT (after minority interest) | 1,653 | 2,928 | 3,173 | 3,508 | 3,863 | 4,574 | 4,599 | 4,999 | 5,796 | 6,785 |
| **Adj PAT** | **1,653** | **2,928** | **3,173** | **3,508** | **3,863** | **4,574** | **4,599** | **4,999** | **5,796** | **6,785** |
| **EPS (Rs.)** | **21.6** | **37.9** | **41.0** | **45.4** | **50.4** | **59.7** | **59.9** | **64.7** | **75.1** | **87.7** |
| **Balance Sheet** | | | | | | | | | | |
| Net Worth | 11,783 | 14,577 | 17,319 | 20,371 | 21,910 | 26,052 | 30,012 | 34,378 | 39,551 | 45,723 |
| Total debt | 2,347 | 414 | 626 | 1,503 | 1,552 | 2,187 | 3,357 | 3,357 | 3,357 | 3,357 |
| Other liabilities and provisions | 2,042 | 2,153 | 1,986 | 2,137 | 2,887 | 3,465 | 3,695 | 3,982 | 4,318 | 4,699 |
| **Total Networth and liabilities** | **16,446** | **17,419** | **20,231** | **24,339** | **26,713** | **32,132** | **37,491** | **42,145** | **47,653** | **54,207** |
| Gross Fixed assets | 12,266 | 13,183 | 14,295 | 16,284 | 18,482 | 21,992 | 28,192 | 33,032 | 37,872 | 42,712 |
| Net fixed assets | 8,046 | 8,014 | 7,912 | 8,617 | 9,637 | 11,874 | 16,542 | 19,559 | 22,319 | 24,822 |
| Capital work-in-progress | 52 | 73 | 260 | 1,090 | 2,550 | 3,432 | 3,432 | 3,432 | 3,432 | 3,432 |
| Intangible Assets | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Investments | 1,500 | 1,780 | 1,977 | 2,121 | 2,400 | 2,904 | 3,056 | 3,264 | 3,536 | 3,876 |
| Cash and bank balances | 395 | 745 | 1,845 | 956 | 849 | 1,132 | 601 | 691 | 1,604 | 3,538 |
| Loans & advances and other assets | 2,213 | 2,492 | 3,356 | 6,118 | 5,075 | 7,164 | 7,697 | 8,365 | 9,145 | 10,031 |
| Net working capital | 4,239 | 4,316 | 4,881 | 5,437 | 6,202 | 5,626 | 6,162 | 6,834 | 7,618 | 8,508 |
| **Total assets** | **16,446** | **17,419** | **20,231** | **24,339** | **26,713** | **32,132** | **37,491** | **42,145** | **47,653** | **54,207** |
| Capital Employed | 14,403 | 15,266 | 18,245 | 22,202 | 23,826 | 28,667 | 33,796 | 38,163 | 43,335 | 49,508 |
| Invested Capital (CE - cash - CWIP) | 13,956 | 14,448 | 16,140 | 20,156 | 20,427 | 24,103 | 29,763 | 34,041 | 38,299 | 42,538 |
| Net debt | 1,952 | -331 | -1,219 | 547 | 703 | 1,055 | 2,756 | 2,666 | 1,752 | -181 |
| **Cash Flow** | | | | | | | | | | |
| Cash flows from Operations (Pre-tax) | 2,995 | 4,174 | 3,792 | 3,383 | 3,967 | 5,246 | 4,850 | 5,369 | 6,274 | 7,402 |
| Cash flows from Operations (post-tax) | 3,047 | 3,680 | 3,606 | 2,994 | 3,592 | 4,444 | 4,404 | 4,817 | 5,624 | 6,626 |
| Capex | 1,530 | 760 | 1,560 | 2,426 | 3,540 | 4,135 | 6,200 | 4,840 | 4,840 | 4,840 |
| Free cashflows | 1,517 | 2,920 | 2,046 | 568 | 52 | 309 | -1,796 | -23 | 784 | 1,786 |
| Free cashflows (post interest costs) | 1,250 | 2,792 | 1,948 | 435 | -150 | 81 | -2,028 | -260 | 542 | 1,539 |
| Cash flows from Investing | -1,075 | -762 | -1,931 | -4,038 | -993 | -3,671 | -5,413 | -4,033 | -4,014 | -3,995 |
| Cash flows from Financing | -1,764 | -2,677 | -655 | 176 | -2,920 | -351 | 477 | -694 | -696 | -698 |
| Total cash & liquid investments | 395 | 745 | 1,845 | 956 | 849 | 1,132 | 601 | 691 | 1,604 | 3,538 |

