

June 1, 2025

Q4FY25 Result Update

☒ Change in Estimates | ☒ Target | ☒ Reco

Change in Estimates

	Current		Previous	
	FY26E	FY27E	FY26E	FY27E
Rating	HOLD		BUY	
Target Price	816		924	
Sales (Rs. m)	12,877	14,116	13,077	14,733
% Chng.	(1.5)	(4.2)		
EBITDA (Rs. m)	1,770	2,069	1,938	2,346
% Chng.	(8.7)	(11.8)		
EPS (Rs.)	31.8	37.0	34.7	42.0
% Chng.	(8.3)	(11.8)		

Key Financials - Consolidated

Y/e Mar	FY24	FY25	FY26E	FY27E
Sales (Rs. m)	12,538	12,083	12,877	14,116
EBITDA (Rs. m)	1,872	1,247	1,770	2,069
Margin (%)	14.9	10.3	13.7	14.7
PAT (Rs. m)	1,317	858	1,221	1,423
EPS (Rs.)	34.3	22.3	31.8	37.0
Gr. (%)	(5.6)	(34.9)	42.3	16.5
DPS (Rs.)	8.0	8.0	8.0	8.0
Yield (%)	1.1	1.0	1.0	1.0
RoE (%)	20.3	11.7	15.1	15.6
RoCE (%)	25.8	14.0	19.0	19.8
EV/Sales (x)	2.2	2.3	2.1	1.9
EV/EBITDA (x)	15.0	22.1	15.6	13.1
PE (x)	22.2	34.1	23.9	20.5
P/BV (x)	4.1	3.8	3.4	3.0

Key Data

TCIE.BO | TCIEXP IN

52-W High / Low	Rs.1,283 / Rs.580
Sensex / Nifty	81,451 / 24,751
Market Cap	Rs.29bn / \$ 341m
Shares Outstanding	38m
3M Avg. Daily Value	Rs.25.52m

Shareholding Pattern (%)

Promoter's	69.53
Foreign	0.80
Domestic Institution	9.60
Public & Others	20.07
Promoter Pledge (Rs bn)	-

Stock Performance (%)

	1M	6M	12M
Absolute	12.8	(9.3)	(24.9)
Relative	11.1	(11.1)	(31.8)

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Volume and margin pressure persists

Quick Pointers:

- Aiming for a volume growth of 7-8% in FY26E.
- EBITDA margin at multi-quarter low of 9.2%.

We cut our EPS estimates by 8%/12% for FY26E/FY27E and downgrade TCIEXP to HOLD (earlier BUY) amid persistent volume growth challenges and pricing pressure. TCIEXP reported weak set of results as revenues declined 3.0% YoY to Rs3,075mn (PLe Rs3,033mn) with an EBITDA margin of 9.2% (PLe 11.2%) as volumes declined for 6th quarter in a row to 255,000 MT. Pricing pressure was also evident as realization was down 1.5% YoY to Rs12,058 per ton. Given stiff competition, we expect volume and realization CAGR of 6%/1% over FY25-FY27E. However, EBITDA margin is expected to improve 430 bps over the next 2 years amid improvement in utilization levels to 84% by FY27E. We expect sales/PAT CAGR of 8%/29% (driven by low base) over FY25-FY27E and downgrade the stock to HOLD with a TP of Rs816 (22x FY27E EPS; no change in target multiple).

Revenue declined by 3.0% YoY: Revenue decreased by 3.0% YoY to Rs3,075mn (PLe Rs3,033mn) on account of lower volumes. Gross margin declined to 28.3% (PLe 28.9%) due to below par fleet utilization (82.5%).

EBITDA margin at 9.2%: EBITDA decreased by 37.2% YoY to Rs282mn (PLe Rs341mn) on account of higher operational expenses like toll tax and labor cost. EBITDA margin compressed to 9.2% (PLe 11.2%). PAT for the quarter was flat at Rs207mn (PLe Rs225mn) with a margin of 6.7%.

