WEALTH SEEDS
FLEXI-CAP PORTFOLIO

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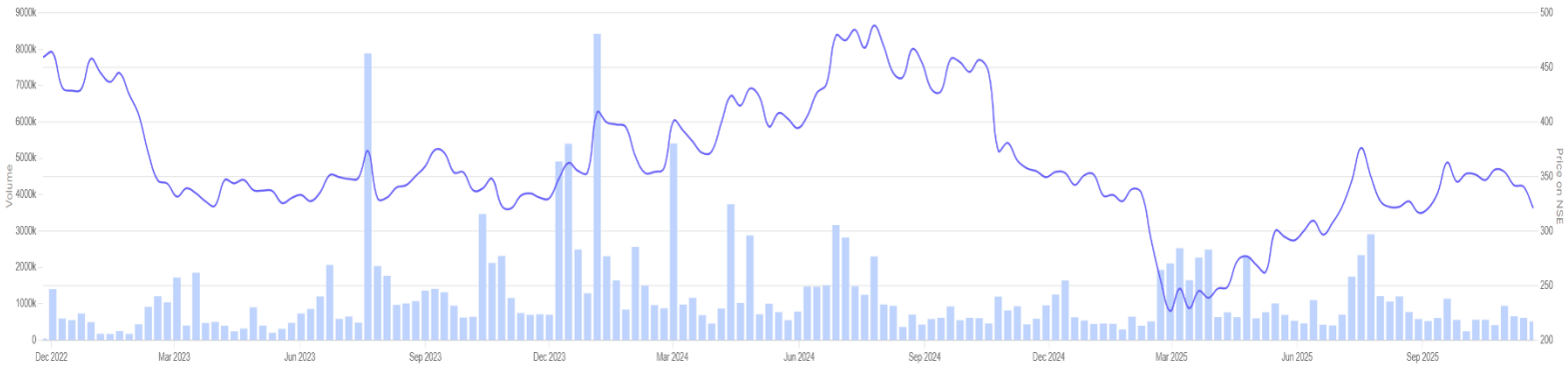
WEALTH SEEDS FLEXI-CAP PORTFOLIO

MAHINDRA LOGISTICS LIMITED

mahindra LOGISTICS

NSE SYMBOL	MAHLOG
BSE SYMBOL	540768
MARKET CAPITAL (INR)	₹ 3,187 Cr.
FACE VALUE	₹ 10
BOOK VALUE	₹ 115
CURRENT PRICE	₹ 321
BUYING RANGE	₹ 300-350
TARGET PRICE	₹ 580
HOLDING PERIOD	36 Months
STOPLOSS	₹ 240
SUITABLE WEIGHTAGE IN PORTFOLIO	3-4%
ROE	(7.96%)
ROCE	5.64%
DEBT EQUITY RATIO	0.59
EPS	(₹3.72)
PE	NA
RISK	MEDIUM
STOCK TYPE	GROWTH
TOTAL EQUITY CAPITAL	₹ 99.20 Cr.
PROMOTER STAKE	59.60%
PLEDGE SHARES PRECENTAGE	NIL
STAKE HELD BY FII	3.86%
STAKE HELD BY DII	13.65%
INDIVIDUAL INVESTOR'S STAKE	20.37%

STOCK GRAPH OF LAST 3 YEARS



MAHINDRA LOGISTICS LIMITED

Mahindra Logistics Limited (MLL) is a leading integrated logistics and mobility solutions company in India and a part of the Mahindra Group, one of the country's most respected business conglomerates.

The company was established in 2000 as a division of Mahindra & Mahindra to manage the group's complex logistics and supply chain operations, particularly for its automotive and farm equipment businesses. At the time, the Indian logistics sector was largely unorganized, and MLL's creation marked Mahindra's strategic step toward bringing structure, technology, and professionalism to its supply chain processes.

As the company's capabilities and expertise grew, Mahindra & Mahindra recognized the potential to extend these services beyond internal group requirements. This led to the incorporation of **Mahindra Logistics Limited as an independent entity in 2008**, allowing it to focus exclusively on third-party logistics (3PL) and supply chain management for external clients. The demerger gave MLL operational autonomy, enabling it to diversify its customer base and serve a wide range of industries outside the Mahindra ecosystem.

In its early years as a separate company, MLL concentrated on building a strong foundation in contract logistics and transportation. It expanded its warehousing footprint, developed technology-driven solutions for supply chain management, and established partnerships across India to enhance service coverage. The company gradually evolved from being an internal logistics arm to a professionally managed 3PL player with a national presence.

