Shreeji Shipping Global Ltd.

August 18, 2025

IPO Note

Shreeji Shipping is a seasoned provider of integrated shipping and logistics solutions for dry bulk cargo, operating across various ports and jetties in India and Sri Lanka. As of March 31, 2025, the company commands a fleet of over 80 vessels including barges, mini bulk carriers, tug boats, and floating cranes, alongside more than 370 earthmoving and material handling equipment, enabling end-to-end service delivery. With a legacy spanning over three decades, Shreeji Shipping has built deep expertise in cargo handling, transportation, fleet chartering, equipment rental, and ancillary services. Its cargo handling operations encompass ship-to-ship (STS) lighterage, stevedoring, and comprehensive port services, while its logistics arm offers efficient transportation solutions for dry bulk cargo, from port-to-premise and premise-to-port, catering to the diverse needs of its clients.

Investment Rationale:

Prominent Integrated Shipping and Logistics Player with Strong Operational Footprint:

- 30+ years of experience as a leading integrated shipping and logistics provider in India and Sri Lanka.
- Operates 80+ vessels and 370+ equipment units, offering end-to-end dry bulk cargo services.
- Presence at 20+ ports, including major hubs and strategic non-major ports on India's West Coast, international operations in Sri Lanka and West Africa.
- Indian port cargo volumes grew from 11.62 MMT (FY24) to 13.14 MMT (FY25), cargo handling revenue accounted for 72.23% of FY25 total.
- Positioned to benefit from 10.8% CAGR cargo growth at Indian ports, with Gujarat, Shreeji's key hub projected at 17.5% CAGR.
- Competitive edge supported by strong brand loyalty, integrated services, diversified clients, and robust asset base.

Long-Term Institutional Customer Relationships in Key Sectors:

- Strong institutional B2B client base across Oil & Gas, Energy, FMCG, Coal, and Metals sectors.
- Served 106 customers in FY25 with 92%+ revenue from existing clients, 8 of top 10 clients associated for over 5 years.
- Integrated service offerings enhance client stickiness by meeting complex logistics needs under one roof.
- Plans to diversify into new sectors and geographies, including a 15 year LOI for Floating Crane Facilities at Diamond Harbour, Kolkata.

Cargo Handling Leadership and Effectiveness:

- Largest business vertical offering end-to-end cargo services including ship-to-ship lightering, stevedoring, cargo management, and customs liaison.
- Handled 15.71 MMT cargo in FY25 - 83.65% at Indian ports and 16.35% in Sri Lanka.
- Generates 91.61% of cargo handling revenue from non-major Indian ports, leveraging niche positioning and operational flexibility.
- Enhances efficiency by proactively managing dispatch money and demurrage to optimize turnaround and costs.

Strength of Proprietary Fleet Operations:

- Operates 83 vessels and 376 material handling units (March 2025) with capacities from 38.66 to 2,400 tonnes, supporting diverse cargo and marine transport needs.
- In-house team of 94 ensures efficient fleet maintenance and service reliability.
- Generates additional revenue through fleet chartering and equipment rentals.
- Invested ₹1,621 million over three years in fleet assets, with a gross block of ₹5,455 million in FY25.
- IPO proceeds will fund new vessel acquisitions to expand capacity and improve service quality.

Continued Focus on Cost Optimization and Operational Efficiency:

- Expanding value-added services and integrated logistics to boost margins and customer experience.
- Maximizing asset use via economies of scale and closer supply chain integration, cutting third-party reliance.
- Operates a drydocking yard with quality control and maintenance teams to ensure fleet uptime.
- These efforts reduce costs, improve time management, and enhance service quality.

Proven Track Record of Growth in Financial Performance:

- EBITDA margin grew from 22.8% in FY23 to 33.0% in FY25, PAT margin rose from 14.4% to 23.2% over the same period.
- EBITDA increased from ₹1,887 million in FY23 to ₹2,007 million in FY25, PAT rose from ₹1,189 million to ₹1,412 million over the same period.
- Delivered strong returns with ROE at 42.91% and ROCE at 28.09% in FY25.
- Generated healthy cash flows, averaging ₹1,500 million annually, net operating cash flow was ₹1,388 million in FY25.
- Maintained prudent leverage with debt-to-equity at 0.75x, net debt-to-equity at 0.44x, and a debt service coverage ratio of 15.49x.