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# Financial Summary

**Consolidated Financial Statements**

| Growth ratios (%) | FY21 | FY22 | FY23 | FY24 | FY25 | FY26 | FY27E | FY28E | FY29E | FY30E |
|---|---|---|---|---|---|---|---|---|---|---|
| Revenue | 3.1 | 16.2 | 16.1 | 6.4 | 11.6 | 9.5 | 9.7 | 11.3 | 12.0 | 12.1 |
| EBITDA | 8.6 | 56.5 | 3.7 | -3.2 | 12.3 | 12.1 | 8.1 | 13.2 | 16.8 | 16.9 |
| Adj PAT | 15.5 | 77.1 | 8.4 | 10.6 | 10.1 | 18.4 | 0.5 | 8.7 | 15.9 | 17.1 |
| **Margin ratios (%)** | | | | | | | | | | |
| Gross | 18.0 | 20.9 | 19.9 | 19.4 | 19.3 | 19.9 | 20.4 | 20.9 | 21.4 | 21.9 |
| EBITDA | 9.3 | 12.6 | 11.2 | 10.2 | 10.3 | 10.5 | 10.4 | 10.5 | 11.0 | 11.5 |
| Adj PAT | 5.9 | 9.0 | 8.4 | 8.7 | 8.6 | 9.3 | 8.5 | 8.3 | 8.6 | 9.0 |
| **Performance ratios** | | | | | | | | | | |
| Pre-tax OCF/EBITDA (%) | 114.7 | 102.1 | 89.4 | 82.4 | 86.0 | 101.5 | 86.8 | 84.8 | 84.8 | 85.6 |
| OCF/IC (%) | 21.8 | 25.5 | 22.3 | 14.9 | 17.6 | 18.4 | 14.8 | 14.2 | 14.7 | 15.6 |
| RoE (%) | 15.0 | 22.2 | 19.9 | 18.6 | 18.3 | 19.1 | 16.4 | 15.5 | 15.7 | 15.9 |
| RoCE (%) | 14.5 | 20.6 | 19.7 | 18.2 | 17.7 | 18.4 | 15.5 | 14.6 | 14.9 | 15.2 |
| RoCE (Pre-tax) (%) | 13.5 | 21.3 | 19.9 | 16.2 | 16.9 | 16.7 | 14.1 | 13.4 | 13.9 | 14.4 |
| Fixed asset turnover (x) | 2.4 | 2.6 | 2.8 | 2.6 | 2.6 | 2.4 | 2.1 | 2.0 | 1.9 | 1.9 |
| Total asset turnover (x) | 1.7 | 1.9 | 2.0 | 1.8 | 1.8 | 1.7 | 1.5 | 1.5 | 1.5 | 1.5 |
| **Financial stability ratios** | | | | | | | | | | |
| Net Debt to Equity (x) | 0.2 | -0.0 | -0.1 | 0.0 | 0.0 | 0.0 | 0.1 | 0.1 | 0.0 | -0.0 |
| Net Debt to EBITDA (x) | 0.7 | -0.1 | -0.3 | 0.1 | 0.2 | 0.2 | 0.5 | 0.4 | 0.2 | -0.0 |
| Interest cover (x) | 11.4 | 28.7 | 36.8 | 22.5 | 17.8 | 19.5 | 19.0 | 20.3 | 23.2 | 26.8 |
| Cash conversion days | 55 | 48 | 47 | 49 | 50 | 42 | 42 | 42 | 41 | 41 |
| Total Working capital days | 57 | 52 | 60 | 85 | 68 | 69 | 69 | 68 | 68 | 67 |
| **Valuation metrics** | | | | | | | | | | |
| Fully Diluted Shares (mn) | 76.6 | 77.3 | 77.4 | 77.4 | 76.6 | 76.6 | 76.8 | 77.3 | 77.2 | 77.4 |
| Market cap (Rs.mn) | | 70,068 | | | | | | | | |
| P/E (x) | 42.4 | 24.1 | 22.3 | 20.2 | 18.1 | 15.3 | 15.3 | 14.1 | 12.2 | 10.4 |
| P/Sales (x) | 2.5 | 2.2 | 1.9 | 1.7 | 1.6 | 1.4 | 1.3 | 1.2 | 1.0 | 0.9 |
| EV (Rs.mn) (ex-CWIP) | 72,019 | 69,737 | 68,849 | 70,615 | 70,771 | 71,123 | 72,823 | 72,734 | 71,820 | 69,886 |
| EV/ EBITDA (x) | 27.6 | 17.1 | 16.2 | 17.2 | 15.3 | 13.8 | 13.0 | 11.5 | 9.7 | 8.1 |
| EV/ OCF(x) | 23.6 | 19.0 | 19.1 | 23.6 | 19.7 | 16.0 | 16.5 | 15.1 | 12.8 | 10.5 |
| FCF Yield (%) | 2.2 | 4.2 | 2.9 | 0.8 | 0.1 | 0.4 | -2.6 | 0.0 | 1.1 | 2.5 |
| Price to BV (x) | 5.9 | 4.8 | 4.0 | 3.4 | 3.2 | 2.7 | 0.0 | 0.0 | 0.0 | 0.0 |
| Dividend yield (%) | 0.1 | 0.6 | 0.8 | 0.8 | 1.1 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Dividend pay-out (%) | 6.4 | 15.3 | 17.9 | 16.6 | 19.4 | 15.6 | 16.1 | 15.1 | 13.2 | 11.3 |