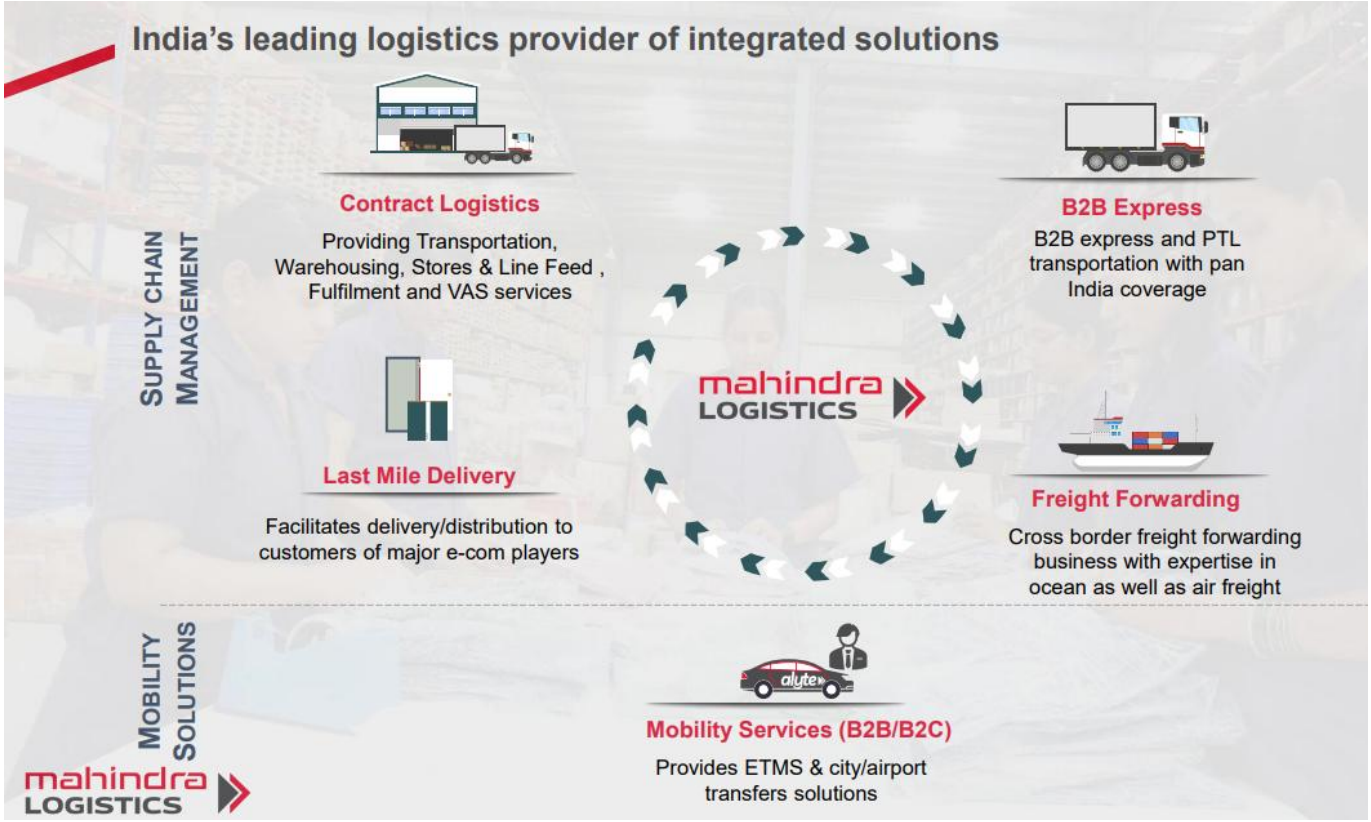
A major milestone in MLL's journey came in **2017**, when the company went public with a successful **initial public offering (IPO)**. The IPO was a turning point that not only provided capital for growth but also positioned MLL as one of the first large-scale Indian logistics companies to be publicly listed.

Post-listing, MLL focused on expanding its service offerings, investing in digital technology, automation, and sustainability initiatives, and scaling operations to meet India's growing logistics demand.

MLL has grown through strategic diversification, acquisitions, and partnerships. It has ventured into international freight forwarding, mobility services, and express logistics, aligning its growth with the evolving needs of the Indian economy. The company's alignment with the **Mahindra Group's "Rise" philosophy** continues to guide its commitment to innovation, operational excellence, and sustainable business practices.