Valuation and Outlook: India's cargo handling industry is poised for a structural upcycle, with port volumes projected to grow at a CAGR of 10.8% through FY30, supported by rising EXIM trade, coastal shipping, and government infrastructure push. Gujarat, which accounts for the largest share of cargo movement and is Shreeji's key operational hub, is expected to expand at an even stronger CAGR of 17.5%, underscoring a favourable demand environment. Shreeji has established itself as a leading integrated dry bulk logistics provider with over 30 years of experience, operating a fleet of 80+ vessels and 370+ equipment units across 20+ ports in India, Sri Lanka, and West Africa. Cargo handling operations remain the backbone of the business, contributing 79.39% of FY25 revenues, with volumes rising to 15.71 MMT, while the chartering segment provides additional growth optionality. The company benefits from sticky B2B client relationships, with over 92% of revenues recurring in nature, ensuring visibility and stability in earnings. Shreeji has shown strong financial growth, with EBITDA margin increasing from 22.8% in FY23 to 33.0% in FY25 and PAT margin rising from 14.4% to 23.2%. The company delivered impressive returns with an ROE of 42.91% and ROCE of 28.09% in FY25, supported by consistently healthy cash flow generation. We recommend subscribing to the issue, underpinned by the planned acquisition of dry bulk carriers in the Supramax category, which is expected to enhance capacity, drive operational integration, and position the company to capitalize on the anticipated revival in cargo volumes, offering a compelling long term investment opportunity.

Key Financial & Operating Metrics (Consolidated)

In INR mn	Revenue	YoY (%)	EBITDA	EBITDA %	PAT	EPS	ROE	ROCE
FY23	8269.97	-	1887.13	22.82	1188.85	8.49	58.17	38.05
FY24	7310.03	-11.61	1,978.91	27.07	1245.12	8.89	43.61	35.33
FY25	6,076.13	-16.88	2,006.82	33.03	1,412.37	9.83	42.91	28.09

Issue Snapshot

Issue Open	19-Aug-25
Issue Close	21-Aug-25
Price Band	INR 240 - 252
Issue Size (Shares)	1,62,98,000
Market Cap (mln)	INR 41055

Particulars

Fresh Issue (INR mln)	INR 4107.1
OFS Issue (INR mln)	-
QIB	50%
Non-institutionals	15%
Retail	35%

Capital Structure

Pre Issue Equity	14,66,20,254
Post Issue Equity	16,29,18,254
Bid Lot	58 Shares
Minimum Bid amount @ 240	INR 13920
Maximum Bid amount @ 252	INR 14616

Share Holding Pattern	Pre Issue	Post Issue
Promoters	100.00%	90.00%
Public	0.00%	10.00%

Particulars

Face Value	INR 10
Book Value	INR 46.27
EPS, Diluted	INR 8.67

Objects of the Issue

1. Acquisition of Vessels - INR 2511.79 million

2. Prepayment and Repayment of borrowings - INR 230 million

2. General corporate purposes

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Shreeji Shipping is a seasoned provider of integrated shipping and logistics solutions for dry bulk cargo, operating across various ports and jetties in India and Sri Lanka. As of March 31, 2025, the company commands a fleet of over 80 vessels including barges, mini bulk carriers, tug boats, and floating cranes, alongside more than 370 earthmoving and material handling equipment, enabling end-to-end service delivery. With a legacy spanning over three decades, Shreeji Shipping has built deep expertise in cargo handling, transportation, fleet chartering, equipment rental, and ancillary services. Its cargo handling operations encompass ship-to-ship (STS) lighterage, stevedoring, and comprehensive port services, while its logistics arm offers efficient transportation solutions for dry bulk cargo, from port-to -premise and premise-to-port, catering to the diverse needs of its clients.

