

Saturday, 27 September 2025

CM RATING 45 /100

# Glottis

## Multi-modal integrated player

### Delivers end-to-end logistics solutions across verticals to optimize the movement of goods across geographies

Glottis offers multi-modal integrated logistics solutions, including end-to-end transportation solutions through ocean, air and road logistics services. It serves customers across multiple industries, with particular emphasis on energy infrastructure and renewable energy projects with global footprint and expertise in handling complex supply chains. It delivers end-to-end logistics solutions with multimodal capabilities across verticals to optimize the movement of goods across geographies. These include (i) ocean freight forwarding; (ii) air freight forwarding; (iii) road transportation; along with other ancillary services, including warehousing, storage, cargo handling, thirdparty logistics (3PL) services and custom clearance, among others.

Glottis out-source key functions such as container management and stuffing and custom handling, for effective management and execution. Further, the assets necessary for offering quality services to its customers, such as cargo ships, containers, commercial vehicles, and multi axles are either owned or provided by a wide network of its business partners. Accordingly, it has maintained a limited base of owned fleet and capitalizes on its large network of business partners from whom it hires the required vehicles or services.

Group companies include Continental Shipping & Consulting Pte Ltd, Continental Worldwide Shipping Service LLC and Continental Shipping & Consulting Vietnam Co. Ltd. It outsources less than container load orders to group company Saccon Lines. Further, some of group companies provide international freight forwarding services. Accordingly, it is dependent upon them for their services to complete a portion of the orders.

As of August 31, 2025, the company owned 17 commercial vehicles. The company intends to expand its own CV fleet as well as container fleet to ensure stability of its future operational network and superior operational control. Glottis believes that increase in its owned fleet will enable it to implement operational and cost efficiencies.

As of August 31, 2025, the company had a network of 256 overseas agents, 124 shipping lines and agencies, 77 transporters, 59 custom house agents, 16 airlines, 32 consol agents and container freight stations among others, built on longstanding relationships.

In FY2025, it served 1,908 customers and in FY24 1,662 customers across 125 and 100 countries, respectively. Ocean freight volume handled in FY25 stood at 1,12,146 TEUs, up from 59,417 TEUs in FY23.

Of the FY25 revenue, 82.97% came from ocean freight –imports; 11.73% ocean freight–exports; 1.47% air freight–imports; 0.45% air freight – exports; and 3.38% from road transport.

Revenue mix in-terms of end industry in FY25 was 47.54% from renewable energy, 12.69% engineering products, 9.23% from granite & minerals, 6.26% logistics, 4.89% home appliances, 5.66% timber, 2.77% agro, 2.41% consumer durables, 1.52% automobiles, 1.51% chemicals, 1.86% from plywood, and balance from other industries.

Revenue earned from the exports or import orders executed for domestic customer base formed 89.36% (domestic operations)and orders executed for overseas customers balance 10.64%.

## **The issue and object of the offer**

The issue comprises both fresh issue of equity shares up to Rs 160 crore and offer for sale of 1,13,95,640 equity shares by the promoter selling shareholders. The OFS comprises sale of 56,97,820 equity shares by Ramkumar Senthilvel and 56,97,820 equity shares by Kuttappan Manikandan.

Of the net proceeds from the fresh issue, Rs 132.542 crore is for funding of capital expenditure requirements towards purchase of commercial vehicles and containers, and the balance for general corporate purposes. Through the proceeds from the fresh issue, the company plans to purchase 1,000 containers for Rs 48.38 crore and balance to purchase 270 trucks and trailers.

## **Strengths**

One of the leading freight forwarding players with international presence and a specialised customer base, especially companies that engaged in renewable energy industry.

Scaled multimodal logistics operations with capabilities of handling diverse projects including over dimensional cargo and a track record of service across various ports in India.

Wide network of Intermediaries coupled with optimum utilisation of the asset portfolio enable scaling of business as demand increases.