Over the years, the company has built a strong portfolio of services that cater to diverse customer needs across industries. Let's take a closer look at Mahindra Logistics' key business divisions, each designed to deliver specialized, end-to-end logistics and mobility solutions.

BUSINESS DIVISIONS



MLL offers a comprehensive suite of services, including warehousing, distribution, full truck load and part truck load transportation, cross border solutions and enterprise mobility solutions through five unique business lines. These businesses collectively utilise shared infrastructure and cater to diverse industries such as automotive, engineering, consumer goods, pharmaceuticals, telecom, retail and e-commerce. MLL manages over 22 million sq. ft. of

warehousing space across India, including multi-user and built-to-suit facilities, network hubs, and cross-docks. MLL also operates over 40 in-factory logistics sites that help manufacturers manage materials more efficiently.

The company's **3PL Contract Logistics business** combines warehousing, transportation, and distribution services to provide complete supply chain solutions. It manages inventory, ensures on-time deliveries, and offers services such as in-plant logistics, just-in-time supply, returns processing, and distribution management. These services are supported by advanced technology and are tailored to meet the specific needs of different industries.

The **B2B Express business** offers part truckload (PTL) transportation through a nationwide network of over 260 branches and processing centres, covering 19,000+ pin codes. The business uses technology for route optimization and real-time tracking, helping customers achieve faster deliveries and better visibility of their shipments.

MLL's **Last-Mile Delivery segment** focuses on e-commerce and FMCG/FMCD clients, providing delivery-as-a-service and fulfilment support. With more than 300 last-mile delivery stations, the company has one of India's largest electric vehicle (EV) fleets under its eDeL brand, consisting of over 1,500 EVs. This initiative helps reduce carbon emissions while ensuring cost-efficient and sustainable deliveries.

The **Cross-Border Logistics business**, managed under its Lords brand, provides air and ocean freight, air charter, break-bulk, and customs clearance services. MLL has developed partnerships with international logistics firms to strengthen its presence in key trade lanes such as Latin America and the Far East, allowing it to expand globally without heavy investments in overseas infrastructure.

Lastly, the **Mobility Services division** offers technology-driven transport solutions for both enterprises and individuals. For corporate clients, MLL provides safe and reliable employee transport services across India, serving more than 200 clients in sectors like IT, ITeS, BFSI, telecom, and manufacturing. In the B2C segment, its ***Meru*** brand operates at over 10 airports, offering convenient rides with trained drivers and a focus on comfort and safety.

Under these divisions, in FY 2024–25, Mahindra Logistics introduced several new innovative offerings like **ProTrucking**, **Emission Analytics Report (EAR)**, **regional distribution**, and **B2C premium cabs**, as part of its strategy to enhance service diversity and operational efficiency.

- **ProTrucking** provides a dedicated, premium, and fuel-efficient fleet designed for pan-India line-haul operations, supporting multi-site customer requirements. The solution ensures 100% on-demand fleet availability, tightly integrated with customer supply

chains. Backed by an advanced technology platform, it offers real-time fleet visualization and system integration for better decision-making and operational control.

- **EAR** is a digital sustainability platform that enables businesses to monitor, manage, and reduce Scope 3 carbon emissions across transport networks. Certified by the Global Logistics Emissions Council (GLEC) and aligned with ISO 14083 standards, EAR offers shipment-level emission reporting through real-time visualizations. It integrates data on transport mode, vehicle type, distance, fuel, and load to generate accurate insights that support ESG compliance and sustainability targets.

- The **regional distribution** service focuses on optimizing deliveries from distribution centres to dealers and distributors, ensuring faster turnaround, flexibility, and full shipment visibility. Customers can track live deliveries through a dedicated online portal developed in-house.

- The **B2C premium cabs** offering introduces tech-enabled, comfort-focused mobility solutions for both individual and corporate clients. Emphasizing safety, reliability, and personalized experiences, the service—currently established in Tier-1 cities for airport transfers—aims to expand its presence and cater to the growing premium mobility segment.

Subsidiaries and Joint Ventures

Mahindra Logistics Limited (MLL) operates through a network of subsidiaries and joint ventures that strengthen its presence across various segments of logistics and mobility.

Lords Freight (India) Private Limited provides international freight forwarding, customs brokerage, project cargo, and air charter services. With a strong network of agents across China, South Korea, Southeast Asia, and Western Europe, Lords offers comprehensive end-to-end cross-border solutions, including freight movement by air and sea, customs clearance, and transportation to warehouses.