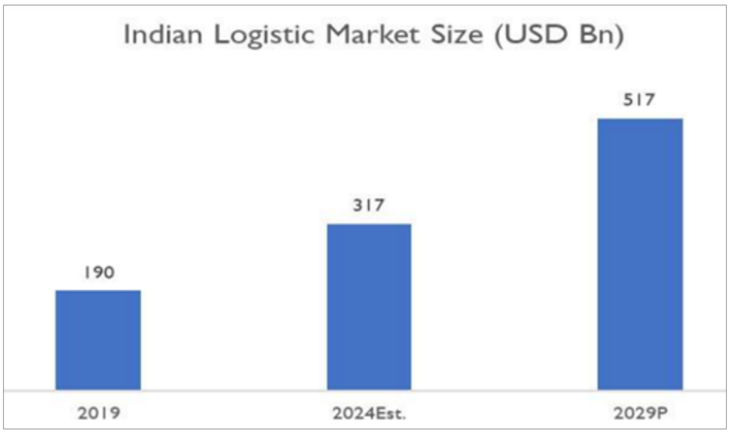
Services offered:

Industry Overview:

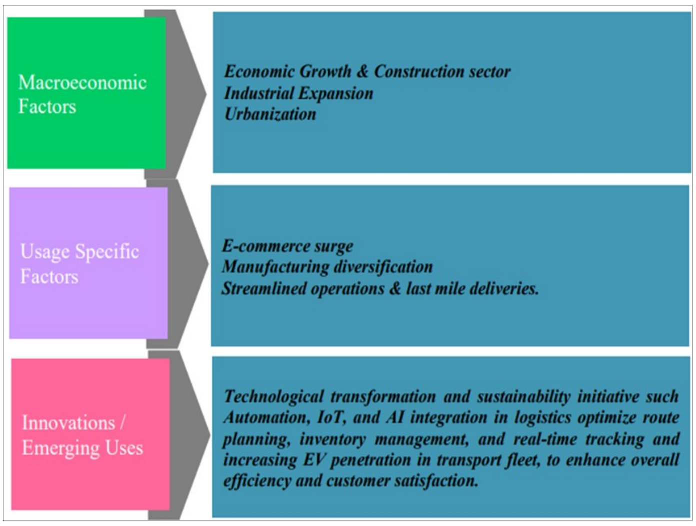
India's logistics sector, among the largest globally, is a critical driver of economic growth, integrating transportation, warehousing, and end-to-end supply chain solutions from suppliers to customers. Over the past three decades, the industry has undergone a significant transformation, accelerated by economic liberalization in the 1990s, which expanded international trade and foreign investment. With over 7,500 km of coastline, well-developed port infrastructure, and a strategic location at the crossroads of major trade routes between Asia, Europe, and Africa, India has emerged as a key global logistics hub, enabling optimized international supply chains.

Valued at USD 317 billion in 2024, the Indian logistics market contributes around 5% to GDP and employs approximately 22 million people. Growth is being fuelled by rapid e-commerce expansion, rising last-mile delivery needs, and rural market penetration. Government reforms such as the Goods and Services Tax (GST) and large-scale infrastructure projects like the Dedicated Freight Corridor (DFC) and Bharatmala have enhanced connectivity and operational efficiency, reducing transit times and streamlining goods movement. Freight transportation remains road-dominated (59% of ton-kilometres), followed by rail (35%), waterways (6%), and air (1%), with ongoing efforts to strengthen multimodal integration.

Technological adoption spanning IoT, AI, blockchain, automation, drones, and driverless vehicles is further transforming operations, enhancing efficiency, and lowering costs. Combined with a young, skilled workforce and rising infrastructure investments, the sector is well-positioned for sustained high growth. This environment creates strong tailwinds for specialized shipping and logistics service providers, such as those catering to bulk cargo handling and multimodal transport, to expand market share and capture long term value.



