

28<sup>th</sup> July 2025

Close\* – ₹350/-

View – Hold

## Q1FY26 Result Highlights

- Consolidated Revenue for Q1FY26 registered 14% YoY growth, driven by strong performance in 3PL, Last Mile Delivery (LMD), and the Express segments. The Express business achieved a significant milestone by crossing ₹100crs in quarterly revenue for the first time. EBITDA and PAT improved by 14% and 3% YoY respectively, although yields remained under pressure due to an evolving customer mix.
- Revenue from the warehousing segment stood at ₹306crs in Q1FY26 as compared to ₹259crs in Q1FY25, demonstrating a strong 18% growth on a YoY basis.
- Supply chain management (95% of revenue) grew 15.2% YoY, ₹1544crs. Loss before tax and interest stood at ₹10.4crs vs ₹4.2crs in Q1FY25. Contract revenue grew 18% YoY to ₹1289crs with gross margin expanded by 15% YoY, 4% sequentially. The mobility business grew marginally 0.7% to ₹81.9crs. The Mobility business reported improved profitability over the same period last year, due to new clients and increased efficiency with a high-quality fleet.
- Revenue for Q1FY26. 63% of total revenue came from the auto sector, 37% from the non-auto sector. Mahindra revenue stood at 56% and non-Mahindra at 44%.
- Gross profit improved by 5.4% YoY to ₹217crs, with a margin of 13.4% as against a margin of 14.5% in Q1FY25. EBITDA grew 15.6% YoY to ₹76.6crs with margin at 4.7% in Q1FY26. Other expenses declined by 3.6% YoY. Losses after tax stood at ₹9crs vs ₹7.8crs in Q1FY25.
- Performance in the Freight Forwarding segment remained stable, while the Mobility business delivered improved profitability, driven by a sharper focus on operating discipline.
- Express business and Express would present a multi-decade opportunity for growth for the company and remain a key source of growth for the industry. With the improvement in infrastructure and the need for jet and gist and supply chain agility, B2B Express enables businesses to optimize inventory, avoid stockouts and lower warehousing costs.
- In Q1FY26, MAHLOG derived 56% of its revenue from the Mahindra group. FY25 witnessed a rise of ~₹1.8bn capex on account of an increase in fleet size & warehousing space. Warehousing realization grew to ₹61.5/sq.ft. per month vs ₹50.5/sq.ft. per month in Q1FY25.
- The company has proposed a rights issue amounting to ~₹750crs. If fully subscribed, around 27mn shares will be issued at a price of ₹277 per share, based on an entitlement ratio of 3:8. The management intends to utilize an estimated ₹556.3crs from the net proceeds towards the partial or full repayment and/or prepayment of select borrowings availed by the company and its subsidiaries. This repayment initiative is expected to result in significant annual interest cost savings in the range of ₹40-45crs, thereby improving overall financial efficiency and strengthening future cash flows. As of June 30th, the outstanding debt stood at ~₹604crs.

## Important Statistics

Nifty	24,837
Sensex	81,463
Close*	350
MCAP (₹ crs)	~3,490
52-week H/L (₹)	499/217
NSE Code	MAHLOG
BSE Code	540768
Bloomberg Code	MAHLOG:IN

Close\* as on 25<sup>th</sup> July 2025

## Shareholding Pattern (%) Jun'25

Promoter	57.97
DII	13.87
FII	04.79
Public & Others	23.38

## Financials

Particulars	FY24	FY25
Revenue	5506	6104.8
Supply Chain Management	5178	5789
% of Revenue	94%	95%
Enterprise Mobility Services	333.3	320.5
% of Revenue	6%	5.2%
EBITDA	229	284
EBITDA Margin (%)	4.2%	4.7%
Net Profit	-53	-30
EPS (₹)	-7.4	-4.2
RoE (%)	-10.8	-6.9
D/E	1.50	1.98

Source: Company, Way2Wealth

## Relative Performance

Absolute Return (%)	1 Yr	3Yr	5 Yr
MAHLOG	-28	-18	29
Nifty 50	-1	44	123
Sensex	0	41	115

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## Risk:

Slower-than-expected turnaround of express business.