V-Link Freight Services Private Limited, a wholly owned subsidiary of MLL, offers logistics, transportation, freight forwarding, and air charter services, enhancing the company's domestic and global logistics capabilities.

Another key subsidiary, **MLL Express Services Private Limited**, operates under the brand *'Rivigo by Mahindra Logistics,'* providing B2B express logistics solutions across 19,000+ pin codes through a nationwide network.

Similarly, **MLL Mobility Private Limited** focuses on B2C and corporate transportation solutions for sectors such as IT, ITES, BFSI, and BPOs, operating a fleet of over 200 vehicles to ensure reliable and safe commute services.

ZipZap Logistics Private Limited, operating under the brand *Whizzard*, is a subsidiary where MLL holds a 64.1% stake. Whizzard has rapidly scaled its operations, growing tenfold in the last three years with digital-first solutions and micro-distribution centres covering 3,000+ pin codes. It strengthens MLL's EV-based last-mile delivery business (eDeL) and expands its footprint in e-commerce and quick commerce, offering integrated, sustainable delivery solutions.

Among its joint ventures, **2x2 Logistics Private Limited**, formed with IVC Logistics Limited, provides logistics and transport services to automotive OEMs. It specializes in moving finished vehicles from manufacturing plants to stockyards or distributors through a fleet of 150+ specially designed carriers, with MLL as its primary customer.

Another JV, **Seino MLL Logistics Private Limited**, is a collaboration with Japan's Seino Holdings Co. Ltd. to offer integrated logistics services to Japanese automotive and non-automotive clients in India. The partnership combines MLL's domestic reach with Seino's expertise in process innovation, technology, and operational excellence to deliver sustainable and efficient logistics solutions.

FINANCIALS

Let's discuss the results of Second Quarter i.e. July to September and Half-Year of FY 2025-26:

AMOUNT IN CRORES(₹)

Particulars	Qtr ended Sep, 2025 (₹)	Qtr ended June, 2025 (₹)	QoQ %	Qtr Sep, 2024 (₹)	YOY %	6 months ended Sep, 2025 (₹)	6 months ended Sep, 2024 (₹)	YOY %	Year ended Mar, 2025 (₹)
Revenue	**1685.27**	**1624.59**	3.74%	**1521.1**	10.79%	**3309.86**	**2941.12**	12.54%	**6104.83**
Operating Expense	-1600.19	-1548.34		-1454.72		-3148.53	-2808.46		-5820.78
Operating Profit	**85.08**	**76.25**	11.58%	**66.38**	28.17%	**161.33**	**132.66**	21.61%	**284.05**
Depreciation	-71.72	-64.57		-53.96		-136.29	-108.92		-226.32
Interest	-21.67	-22.53		-19.12		-44.2	-38.61		-81.21
Other Income	2.94	5.07		1.73		8.01	7.4		15.82
Share of Joint Venture	-0.04	-0.04		-		-0.08	-		-0.01
Exceptional Items	-	-		-		-	-		-
PBT	**-5.41**	**-5.82**	7.04%	**-4.97**	-8.85%	**-11.23**	**-7.47**	-50.33%	**-7.67**
Tax	-2.95	-3.62		-4.64		-6.57	-9.98		-22.33
Profit/ Loss After Tax	**-8.36**	**-9.44**	11.44%	**-9.61**	13.01%	**-17.8**	**-17.45**	-2.01%	**-30**
Operating Profit Margin	5.05%	4.69%		4.36%		4.87%	4.51%		4.65%

Quarterly Results:

- Last year in July to September (FY 2024-25) quarter, company did revenue (sales) and profit of ₹266.38 crores and ₹2.82 crores respectively.

- In immediate past quarter i.e., April to June (FY 2025-26), company did revenue (sales) and loss of ₹145.56 crores and ₹27.08 crores respectively.

- And in the latest July to September (FY 2025-26) quarter, company has done revenue (sales) and loss of ₹97.84 crores and ₹17.82 crores respectively.

- In YoY terms the company's sales has declined by 63.27% and profit decreased by significant 731.91 %

- In QoQ terms, the company has de-grown its sales by 32.78% but losses also decreased by 34.19%.

- And if we talk about yearly results (April 2024 to March 2025) for FY 2025-26 company did a revenue of ₹1218.88 crores and loss was ₹157.44 crores.

- Basic EPS was (₹1.20) for the quarter as compared to (₹1.44) in Q2 FY25.

Half Yearly Results:

- Last year from April to September (FY 2024-25), company did revenue (sales) of ₹619.67 crores and profit of ₹20.17 crores.