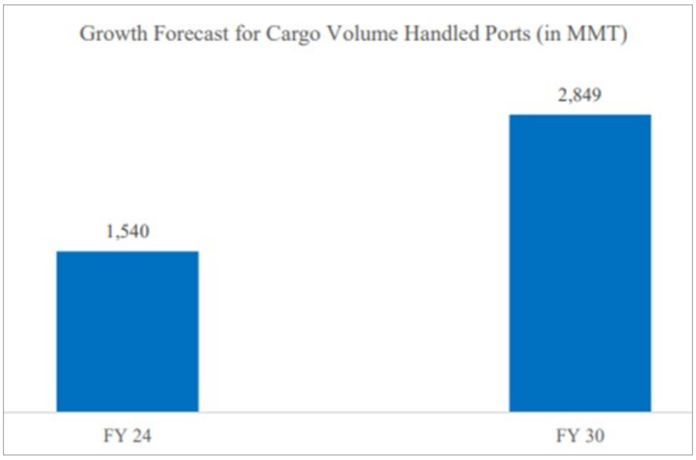
Key growth drivers of the Logistic sector:



India's cargo handling capacity is poised for strong growth, with port volumes projected to rise at a CAGR of 10.80% from 1,540 MMT in FY24 to 2,849 MMT by FY30, driven by expanding trade activity and infrastructure development. Gujarat, a key maritime hub with one major port (Deendayal Port, Kandla) and 48 minor ports, is expected to outpace national growth with cargo volumes increasing from 317.20 MMT to 720 MMT over the same period, at a CAGR of 17.50%. The state's minor ports are strategically positioned to handle specialized cargo such as coal and minerals, complementing India's 7,516.6 km coastline, 12 major ports, and 217 minor ports. Backed by liberalization led trade expansion, strong port infrastructure, and a strategic location in global shipping routes, India's logistics sector spanning transportation, warehousing, and supply chain solutions remains a critical enabler of economic growth and a beneficiary of rising global supply chain integration.

Indian Port Sector Overview:

The Indian port sector is set for sustained expansion, driven by the country's accelerating economic growth, industrialization, and policy push to enhance trade facilitation. Cargo handled at Indian ports is projected to grow from 1,540 MMT in FY24 to 2,849 MMT by FY30, reflecting a healthy CAGR of 10.8%. This growth underscores the sector's pivotal role in supporting India's trade led economic development. Key growth enablers include large scale infrastructure upgrades, port modernization, and capacity expansion programs aimed at improving operational efficiency. The government's 'Make in India' initiative is boosting domestic manufacturing and exports, translating into higher cargo volumes. Additionally, the rapid rise of e-commerce is increasing the need for efficient port logistics and faster cargo handling, positioning the sector for long term structural growth.



SWOT Analysis: Shipping Services Industry

Strengths

- India's strategic geographical position makes it a critical link in global trade routes.
- Competitive operational efficiency, with average container dwell time reduced to 3 days in 2023, outperforming countries like the UAE (4 days), South Africa (4 days), the USA (7 days), and Germany (10 days).
- World-class turnaround times at Indian ports, averaging 0.9 days in 2023, ahead of the USA (1.5 days), Australia (1.7 days), and comparable to Singapore (1.0 days).

Weaknesses

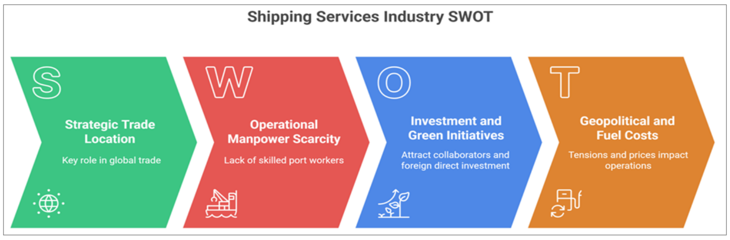
- Shortage of skilled manpower for port operations.
- Operational disruptions due to monsoons and climate change impacts.