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## Crystal Ball Gazing

**Over FY26-30E, revenue growth is likely to be driven by 1) shift from unorganised to organized sector, 2) logistics supply chain outsourcing to 3PL players, and 3) traction in multimodal logistics. EBITDA growth is expected to be led by higher contributions from supply chain services(3PL) and increase in the movement of freight by multimodal logistics.**

### Healthy Revenue and EBITDA growth

| | FY17-FY20 | FY20-FY26 | FY26-FY30E |
|---|---|---|---|
| Revenues CAGR | 12% | 10% | 11% |
| Gross Margin | 19% | 19% | 21% |
| EBITDA CAGR | 14% | 14% | 14% |
| EBITDA margin | 8.8% | 10.4% | 10.8% |
| EPS CAGR | 21% | 21% | 10% |
| Total Asset Turnover (x) | 1.8 | 1.8 | 1.5 |
| Total WC days | 65 | 65 | 68 |
| Pre-tax OCF/EBITDA (%) | 93% | 99% | 89% |
| Post Tax OCF as a % of IC | 14% | 20% | 16% |
| Debt/EBITDA | 1.8 | 0.3 | 0.3 |

+

### Improving operating efficiencies resulting in healthy returns

| | FY17-FY20 | FY20-FY26 | FY26-FY30E |
|---|---|---|---|
| RoE (%) | 15.5% | 18.3% | 16.5% |
| RoCE (%) | 12.9% | 17.5% | 15.7% |
| RoIC (%) | 12.4% | 16.3% | 15.4% |

+

### Healthy operating performance to sustain multiple

| SOTP | FY30 EBITDA (Rs.mn) | EV/EBITDA (x) | EV (Rs.mn) |
|---|---|---|---|
| TCI Freight | 933 | 5.5 | 5,132 |
| TCI SCS | 3,186 | 14.0 | 44,609 |
| TCI Seaways | 4,803 | 10.0 | 48,025 |
| Net Debt (Rs.mn) | | | -181 |
| Mkt Cap (Rs.mn) | | | 97,947 |
| **Standalone TP** | | | **1,265** |
| **JV and Subs (Transystem, TCI Concor, Cold Chain)** | | | 219 |
| **Dividend** | | | 36 |
| **Target Price** | | | **1,520** |

**Entry = Rs. 915 @ 11.5x FY28E EV/EBITDA** + **Cumulative Dividends of Rs. 36/share** + **EPS CAGR of ~10%, implied target multiple of 11.3x on FY30E EV/EBITDA** = **Total Return of 66%**