- In the latest April to September (FY 2025-26), company has done revenue (sales) of ₹243.40 crores and loss of around ₹44.90 crores.

- In YoY terms the company's sales declined by 60.72% and profits decreased by 322.61%.

Quarterly Results

Consolidated Figures in Rs. Crores / View Standalone

	Sep 2022	Dec 2022	Mar 2023	Jun 2023	Sep 2023	Dec 2023	Mar 2024	Jun 2024	Sep 2024	Dec 2024	Mar 2025	Jun 2025	Sep 2025
Sales +	1,326.33	1,329.55	1,272.51	1,293.22	1,364.76	1,397.23	1,450.76	1,420.02	1,521.10	1,594.20	1,569.51	1,624.59	1,685.27
Expenses +	1,258.74	1,266.81	1,208.79	1,226.59	1,311.19	1,345.00	1,394.15	1,353.74	1,454.72	1,520.51	1,491.81	1,548.34	1,600.19
Operating Profit	**67.59**	**62.74**	**63.72**	**66.63**	**53.57**	**52.23**	**56.61**	**66.28**	**66.38**	**73.69**	**77.70**	**76.25**	**85.08**
OPM %	5.10%	4.72%	5.01%	5.15%	3.93%	3.74%	3.90%	4.67%	4.36%	4.62%	4.95%	4.69%	5.05%
Other Income +	3.35	5.58	3.83	6.18	6.58	6.08	2.88	5.67	1.73	6.25	2.17	5.07	2.94
Interest	10.74	14.97	16.93	17.78	16.53	16.42	17.43	19.49	19.12	22.05	20.55	22.53	21.67
Depreciation	43.55	49.80	55.25	54.46	51.79	51.46	51.28	54.96	53.96	59.01	58.39	64.57	71.72
Profit before tax	**16.65**	**3.55**	**-4.63**	**0.57**	**-8.17**	**-9.57**	**-9.22**	**-2.50**	**-4.97**	**-1.12**	**0.93**	**-5.78**	**-5.37**
Tax %	28.47%	52.96%	-104.32%	1,556.14%	89.23%	71.37%	29.18%	213.60%	93.36%	545.54%	670.97%	62.63%	54.93%
Net Profit +	**11.30**	**1.11**	**-1.03**	**-8.46**	**-15.61**	**-17.11**	**-11.91**	**-7.84**	**-9.61**	**-7.26**	**-5.29**	**-9.44**	**-8.36**
EPS in Rs	1.23	0.14	-0.08	-0.86	-1.61	-1.76	-1.30	-0.94	-1.08	-0.91	-0.68	-1.09	-1.04

Profit & Loss

Consolidated Figures in Rs. Crores / View Standalone

	Mar 2014	Mar 2015	Mar 2016	Mar 2017	Mar 2018	Mar 2019	Mar 2020	Mar 2021	Mar 2022	Mar 2023	Mar 2024	Mar 2025	TTM
Sales +	1,751	1,931	2,064	2,667	3,416	3,851	3,471	3,264	4,141	5,128	5,506	6,105	6,474
Expenses +	1,699	1,874	2,012	2,590	3,296	3,700	3,313	3,129	3,956	4,868	5,275	5,820	6,161
Operating Profit	**51**	**57**	**52**	**76**	**120**	**152**	**158**	**135**	**184**	**260**	**231**	**284**	**313**
OPM %	3%	3%	3%	3%	4%	4%	5%	4%	4%	5%	4%	5%	5%
Other Income +	6	9	13	10	6	7	14	14	13	16	20	15	16
Interest	0	0	1	3	4	3	18	20	30	52	68	81	87
Depreciation	3	6	8	15	20	22	73	90	142	190	209	226	254
Profit before tax	**54**	**59**	**56**	**68**	**102**	**133**	**81**	**39**	**26**	**35**	**-26**	**-8**	**-11**
Tax %	33%	35%	36%	32%	36%	35%	32%	26%	43%	21%	97%	292%	
Net Profit +	**37**	**39**	**36**	**46**	**65**	**86**	**55**	**29**	**15**	**25**	**-53**	**-30**	**-30**
EPS in Rs	4.51	4.71	4.40	4.88	6.54	8.72	5.60	3.05	1.78	2.65	-5.53	-3.61	-3.72