Opportunities

- 100% FDI permitted under the automatic route for port and harbor construction and maintenance projects.
- Scope for collaboration in alternate fuels and sustainable practices under India's green shipping initiative.

Threats

- Geopolitical tensions, such as the Red Sea crisis, may disrupt trade flows.
- Rising fuel prices increase transportation and operational costs.
- Port modernization and higher operating expenses present competitive challenges to the lighterage and barging segment.



Overall, the Indian logistics and port sectors are poised for sustained high growth, supported by strong economic fundamentals, government-led infrastructure expansion, and rising trade volumes. Technological advancements, policy reforms, and increasing private participation are enhancing efficiency and capacity, while India's strategic geographic position cements its role as a key player in global trade. This growth environment offers significant opportunities for integrated shipping and logistics service providers to scale operations and capture long-term value.

Investment Rationale:

Prominent Integrated Shipping and Logistics Player with Strong Operational Footprint: Shreeji Shipping has established itself as a leading integrated shipping and logistics solutions provider for dry bulk cargo across India and Sri Lanka, supported by a proven operational track record of over three decades. As of March 31, 2025, the company operates a robust asset base comprising more than 80 vessels including barges, mini bulk carriers (MBCs), tugboats, and floating cranes and over 370 units of earthmoving and cargo-handling equipment such as excavators, pay loaders, tippers, trailers, and tankers. This extensive fleet enables end-to-end cargo handling, transportation, fleet chartering, and equipment rental services, positioning Shreeji as a preferred partner for its B2B clientele.

The company's service footprint spans over 20 ports and jetties, with a strategic focus on non-major ports along India's West Coast, complemented by operations at major Indian ports such as Kandla and overseas presence at Puttalam Port in Sri Lanka. Shreeji has also extended fleet chartering services internationally, including assignments at Konta Port and Boffa Port in Guinea, West Africa. In FY25, 92.84% of revenue was derived from Indian operations, with Sri Lanka contributing the remaining 7.16%.

The company's cargo handling volumes at Indian ports have shown a steady upward trajectory, increasing from 11.62 MMT in FY24 to 13.14 MMT in FY25, following 12.48 MMT in FY23. While revenue from this segment declined from ₹5,177.05 million in FY23 to ₹4,647.85 million in FY24, it stood at ₹4,388.53 million in FY25, reflecting the company's ability to sustain high utilisation levels despite pricing and market dynamics. The share of cargo handling at Indian ports in total operating revenue has grown meaningfully from 62.60% in FY23 to 72.23% in FY25, underscoring the increasing strategic importance of this business segment within the company's overall operations. This trend highlights both the resilience of the core Indian port operations and the company's strengthening foothold in the domestic dry bulk cargo handling market.

Cargo handled at Indian ports:

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Cargo handled at Indian ports (in MMT)	13.14	11.62	12.48
Revenue from cargo handling at Indian ports (₹ in millions)	4,388.53	4,647.85	5,177.05
% of total revenue from operation	**72.23%**	**63.58%**	**62.60%**

Industry tailwinds further enhance Shreeji's growth prospects. Cargo volumes at Indian ports are projected to grow at a CAGR of 10.8% between FY24 and FY30, with ports in Gujarat, one of Shreeji's key operational hubs expected to grow at a faster CAGR of 17.5% during the same period.

Shreeji's competitive advantages are anchored in:

- Brand Strength - Decades-long market presence, high operational efficiency, and on-time delivery have fostered strong customer loyalty, with eight of its top 10 clients maintaining relationships exceeding five years.
- Integrated Service Offering - A comprehensive portfolio covering lightering, stevedoring, cargo management, transportation, fleet chartering, and equipment rentals.
- Diverse and Loyal Customer Base - Serving 106 customers across Oil & Gas, Energy & Power, FMCG, Coal, and Metals sectors, with recurring customers contributing over 92% of revenue in FY25.
- Asset Strength - A sizeable and well maintained fleet providing scale, flexibility, and service reliability.

This combination of deep industry experience, strong asset backing, diversified services, and exposure to high-growth cargo hubs positions Shreeji Shipping to capitalize on India's accelerating maritime and logistics sector expansion.