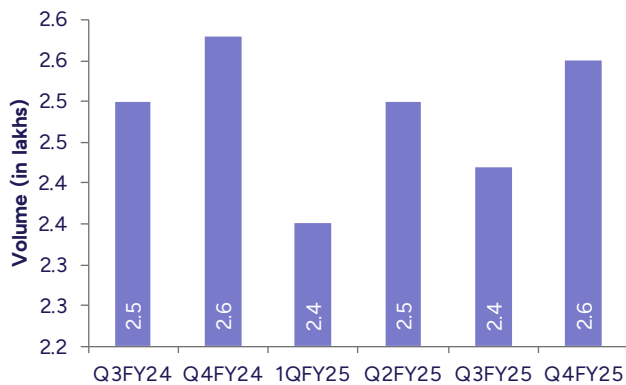
Con-call highlights: **1)** The domestic air express segment has mapped 1,000 pin codes to widen its distribution network for faster delivery. **2)** Volume in 4QFY25/FY25 stood at 255,000/995,000 MT respectively. **3)** A 3% price hike is projected for FY26E. **4)** 80/100 branches are expected to be opened in FY26E/FY27E, with an even split between the surface segment and air & rail segment. **5)** For FY26E, capex is pegged at ~Rs0.8-1bn. **6)** Volume growth target for FY26E is ~7-8%, with value growth estimated at ~10-12%. **7)** The customer mix for the year is as follows: 48% - SMEs and 52% - Corporates. **8)** Margin for FY26E is estimated to improve by 150-200bps. **9)** For FY25, margins contracted by 250bps, primarily due to higher toll and labor costs (100bps), lower tonnage and utilization (100bps), and elevated network costs (50bps). **10)** Capacity utilization was 82.5% for FY25 (83.5% in FY24). **11)** April'25 and May'25 have witnessed low single digit growth in terms of tonnage. **12)** Cost of installing one sorting machine ranges between ~Rs200mn-250mn.

Exhibit 1: Q4FY25 Result Overview

Y/e March (Rs mn)	4QFY25	4QFY24	YoY gr.	3QFY25	QoQ gr.	4QFY25E	Var.	FY25	FY24	YoY gr.
Net revenue	3,075	3,171	-3.0%	2,963	3.8%	3,033	1.4%	12,083	12,538	-3.6%
Variable cost of sales	2,204	2,170	1.6%	2,130	3.5%	2,155	2.3%	8,621	8,586	0.4%
% of net sales	71.7%	68.4%		71.9%		71.1%		71.4%	68.5%	
Employee expense	347	336	3.3%	342	1.3%	357	-3.0%	1,410	1,339	5.3%
% of net sales	11.3%	10.6%		11.5%		11.8%		11.7%	10.7%	
Other expense	242	217	11.7%	187	29.8%	180	34.8%	805	741	8.5%
% of net sales	7.9%	6.8%		6.3%		5.9%		6.7%	5.9%	
Total expense	2793	2,723	2.6%	2659	5.0%	2692	3.8%	10,836	10,666	1.6%
EBITDA	282	448	-37.2%	304	-7.4%	341	-17.3%	1,247	1,872	-33.4%
EBITDA Margin (%)	9.2%	14.1%		10.3%		11.2%		10.3%	14.9%	
Depreciation	59	49	22.0%	53	12.1%	52	14.5%	216	190	14.1%
EBIT	222	400	-44.4%	251	-11.5%	289	-23.1%	1,031	1,683	-38.8%
Interest expense	5	4	17.5%	3	80.8%	7	-34.0%	13	15	-11.1%
Other income	56	19	188.1%	26	116.3%	25	123.0%	134	72	88.0%
PBT	273	415	-34.2%	274	-0.4%	307	-10.9%	1,152	1,740	-33.8%
Total tax	66	99	-33.1%	67	-1.3%	81	-18.4%	294	423	-30.5%
PAT	207	316	-34.6%	207	0.0%	225	-8.2%	858	1317	-34.8%
Pat Margin (%)	6.7%	10.0%		7.0%		7.4%		7.1%	10.5%	