Balance Sheet

CORPORATE ACTIONS

Consolidated Figures in Rs. Crores / View Standalone

	Mar 2014	Mar 2015	Mar 2016	Mar 2017	Mar 2018	Mar 2019	Mar 2020	Mar 2021	Mar 2022	Mar 2023	Mar 2024	Mar 2025	Sep 2025
Equity Capital	59	60	60	68	71	71	72	72	72	72	72	72	99
Reserves	65	205	242	280	348	427	473	496	475	490	420	366	1,046
Borrowings +	-0	4	28	34	26	38	201	269	402	834	739	869	676
Other Liabilities +	211	250	262	435	540	669	676	849	1,027	1,157	1,245	1,272	1,307
Total Liabilities	**335**	**519**	**591**	**817**	**986**	**1,205**	**1,422**	**1,687**	**1,975**	**2,553**	**2,477**	**2,579**	**3,128**
Fixed Assets +	16	26	50	62	66	71	231	361	501	830	836	930	1,137
CWIP	0	0	3	1	1	3	15	3	14	4	16	46	24
Investments	0	110	68	58	50	81	3	55	118	100	6	23	11
Other Assets +	319	383	471	697	870	1,050	1,173	1,268	1,343	1,620	1,619	1,581	1,956
Total Assets	**335**	**519**	**591**	**817**	**986**	**1,205**	**1,422**	**1,687**	**1,975**	**2,553**	**2,477**	**2,579**	**3,128**

Q2 FY26 Business Highlights

01 Contract Logistics

- Overall revenue at **₹1,316 Cr**, growth of 13% YoY
- Gross Margin up by 22% YoY, 7% sequentially
- Auto & farm volume continues upward momentum
- Highest volume handled at BMW and KIA Motors

02 B2B Express

- Overall revenue at **₹100 Cr**, growth of 9% YoY
- **1st Positive Gross Margin from acquisition**, Gross margin **positive at ₹0.2** Cr
- New Business Wins of **5000 tons+** for 2 consecutive quarters

03 Cross border

- Overall revenue at **₹90 Cr**, up by 4% YoY
- Gross margin up by 21% sequentially, flat YoY
- Scaled up overseas **Nomination business**
- **Headwinds in air/ocean imports** business
- **Strong pipeline** in **solar** business

04 Last Mile Delivery

- Overall revenue at **₹89 Cr**, up by 5% QoQ
- Gross margin decline YoY; sequentially up 39%
- Industry wide **pricing pressure** in grocery
- Focus on curating strong pipeline of **non-Ecommerce clients**

05 Mobility

- Overall revenue at **₹90 Cr**, 13% YoY growth
- Gross Margin at ₹8.7 Cr, stable sequentially
- B2C business rebranded as Alyte
- Alyte Prive ride completion at 90%+; focus on ↑ utilization

Financial Review

Mahindra Logistics Limited (MLL) delivered a steady performance in Q2 FY26, consolidated revenue stood at ₹1,685 crores, marking an 11% year-on-year growth from ₹1,521 crores in Q2 FY25. Operating performance remained healthy, with the company reporting an operating profit of ₹85 crores and an operating margin of 5.05% for the quarter, compared to 4.36% in Q2 FY25. Consolidated gross margin improved to 10.1% from 9.2% last year, driven by a favorable business mix, higher contribution from value-added services, and improved utilization across business verticals. Excluding the impact of the MESPL business, the gross margin stood at 10.8%, expanding by nearly 70 basis points year-on-year.

The company reported a net loss of ₹8.36 crores for the quarter, primarily due to higher non-cash depreciation costs and one-time provisions, but the underlying operational performance remained solid.

The company's core supply chain management business which includes 3PL contract logistics, freight forwarding, express logistics, and last-mile delivery continued to be the major contributor, accounting for 95% of overall revenue. The Mobility business contributed the remaining 5%, maintaining a consistent mix compared to previous quarters.

The warehousing segment recorded revenue of ₹333 crores in Q2 FY26, up 20% year-on-year from ₹278 crores in the same period last year. This growth was supported by the addition of new warehousing sites, higher utilization levels at existing facilities, and operational efficiencies. The company's ongoing efforts to reduce white space and optimize its warehouse network are expected to further strengthen yield and cost efficiency in the coming quarters.

Depreciation expenses for the quarter were ₹72 crores, with the majority arising from lease costs recognized under Ind AS 116. The year-on-year increase of ₹18 crores was primarily due to the same accounting standard's lease impact, which the company expects to remain consistent in the future. During the quarter, MLL recognized a one-time provision of ₹4.8 crores under provisions for doubtful debts (PDD) due to the bankruptcy filing of one of its 3PL customers. This was undertaken as a prudent accounting measure to address potential credit exposure on outstanding receivables.