Long-Term Institutional Customer Relationships in Key Sectors: Shreeji Shipping has established enduring relationships with leading institutional customers across strategically important sectors, including Oil & Gas, Energy & Power, Fast-Moving Consumer Goods (FMCG), Coal, and the Metal Industry. Operating entirely on a B2B model, the company's ability to consistently deliver integrated, high quality, and cost efficient solutions has been central to retaining and expanding its customer base.

Revenue from operations by Industry:

Revenue from operations by Industry type	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount (₹ in millions)	% of revenue from operation	Amount (₹ in millions)	% of revenue from operation	Amount (₹ in millions)	% of revenue from operation
Oil and Gas	1,412.96	23.25%	1,975.69	27.03%	2,323.55	28.10%
Energy and Power	805.63	13.26%	1,072.29	14.67%	909.22	10.99%
Coal	1,069.35	17.60%	571.20	7.81%	583.94	7.06%
Shipping and Logistic	431.09	7.09%	737.49	10.09%	1,554.01	18.79%
FMCG	177.26	2.92%	231.40	3.17%	361.10	4.37%
Metal	-	-	440.73	6.03%	-	-
Steel	-	-	-	-	542.40	6.56%
Other than Top 10 Customers	2,179.84	35.88%	2,281.23	31.21%	1,995.75	24.13%
Total	**6,076.13**	**100.00%**	**7,310.03**	**100.00%**	**8,269.97**	**100.00%**

The company served 106, 102, and 96 customers in FY25, FY24, and FY23, respectively. Of these, 92, 77, and 57 customers were existing relationships, accounting for an impressive 92.21%, 93.87%, and 96.59% of revenues from operations during the same periods. Notably, as of March 31, 2025, eight of the top 10 customers have been associated with Shreeji for over five years, underscoring the trust and operational reliability the company has cultivated over decades.

The company, currently serving customers in the Oil & Gas, Energy & Power, FMCG, coal, and metal industries, plans to diversify into new sectors and geographies by developing solutions and services that enhance customer experience and broaden its market reach. As part of this expansion, it has received a Letter of Intent (LOI) to set up Floating Crane Facilities for cargo and container lightening/topping-up at Diamond Harbour and other deep draft locations under Syama Prasad Mookerjee Port, Kolkata, for a tenure of 15 years.

Total Number of Customers:

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Number of customers served	106	102	96
Of which:			
Existing Customers	92	77	57
New Customers	14	25	39

Shreeji's customer engagements span a wide range of services, including cargo loading and unloading, transportation, fleet chartering, equipment rentals, and other port related solutions. This integrated service model enhances the stickiness of client relationships by addressing complex logistical requirements through a single, coordinated operational framework. Additionally, the depth and tenure of these relationships enable Shreeji to leverage economies of scale, improve purchasing power, and maintain a lower operating cost base, thereby strengthening its competitive advantage in an industry driven by efficiency and reliability.

Cargo Handling Leadership and Effectiveness: Cargo handling remains Shreeji Shipping's largest business vertical, encompassing (i) Ship-to-Ship (STS) lightering services, (ii) stevedoring services, and (iii) other port services including cargo management. The company operates across both all-weather and seasonal ports in India and Sri Lanka, with a strategic focus on non-major ports and jetties, particularly those with significant tidal variations and draft restrictions. While operations extend to major ports such as Kandla, the bulk of activity is concentrated along the west coast of India.

In FY25, Shreeji Shipping handled a total cargo volume of 15.71 MMT, comprising 13.14 MMT (83.65% of total) at Indian ports and 2.57 MMT (16.35% of total) at Sri Lankan ports. Within India, operations were overwhelmingly concentrated at non-major ports, which accounted for 13.09 MMT or 83.27% of total cargo handled, with negligible volumes from major ports and other jetties. This focus on non-major ports has been consistent over the past three years, with their share ranging from 79.58% in FY23 to over 83% in FY25, underscoring the company's strategic positioning in niche port segments that face limited competition and offer operational flexibility. Cargo handled outside India, exclusively in Sri Lanka, has shown steady growth, increasing from 1.38 MMT in FY23 to 2.57 MMT in FY25, contributing meaningfully to volume diversification.