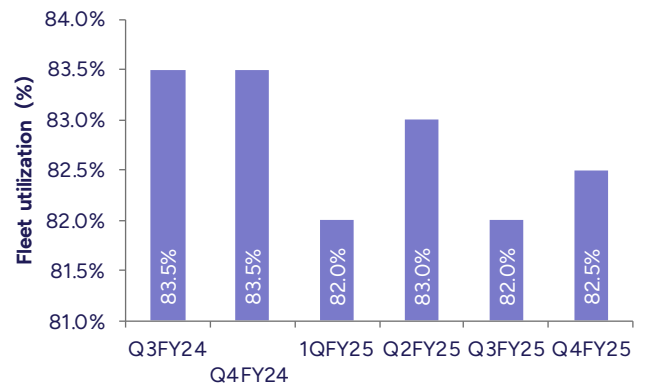
Source: Company, PL

Exhibit 2: Volumes for Q4FY25 stood at 2.5 lakh ton



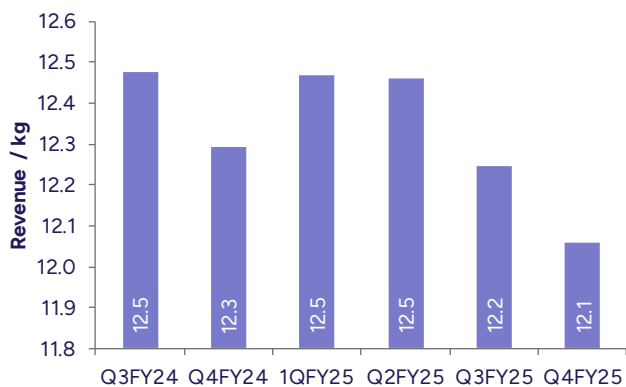
Source: Company, PL

Exhibit 3: Fleet utilization stood at 82.5% for Q4FY25



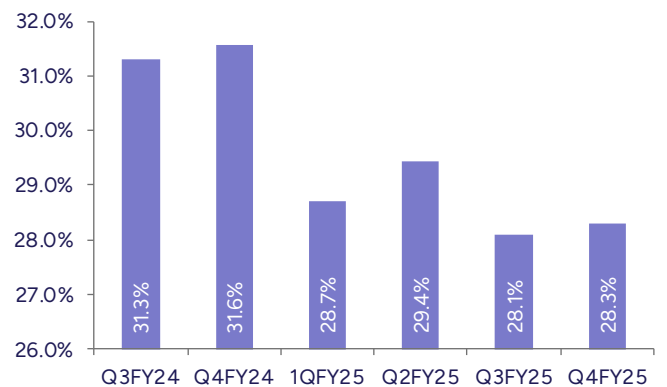
Source: Company, PL

Exhibit 4: Rev/kg was at Rs12.1 for Q4FY25



Source: Company, PL

Exhibit 5: GMs for 4QFY25 were at 28.3%



Source: Company, PL

Financials

Income Statement (Rs m)

Y/e Mar	FY24	FY25	FY26E	FY27E
Net Revenues	12,538	12,083	12,877	14,116
YoY gr. (%)	1.0	(3.6)	6.6	9.6
Cost of Goods Sold	8,586	8,621	8,786	9,589
Gross Profit	3,953	3,461	4,091	4,527
Margin (%)	31.5	28.6	31.8	32.1
Employee Cost	1,339	1,410	1,471	1,583
Other Expenses	741	805	850	875
EBITDA	1,872	1,247	1,770	2,069
YoY gr. (%)	(3.7)	(33.4)	42.0	16.9
Margin (%)	14.9	10.3	13.7	14.7
Depreciation and Amortization	190	216	232	262
EBIT	1,683	1,031	1,538	1,806
Margin (%)	13.4	8.5	11.9	12.8
Net Interest	15	13	24	35
Other Income	72	134	119	130
Profit Before Tax	1,740	1,152	1,632	1,901
Margin (%)	13.9	9.5	12.7	13.5
Total Tax	423	294	411	479
Effective tax rate (%)	24.3	25.5	25.2	25.2
Profit after tax	1,317	858	1,221	1,423
Minority interest	-	-	-	-
Share Profit from Associate	-	-	-	-
Adjusted PAT	1,317	858	1,221	1,423
YoY gr. (%)	(5.4)	(34.8)	42.3	16.5
Margin (%)	10.5	7.1	9.5	10.1
Extra Ord. Income / (Exp)	-	-	-	-
Reported PAT	1,317	858	1,221	1,423
YoY gr. (%)	(5.4)	(34.8)	42.3	16.5
Margin (%)	10.5	7.1	9.5	10.1
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	1,317	858	1,221	1,423
Equity Shares O/s (m)	38	38	38	38
EPS (Rs)	34.3	22.3	31.8	37.0

Source: Company Data, PL Research

Balance Sheet Abstract (Rs m)