The company raised ₹749 crores through the right issue in August 2025, utilizing a major portion of the proceeds to repay debt. This strategic move significantly reduced consolidated debt from ₹601 crores in Q1 FY26 to ₹73 crores in Q2 FY26, improving leverage and reducing annual

interest costs by an estimated ₹40–45 crores. Furthermore, ₹187 crores from the rights issue proceeds remain available for general corporate purposes, as outlined in the offer's objectives.

OTHER IMPORTANT UPDATES

- Over the past five months, the company has undertaken a comprehensive 360-degree review of its businesses, evaluating every aspect of operations, processes, organizational structure, and customer engagement. This deep introspection has helped identify key areas for improvement and guided decisive actions to strengthen the business for the long term.

- A major focus area has been the reduction of warehousing white space and during the last quarter, the company successfully achieved a reduction of over 20% in white space and remains committed to its goal of cutting white space costs by approximately 95% by September of next year.

- The second key priority for the company has been the turnaround of its MLL Express Services Private Limited (MESPL) business, which has shown strong and consistent progress over the past quarter. Notably, for the first time since the acquisition, the business achieved a significant milestone by becoming gross margin positive on a quarterly basis.

- Further, MLL is infusing additional equity capital of ₹50 crores in MESPL to support in its journey to become EBITDA positive. There is a one-off expense during the quarter was related to the share capital infusion. With margins strengthening, the company expects these gains to continue flowing through to EBITDA and PAT levels.

- The third major focus area for the company has been cost optimization, which continues to remain a top strategic priority. The company is maintaining strong discipline over costs, with tight control on overheads and discretionary spending.

- The company has strategically optimized its customer mix by focusing on higher-yield contracts and phasing out low-margin business. This disciplined approach has led to an overall improvement in the margin profile, with yields increasing by approximately ₹0.90 so far during the year.

Segment Wise Performance

- In the **3PL segment**, the company delivered strong year-on-year growth in both revenue and profit, with performance improving in the latter part of Q2 after initial GST-related disruptions. Early preparations for the festive season, beginning in July, ensured smooth operations. Notably, company's one fulfilment centre handled 8.2 lakh units in a single day, while another managed 13

lakh units, both record achievements that highlight strong operational execution during the peak period.

- The **Express business** continued to show strong momentum, with tonnage growing 7% year-on-year and an improved share of value-added services. Growth was driven by a stronger sales engine, a better customer mix, focus on high-volume lanes, and consistent service levels.

- In **Freight Forwarding**, volumes grew 9% year-on-year despite global headwinds from tariffs and geopolitical challenges. The business benefited from a well-diversified customer base that ensured revenue stability even in a tough environment.

- In **Last-Mile Delivery**, ZipZap Logistics faced pricing pressure in Q1 due to aggressive targets given by customers, but prices and margins recovered in Q2 as some customers reinstated previous rates. Nonetheless, pricing pressure remains a concern, leading the company to take strategic decisions to optimize its customer mix.

- In **Mobility**, the company launched *Alyte Prive*, a premium, tech-enabled B2C mobility service for urban commuters, currently operating in Delhi NCR. Offering airport transfers, intracity, and outstation rides, Alyte Prive combines comfort, technology, and sustainability. With a 99% customer satisfaction score, the company plans to expand the service further within NCR, including the upcoming Noida International Airport.

Other Updates

- During the quarter, the company operationalized eight new projects across the manufacturing and e-commerce sectors and inaugurated a new 3 lakh sq. ft. facility in Nashik. It also undertook repeat expansion projects for key customers, including Cummins, Bosch, Amazon, Flipkart, and Mahindra, reflecting strong customer confidence and continued business growth.

- The Last-Mile Delivery business, often considered the most challenging segment in logistics, received multiple industry recognitions in Q2. The company was awarded Best Large Partner (South) by Amazon and Best Pickup Champion as well as Best Run Site in the Grocery Category by Flipkart.

- Additionally, its freight forwarding subsidiary, Lords Freight, was honoured as the Emerging Freight Forwarder of the Year at the Cold Chain Excellence Awards in Hyderabad, further highlighting its strong performance and growing industry standing.

- Over the last three months, Mahindra Logistics has achieved a 20% reduction in white space within its warehousing network, leading to a corresponding 20% decrease in rental costs.

- In parallel, the company has expanded its presence in eastern India by opening two new logistics hubs in Guwahati and Agartala, along with the recently launched facility in Nashik. Several additional sites added over the past year, particularly in the eastern region, have contributed to a year-on-year increase in overall rental expenses. However, as white space continues to reduce, the proportion of revenue-generating areas within warehouses is rising.