Cargo Handled in and outside India:

Particulars	Fiscal 2024		Fiscal 2024		Fiscal 2023	
	Volume of cargo (in MMTs)	% of total cargo handled	Volume of cargo (in MMTs)	% of total cargo handled	Volume of cargo (in MMTs)	% of total cargo handled
Cargo Handled in India						
Major Ports	0.00	Nil	0.22	1.61%	0.01	0.07%
Non-Major Ports	13.09	83.27%	11.32	82.17%	11.03	79.58%
Other Ports and Jetties	0.06	0.38%	0.08	0.56%	1.44	10.37%
Total (A)	**13.14**	**83.65%**	**11.62**	**84.34%**	**12.48**	**90.02%**
Cargo Handled Outside India						
Sri Lanka	2.57	16.35%	2.16	15.66%	1.38	9.98%
Total (B)	**2.57**	**16.35%**	**2.16**	**15.66%**	**1.38**	**9.98%**
Grand Total (A+B)	**15.71**	**100.00%**	**13.78**	**100.00%**	**13.87**	**100.00%**

In FY25, Shreeji Shipping derived 91.61% of its operating revenue (₹5,566.50 million) from non-major ports, underscoring its dominant presence in this segment. Revenue from major ports contributed a negligible 0.36% (₹22.12 million), reflecting the company's strategic focus away from heavily regulated port infrastructure. Foreign port operations, primarily in Sri Lanka, accounted for 6.99% of revenue (₹424.90 million), slightly lower than the 11.74% share in FY24 but up from 5.12% in FY23. This consistent concentration in non-major ports highlights the company's niche market positioning, operational flexibility, and ability to cater to specialized cargo handling requirements.

Revenue from Major, Non-major and Foreign Ports:

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount (₹ in millions)	% of revenue from operation	Amount (₹ in millions)	% of revenue from operation	Amount (₹ in millions)	% of revenue from operation
Major Ports	22.12	0.36%	97.82	1.34%	763.68	9.23%
Non-Major Ports (including private jetties)	5,566.50	91.61%	6,312.23	86.35%	7,001.36	84.66%
Foreign Ports	424.90	6.99%	857.89	11.74%	423.02	5.12%

Shreeji Shipping's cargo handling segment offers end-to-end services aimed at efficient cargo movement and streamlined customs processes. Key offerings include lightering (ship-to-ship cargo transfer between larger and smaller vessels to navigate draft restrictions), stevedoring (loading and unloading cargo at ports using specialized equipment), and onboard stevedoring (cargo handling directly on ships at sea, particularly for dry bulk). Additionally, the company provides ancillary port services such as cargo management, high heaping, railway rake handling, water sprinkling, and customs liaison, reinforcing its position as a one-stop logistics solutions provider.

In addition to core cargo handling revenues, Shreeji Shipping generates income from dispatch money, which is directly tied to operational efficiency. Dispatch money represents additional earnings achieved by completing loading or unloading ahead of schedule, while demurrage charges are incurred when operations exceed the allotted time, compensating vessel owners for idle periods. The company strategically manages both to minimize delays, reduce demurrage costs, and maximize dispatch earnings, thereby enhancing operational efficiency, cost effectiveness, and overall financial performance.

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Dispatch Money and Demurrage Expenses:

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Dispatch Money Earning (₹ in millions)	149.87	234.08	282.17
As a % of revenue from operations	2.47%	3.20%	3.41%
Demurrage expenses (₹ in millions)	15.66	32.37	33.02
As a % of Cost of Services	0.42%	0.65%	0.55%

Overall, the cargo handling segment remains a cornerstone of Shreeji Shipping's operations, underpinned by a diversified service portfolio, strong presence in non-major ports, and disciplined operational practices. These capabilities not only drive steady volumes and revenues but also reinforce the company's position as a reliable and efficient partner in the regional maritime logistics value chain.