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## View

**Revenue grew by 814% YoY**, supported by a 15% increase in SCM revenue, while mobility revenue rose marginally by 0.7%. However, profitability has remained in the red over the past 1.5 years, and revenue growth has moderated due to delays in scaling up express operations, a slowdown in freight forwarding, and muted growth in the 3PL segment driven by client consolidation.

Mahindra Logistics (MLL) continues to benefit from sectoral tailwinds in automotive, rural consumption, and consumer durables. Additionally, the company is well-positioned to capitalize on the growing e-commerce space, particularly in the fast-evolving quick commerce segment. MLL has been actively diversifying its customer base across industries. **We maintain a Hold rating** on the stock given the current valuations.

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## FINANCIAL PERFORMANCE

(₹ crs)						
Particulars	Q1FY26	Q1FY25	VAR	Q4FY25	VAR	FY25
Net Sales	1,624.6	1,420.0	14.41%	1,569.5	3.5%	6,104.8
Other Income	5.1	5.7	-10.6%	2.2	133.6%	15.8
<b>TOTAL INCOME</b>	<b>1,629.7</b>	<b>1,425.7</b>	<b>14.3%</b>	<b>1,571.7</b>	<b>3.7%</b>	<b>6,120.7</b>
Operating Expenses	1,407.0	1,214.0	15.9%	1,358.8	3.6%	5,260.9
<i>RMC as a %age of sales</i>	<i>86.6%</i>	<i>85.5%</i>		<i>86.6%</i>		<i>86.2%</i>
Employee Benefit Expenses	104.5	102.0	2.5%	95.6	9.3%	403.6
<i>EPC as a %age of sales</i>	<i>6.4%</i>	<i>7.2%</i>		<i>6.1%</i>		<i>6.6%</i>
Other Expenses	36.5	37.8	-3.6%	37.4	-2.6%	156.3
<i>Other Expenses as a %age of sales</i>	<i>2.2%</i>	<i>2.7%</i>		<i>2.4%</i>		<i>2.6%</i>
<b>TOTAL EXPENDITURE</b>	<b>1,547.9</b>	<b>1,353.7</b>	<b>14.3%</b>	<b>1,491.8</b>	<b>3.8%</b>	<b>5,820.8</b>
<b>EBIDTA</b>	<b>76.6</b>	<b>66.3</b>	<b>15.6%</b>	<b>77.7</b>	<b>-1.4%</b>	<b>284.0</b>
<i>EBIDTA Margins %</i>	<i>4.7%</i>	<i>4.7%</i>	<i>0.1%</i>	<i>5.0%</i>		<i>4.7%</i>
Finance Costs	22.5	19.5	15.6%	20.6	9.6%	81.2
<b>PBDT</b>	<b>59.2</b>	<b>52.5</b>	<b>12.8%</b>	<b>59.4</b>	<b>-0.3%</b>	<b>218.7</b>
Depreciation	64.6	55.0	17.5%	58.4	10.6%	226.3
<b>PBT before exceptional items</b>	<b>(5.4)</b>	<b>(2.5)</b>	<b>115.2%</b>	<b>1.0</b>	<b>-660.4%</b>	<b>(7.7)</b>
<b>Share of Profit/(loss) of JV</b>	<b>(0.0)</b>	<b>0.0</b>		<b>0.0</b>		<b>(0.0)</b>
<b>Profit before Exception item</b>	<b>(5.4)</b>	<b>(2.5)</b>	<b>118.5%</b>	<b>1.0</b>	<b>-653.1%</b>	<b>(7.7)</b>
<b>PBT</b>	<b>(5.4)</b>	<b>(2.5)</b>	<b>118.5%</b>	<b>1.0</b>	<b>-653.1%</b>	<b>(7.7)</b>
Tax	3.6	5.3	-32.2%	6.2	-42.0%	22.3
<i>Tax Rate</i>	<i>-66.8%</i>	<i>-215.3%</i>		<i>636.7%</i>		<i>-291.1%</i>
<b>Reported Profit After Tax</b>	<b>(9.0)</b>	<b>(7.8)</b>	<b>15.6%</b>	<b>(5.3)</b>	<b>71.9%</b>	<b>(30.0)</b>
<i>PATM %</i>	<i>-0.6%</i>	<i>-0.6%</i>	<i>0.0%</i>	<i>-0.3%</i>		<i>-0.5%</i>
<b>Adjusted Profit After Extra-ordinary item</b>	<b>(9.0)</b>	<b>(7.8)</b>	<b>15.6%</b>	<b>(5.3)</b>	<b>71.9%</b>	<b>(30.0)</b>
Other Comprehensive Income (Net of tax)- net credit / (charge)				0.3		0.1
<b>Total Comprehensive Income</b>	<b>(9.0)</b>	<b>(7.8)</b>	<b>15.6%</b>	<b>(4.9)</b>	<b>82.6%</b>	<b>(29.9)</b>
<b>EPS</b>	<b>(1.3)</b>	<b>(1.1)</b>	<b>15.6%</b>	<b>(0.7)</b>	<b>71.9%</b>	<b>(4.2)</b>
Equity	72.1	72.1		72.1		72.1
Face Value	10.0	10.0		10.0		10.0