Y/e Mar	FY24	FY25	FY26E	FY27E
Non-Current Assets				
Gross Block	4,854	5,115	5,926	6,731
Tangibles	4,809	5,071	5,871	6,671
Intangibles	46	45	55	61
Acc: Dep / Amortization	624	792	980	1,193
Tangibles	624	792	980	1,193
Intangibles	-	-	-	-
Net fixed assets	4,231	4,324	4,946	5,538
Tangibles	4,185	4,279	4,891	5,478
Intangibles	46	45	55	61
Capital Work In Progress	161	203	264	238
Goodwill	-	-	-	-
Non-Current Investments	5	52	52	52
Net Deferred tax assets	(135)	(148)	(158)	(173)
Other Non-Current Assets	287	296	323	332
Current Assets				
Investments	900	1,482	1,482	1,482
Inventories	-	-	-	-
Trade receivables	2,318	2,259	2,470	2,707
Cash & Bank Balance	204	153	214	622
Other Current Assets	293	297	298	337
Total Assets	8,504	9,187	10,178	11,450
Equity				
Equity Share Capital	77	77	77	77
Other Equity	6,963	7,567	8,482	9,598
Total Networth	7,040	7,644	8,559	9,674
Non-Current Liabilities				
Long Term borrowings	-	-	-	-
Provisions	-	-	-	-
Other non current liabilities	39	47	49	52
Current Liabilities				
ST Debt / Current of LT Debt	30	-	10	20
Trade payables	917	944	988	1,083
Other current liabilities	344	404	399	433
Total Equity & Liabilities	8,504	9,187	10,162	11,434

Source: Company Data, PL Research



Cash Flow (Rs m)

Y/e Mar	FY24	FY25	FY26E	FY27E
PBT	1,740	1,152	1,632	1,901
Add. Depreciation	190	216	232	262
Add. Interest	15	5	24	35
Less Financial Other Income	72	134	119	130
Add. Other	(8)	0	-	-
Op. profit before WC changes	1,936	1,373	1,889	2,199
Net Changes-WC	(174)	76	(171)	(145)
Direct tax	(402)	(265)	(411)	(479)
Net cash from Op. activities	1,360	1,184	1,307	1,575
Capital expenditures	(458)	(237)	(800)	(800)
Interest / Dividend Income	41	12	-	-
Others	(634)	(690)	(127)	(38)
Net Cash from Invst. activities	(1,051)	(915)	(927)	(838)
Issue of share cap. / premium	22	28	-	-
Debt changes	18	(30)	10	10
Dividend paid	(307)	(307)	(307)	(307)
Interest paid	(15)	(13)	(24)	(35)
Others	-	-	2	2
Net cash from Fin. activities	(282)	(322)	(319)	(329)
Net change in cash	28	(53)	61	408
Free Cash Flow	900	740	507	775

Source: Company Data, PL Research

Key Financial Metrics

Y/e Mar	FY24	FY25	FY26E	FY27E
Per Share(Rs)				
EPS	34.3	22.3	31.8	37.0
CEPS	39.3	28.0	37.8	43.9
BVPS	183.6	199.1	222.9	251.9
FCF	23.5	19.3	13.2	20.2
DPS	8.0	8.0	8.0	8.0
Return Ratio(%)				
RoCE	25.8	14.0	19.0	19.8
ROIC	23.8	13.6	18.2	19.5
RoE	20.3	11.7	15.1	15.6
Balance Sheet				
Net Debt : Equity (x)	(0.2)	(0.2)	(0.2)	(0.2)
Net Working Capital (Days)	41	40	42	42
Valuation(x)				
PER	22.2	34.1	23.9	20.5
P/B	4.1	3.8	3.4	3.0
P/CEPS	19.4	27.2	20.1	17.3
EV/EBITDA	15.0	22.1	15.6	13.1
EV/Sales	2.2	2.3	2.1	1.9
Dividend Yield (%)	1.1	1.0	1.0	1.0

Source: Company Data, PL Research

Quarterly Financials (Rs m)