Longstanding relationship with a diverse set of customers across industries, with repeat customers up from 834 in FY23 to 871 in FY25.

## **Weaknesses**

The logistics industry in India is highly competitive, dominated by many unorganized players.

Top 10 customers accounted for 52.73% and 43.95% of revenue from operations in FY25 and FY24, respectively.

Statutory auditors have included certain observations in the annexure to their audit report on the Companies (Auditor's Report) Order, 2016 / Companies (Auditor's Report) Order, 2020, for FY24.

Unable to locate copies of bank statements for the capital contribution made by promoters and, therefore, has not been able to verify the manner of contribution by the promoters in the erstwhile partnership firm.

Significant fluctuation in tariff rates including recent US tariffs and freight rates could affect the business performance.

Experienced negative cash flow in the past.

Has a limited operating history in the warehousing business, with these services concentrated in Tamil Nadu.

Application for registration of trademark in its name is pending.

The logistics business is exposed to risks such as port/canal congestion impacting demand and supply of shipping lines and shipping freight rates, geopolitical tensions, intrusion by pirates, sinking of ship along with cargo, robbery of cargo, and damage of cargo due to natural disaster.

Any adverse development affecting the growth of trade volumes, as well as the import and export volumes, may adversely affect the business.

Group companies and members forming part of promoter group have conflicts of interest as they are engaged in similar business and may compete with the company.

Exposed to risks relating to inability to obtain or renew or maintain its statutory and regulatory permits and approvals, required to operate its businesses.

## Valuation

Consolidated re-stated revenue in FY25 stood higher by 89% to Rs 941.17 crore. With OPM expanding by 20 bps to 8.3%, the growth of OP was 94% to Rs 78.45 crore. Finally, net profit after MI was up by 81% to Rs 56.14 crore.

On and expanded equity, the EPS for FY2025 was Rs 6.1. The issue price (on the upper price band) discounts the FY25 EPS by 21.1 times. P/BV stood at 4.6 times and EV/Sales stood at 1.3 times.

However, more established logistics players such as Allcargo Logistics and Transport Corporation of India quote at a PE of 46.3 times and 22.3 times and a P/BV of 1.4 times and 4.3 times, respectively. Though not comparable given its major focus on container cargo movement by rail, Container Corporation of India quotes at PE of 24.7 times and P/BV of 2.6 times.

Glottis : Issue Highlights	
Fresh Issue (Rs crore)	160
Offer for sale (in equity share nos.)	11395640
Price band (Rs.)	
Upper	129
Lower	120
Post-issue equity (Rs crore)	
in Upper price band	18.48
in Lower Price Band	18.67
Post-issue promoter (including promoter group) stake (%)	74.23
Minimum Bid (in nos.)	114
Issue Open Date	29-09-2025
Issue Close Date	01-10-2025
Listing	BSE, NSE
Rating	45/100

Glottis : Re-stated Consolidated Financials				
	2303 (12)	2403 (12)	2503 (12)	
Sales	478.27	497.18	941.17	
OPM (%)	7.0	8.1	8.3	
OP	33.47	40.36	78.45	
Other income	0.49	2.21	1.37	
PBIDT	33.96	42.57	79.82	
Interest	0.04	0.28	2.34	
PBDT	33.92	42.30	77.49	
Depreciation	0.61	0.74	1.62	
PBT	33.32	41.56	75.86	
EO Exp	0.00	0.00	0.00	
PBT after EO	33.32	41.56	75.86	
Tax	10.88	10.60	19.72	
PAT from Continuing Biz	22.44	30.96	56.14	
Share of Profit from Associates	0.00	0.00	0.00	
Minority Interest	0.00	0.00	0.00	
Net profit	22.44	30.96	56.14	

EPS (Rs)*	2.4	3.4	6.1	
* on post IPO fully dilluted equity (on upper price band) of Rs 18.48 crore. Face Value: Rs 2				
EPS is calculated after excluding EO and relevant tax				
Figures in Rs crore				
Source: Capitaline Corporate database				