Commenting on the performance, Mr. Hemant Sikka, Managing Director and CEO of Mahindra Logistics Ltd. said,

"The past few months has been a period of transformation and strategic realignment for us. The recalibration of our operating model, focused execution across business verticals and the strengthening of our balance sheet through the rights issue has positioned us for a stronger, resilient and profitable future.

We have demonstrated this through tangible improvements such as 20%+ reduction in whitespace, our express business turning gross margin positive for the first time, operationalization of 8 new projects, expansion projects from our repeat customers and cost optimization on overheads & discretionary spends. Also, this festive season, our e-commerce network dispatched over 3.5 crore shipments from fulfilment centres, processed nearly 4.3 crore shipments through sortation facilities and completed over 6000 trips nationwide. These achievements reflect Mahindra Logistics commitment to delivering excellence for our customers, combining the strength of our integrated capabilities with the relentless dedication of our teams to ensure every delivery is seamless, timely and keeps India moving at scale during the peak season and beyond.

As we move to the second half of the year, our focus will continue to be on stronger execution through operations excellence, customer retention and network optimization. This will ensure that we continue to deliver sustainable value for our customers."

CLOSING REMARK

Mahindra Logistics Limited (MLL) has entered a phase of strategic transformation and operational discipline, laying a solid foundation for sustainable growth and profitability. The first half of FY26 has been particularly significant, marked by decisive actions to recalibrate its operating model, optimize cost structures, and enhance efficiency across business verticals. The

company continues to strengthen its business portfolio by renegotiating or exiting contracts that do not align with its profitability objectives while implementing process and structural improvements to ensure long-term strategic alignment.

The overall logistics industry outlook remains encouraging, despite persistent global challenges such as geopolitical uncertainty, cross-border price volatility, and elevated input costs. However, the domestic environment has improved considerably, supported by healthy growth through recent GST rate cuts, moderating inflation, and strong festive demand. These positive indicators have helped mitigate global pressures, particularly in the cross-border segment. Furthermore, the government's sustained push for infrastructure development and the expansion of e-commerce and quick commerce sectors have created favorable conditions for continued industry growth.

Within the Express Logistics segment, the industry is evolving from a rapid expansion phase to a more mature and stable stage focused on consolidation, infrastructure enhancement, and asset utilization. This shift reflects a long-term move toward sustainable and operationally efficient growth. In this highly competitive segment, MLL remains confident of its positioning. Backed by strong service quality, governance standards, and the credibility of the Mahindra brand, the company continues to strengthen its execution capabilities.

The management highlighted that despite the intense competition, MLL has built a strong reputation as a formidable player, capable of holding its ground and driving growth quarter after quarter. Improved customer mix and better yield management have also contributed to the company's growing momentum. Management has the vision to make MLL the best integrated logistics company of the country.

Additionally, all MLL's businesses operate on an asset-right model, ensuring capital efficiency and flexibility while avoiding overinvestment in fixed assets. This approach allows the company to scale operations responsibly and maintain profitability across its service lines.

Around 48.61% stake is held by promoters, 0.72% stake is held by FII's, DII's hold around 0.40% stake, and around 28.51% stake is held by retail individual investors.

We believe the sector as well as the company currently looks unnoticed and making it a good contra bet candidate. Here is an important thing to note that over the last decade, company's cash from operations have improved from ₹27 crores in FY15 to ₹343 crores in FY25. Yet, the share price return since the last eight years is still negative if compared to the current price. On first look this company looks to be a loss-making company only which is true if we look purely from accounting perspective, but it must be noted that majority of the profits are absorbed by depreciation which is a non-cash item.

Based on the historical growth and industry tailwinds, we expect over the 3 years company should reach operating profit of ₹480 crores and if we apply price multiple of 12 on the operating profit, market cap should rule around ₹5760 crores which leaves a headroom of 80% growth over current valuation.

As the company moves into the second half of the financial year, its focus remains firmly on yield improvement, operational excellence, customer retention, and network optimization. These strategic priorities are designed to ensure consistent performance, enhance returns, and strengthen MLL's position in India's fast-evolving logistics ecosystem.

Thanks, and regards,

C.P. Madhwani

Chitra Pradeep Madhwani

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-Recommendations given in this report have been researched and prepared by Chitra Madhwani (SEBI Reg. No. – INH000016162). Address: D-8 Govt. Sindhi Society, Warshiya, Vadodara, Gujarat, 390006, India.

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