Source: Company, Way2Wealth

## SEGMENTAL PERFORMANCE

(₹ crs)						
Particulars	Q1FY26	Q1FY25	VAR	Q4FY25	VAR	FY25
<b>Revenue from Operations</b>	<b>1,626.1</b>	<b>1,421.3</b>	<b>14.4%</b>	<b>1,570.5</b>	<b>3.5%</b>	<b>6,109.8</b>
Supply Chain Management	1,544.3	1,340.0	15.2%	1,490.5	3.6%	5,789.3
<i>% Mix</i>	<i>95.0%</i>	<i>94.3%</i>		<i>94.9%</i>		<i>94.8%</i>
Enterprise Mobility Services	81.9	81.3	0.7%	80.0	2.3%	320.5
<i>% Mix</i>	<i>5.0%</i>	<i>5.7%</i>		<i>5.1%</i>		<i>5.2%</i>
Less : Inter Segment Revenues	1.6	1.3	19.2%	1.0	50.5%	5.0
<b>Total Segment Revenue</b>	<b>1,624.6</b>	<b>1,420.0</b>	<b>14.4%</b>	<b>1,569.5</b>		<b>6,104.8</b>
<b>Profit/Loss Before Interest and Tax</b>	<b>(5.8)</b>	<b>(2.5)</b>	<b>131.2%</b>	<b>0.9</b>	<b>-721.5%</b>	<b>(7.7)</b>
<i>Margin %</i>	<i>-0.4%</i>	<i>-0.2%</i>		<i>0.1%</i>		<i>-0.1%</i>
Supply Chain Management	(10.4)	(4.2)	147.1%	(0.4)	2495.0%	(13.1)
<i>Margin %</i>	<i>-0.7%</i>	<i>-0.3%</i>		<i>0.0%</i>		<i>-0.2%</i>
Enterprise Mobility Services	4.6	1.7	170.6%	1.3	245.9%	5.4
<i>Margin %</i>	<i>5.6%</i>	<i>2.1%</i>		<i>1.7%</i>		<i>1.7%</i>
<b>Net Profit/Loss Before Tax</b>	<b>(5.8)</b>	<b>(2.5)</b>	<b>131.2%</b>	<b>0.9</b>	<b>-721.5%</b>	<b>(7.7)</b>

Source: Company, Way2Wealth

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#### Disclosure of Interest Statement: Mahindra Logistics Ltd. as on 28<sup>th</sup> July 2025

Name of the Security	Mahindra Logistics Ltd.
Name of the analyst	Ashwini Sonawane
Analysts' ownership of any stock related to the information contained	NIL
Financial Interest	
Analyst:	No
Analyst's Relative: Yes / No	No
Analyst's Associate/Firm: Yes/No	No
Conflict of Interest	No
Receipt of Compensation	No
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