*Source: Company, Spark Capital*

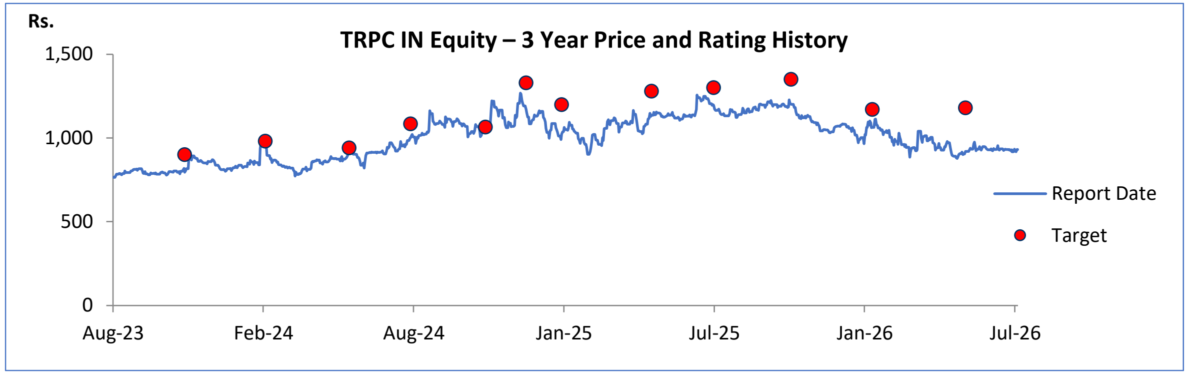
# Glossary

| | |
|---|---|
| **AGV** | Automated guided vehicle |
| **AMR** | Autonomous mobile robot |
| **ASC** | Automated sort capacity |
| ***3PL*** | *Third Party Logistics Service Provider* |
| **BPS** | Book Value per share |
| **BS** | Balance sheet |
| **BV** | Book Value |
| **CAGR** | Compounded Annual Growth Rate |
| **CASA** | Current Account + Savings Account |
| **CC** | Cash Credit |
| **D2C** | Direct to consumer |
| **CG** | Corporate Governance |
| **CMP** | Current Market Price |
| **CV** | Commercial Vehicle |
| **DPS** | Dividend per share |
| **DTA** | Deferred Tax Assets |
| **FTL** | Full Truck Load |
| **EPS** | Earnings per share |
| **FI** | Financial Institution/Intermediary |
| **JV** | Joint Venture |
| **LTL** | Less than Truckload |
| **LC** | Letter of Credit |
| **LCV** | Light Commercial Vehicle |
| **LoU** | Letter of Undertaking |
| **MHCV** | Medium & Heavy Commercial Vehicle |
| **MSE** | Micro & Small Enterprises |
| **MSME** | Micro, Small & Medium Enterprises |
| **MTM** | Marked-to-Market |
| **OI** | Other Income |
| **Opex** | Operating Expenses |
| **P&L** | Profit & Loss |
| **P/BV** | Price to Book Value |
| **P/E** | Price to Earnings |
| **PAT** | Profit After Tax |
| **PBT** | Profit Before Tax |
| **PTL** | Part truck load |

| | |
|---|---|
| **RoE** | Return on Equity |
| **RoCE** | Return on Capital Employed |
| **SaaS** | Software as a service |
| **SCV** | Small Commercial Vehicle |
| **SCS** | Supply chain services |
| **SEBI** | Securities & Exchange Board of India |
| **SLA** | Service level agreement |
| **SME** | Small & Medium Enterprises |
| **SOTP** | Sum of the Parts |
| **TP** | Target Price |
| **UAV** | Unmanned aerial vehicle |
| **UV** | Utility Vehicle |
| **WMS** | Warehouse management system |

# Transport Corporations of India Outlook Review 1QFY27 | Rating: BUY | TP: Rs. 1,180

## Spark Recommendation History




| Report Date | CMP (Rs.) | TP (Rs.) | Reco. |
|---|---|---|---|
| 29-May-26 | 904 | 1,180 | BUY |
| 6-Feb-26 | 1,061 | 1,170 | ADD |
| 31-Oct-25 | 1,205 | 1,350 | ADD |
| 30-Jul-25 | 1,200 | 1,300 | ADD |
| 16-May-25 | 1,128 | 1,280 | BUY |
| 28-Jan-25 | 991 | 1,200 | BUY |
| 16-Dec-24 | 1,191 | 1,330 | BUY |
| 28-Oct-24 | 1,040 | 1,065 | ADD |
| 30-Jul-24 | 998 | 1,085 | ADD |
| 17-May-24 | 911 | 940 | ADD |
| 06-Feb-24 | 958 | 980 | ADD |
| 01-Nov-23 | 819 | 900 | ADD |
| 02-Aug-23 | 760 | 845 | BUY |
| 22-May-23 | 649 | 800 | BUY |
| 22-Mar-23 | 630 | 780 | BUY |

| Absolute Rating Interpretation | |
|---|---|
| **BUY** | Stock expected to provide positive returns of >15% over a 1-year horizon |
| **ADD** | Stock expected to provide positive returns of >5% – <15% over a 1-year horizon |
| **REDUCE** | Stock expected to provide returns of <5% – -10% over a 1-year horizon |
| **SELL** | Stock expected to fall >10% over a 1-year horizon |

**Symbol Interpretation**

**◀▶ No Change | ▼ Downgrade | ▲ Upgrade**

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