Y/e Mar	Q1FY25	Q2FY25	Q3FY25	Q4FY25
Net Revenue	2,930	3,115	2,963	3,075
YoY gr. (%)	(3.9)	(2.7)	(5.0)	(3.0)
Raw Material Expenses	2,089	2,198	2,130	2,204
Gross Profit	841	917	833	871
Margin (%)	28.7	29.4	28.1	28.3
EBITDA	335	381	304	282
YoY gr. (%)	(27.7)	(24.5)	(33.3)	(37.2)
Margin (%)	11.4	12.2	10.3	9.2
Depreciation / Depletion	51	53	53	59
EBIT	285	328	251	222
Margin (%)	9.7	10.5	8.5	7.2
Net Interest	3	3	3	5
Other Income	23	25	26	56
Profit before Tax	305	350	274	273
Margin (%)	10.4	11.2	9.3	8.9
Total Tax	74	87	67	66
Effective tax rate (%)	24.1	24.8	24.6	24.3
Profit after Tax	231	263	207	207
Minority interest	-	-	-	-
Share Profit from Associates	-	-	-	-
Adjusted PAT	231	263	207	207
YoY gr. (%)	(28.5)	(26.0)	(35.8)	(34.6)
Margin (%)	7.9	8.4	7.0	6.7
Extra Ord. Income / (Exp)	-	-	-	-
Reported PAT	231	263	207	207
YoY gr. (%)	(28.5)	(26.0)	(35.8)	(34.6)
Margin (%)	7.9	8.4	7.0	6.7
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	231	263	207	207
Avg. Shares O/s (m)	38	38	38	38
EPS (Rs)	6.0	6.9	5.4	5.4

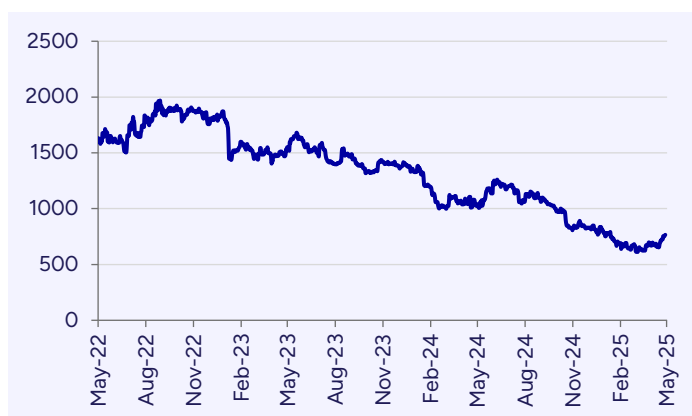
Source: Company Data, PL Research

Key Operating Metrics

Y/e Mar	FY24	FY25	FY26E	FY27E
Revenue/Tonne	12,538	12,143	12,326	12,510
Revenue/Kg	13	12	12	13
EBITDA/Tonne	1,872	1,253	1,694	1,833

Source: Company Data, PL Research

Price Chart



Recommendation History

No.	Date	Rating	TP (Rs.)	Share Price (Rs.)
1	09-Apr-25	BUY	924	636
2	07-Feb-25	BUY	1,021	791
3	09-Jan-25	BUY	1,027	814
4	31-Oct-24	Accumulate	1,119	977
5	08-Oct-24	Accumulate	1,250	1,040
6	13-Aug-24	Accumulate	1,250	1,124
7	05-Jul-24	BUY	1,410	1,248
8	25-Jun-24	BUY	1,410	1,157

Analyst Coverage Universe

Sr. No.	Company Name	Rating	TP (Rs)	Share Price (Rs)
1	Chalet Hotels	BUY	1,130	875
2	Delhivery	BUY	387	321
3	DOMS Industries	BUY	3,087	2,549
4	Imagicaaworld Entertainment	BUY	93	68
5	Indian Railway Catering and Tourism Corporation	BUY	864	775
6	InterGlobe Aviation	BUY	6,084	5,462
7	Lemon Tree Hotels	BUY	173	139
8	Mahindra Logistics	Hold	287	310
9	Navneet Education	Hold	149	145
10	Nazara Technologies	Hold	1,241	1,274
11	PVR Inox	Hold	1,040	966
12	S Chand and Company	BUY	286	227
13	Safari Industries (India)	BUY	2,437	1,960
14	Samhi Hotels	BUY	267	176
15	TCI Express	BUY	924	636
16	V.I.P. Industries	BUY	404	338
17	Zee Entertainment Enterprises	BUY	137	111

PL's Recommendation Nomenclature (Absolute Performance)

Buy	: > 15%
Accumulate	: 5% to 15%
Hold	: +5% to -5%
Reduce	: -5% to -15%
Sell	: < -15%
Not Rated (NR)	: No specific call on the stock
Under Review (UR)	: Rating likely to change shortly

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