Strength of Proprietary Fleet Operations: The company possesses a diversified fleet comprising self-propelled barges, mini bulk carriers, motor tugs, and floating cranes, supported by comprehensive in-house logistics assets such as material handling machines, excavators, pay loaders, tippers, trailers, and tankers. As of March 31, 2025, a dedicated workforce of 94 permanent employees, including repair and maintenance personnel, mechanics, and engineers, ensures optimal upkeep of the fleet and equipment, thereby enhancing operational efficiency and service reliability.

As of March 31, 2025, the company operated a robust fleet of 83 vessels, comprising 63 self-propelled barges, 5 mini-bulk carriers, 8 motor tugs, and 7 floating cranes. The fleet offers diverse capabilities, including lightering, marine transportation of dry bulk commodities, navigation support for larger vessels, and heavy lifting operations at anchorage. With capacities ranging from 38.66 tonnes for motor tugs to 2,400 tonnes for self-propelled barges, the asset base is well equipped to address varied cargo handling and marine logistics requirements efficiently.

Details of Vessel Fleet:

Particulars	Number of vessels owned	Size/Capacities	Principal uses
Self-Propelled Barges	63	Gross Tonnage: 656.00-1,419.66 Tonnes and Dead Weight Tonnage: 1,050.00-2,400.00 Tonnes	Self-Propelled Barges are used for lightering and marine transportation of goods including Dry Bulk Commodities.
Mini-bulk carriers	05	Gross Tonnage: 1,461.00 Tonnes and Dead Weight Tonnage: 2,250.00 Tonnes	Type of cargo vessel having hatch covers and designed for lightering and marine transportation of goods including Dry Bulk Commodities.
Motor tugs	08	Gross Tonnage: 38.66-247.00 Tonnes	For assisting the navigation and movement of larger vessels, such as ships and barges
Floating cranes	07	Gross Tonnage: 1,021.00-2,176.00 Tonnes	Require due to its heavy lifting capabilities at anchorage for cargo Handling operations
Total Fleet Size	**83**	-	-

As of March 31, 2025, the company owned 376 units of earthmoving and material handling equipment, including 22 material handling machines, 66 excavators, 59 pay loaders, and 192 tippers for efficient port operations and bulk material transport. The fleet also comprised 17 tankers for dust control and port maintenance, 20 other vehicles such as foggers and tractors for transportation and cargo handling, and trailers for moving goods between ships, stockpiles, and other transport modes, ensuring comprehensive in-house logistics and operational capability.

The company primarily deploys its fleet of vessels and earthmoving equipment for its core cargo handling and transportation operations, while also generating additional revenue by offering these assets on a charter basis to other port operators. This dual-use strategy enhances asset utilization and provides a supplementary income stream through fleet chartering and equipment rentals. The company undertakes in-house maintenance and preventive servicing of its fleet of vessels and earthmoving equipment to ensure operational reliability and efficiency, while selectively outsourcing maintenance tasks for vehicles and machines covered under warranty.

Revenue from Fleet Chartering and Equipment Rentals:

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount (₹ in millions)	% of revenue from operations	Amount (₹ in millions)	% of revenue from operations	Amount (₹ in millions)	% of revenue from operations
Fleet Chartering and Equipment Rentals	473.99	7.80%	1,331.66	18.22%	1,737.12	21.01%

Over the three-year period ended March 31, 2025, the company invested ₹1,620.82 million in its fleet of vessels, vehicles, and equipment, with a total gross block of heavy vehicles and equipment reaching ₹5,454.51 million in FY25. While third-party service providers are also engaged, the company remains committed to its asset-based business model to strengthen operational capabilities. In line with its expansion strategy, a portion of the proceeds from this issue will be allocated towards acquiring new vessels to meet customer requirements, improve performance, and enhance the overall service experience.

Continued Focus on Cost Optimization and Operational Efficiency: The Company aims to enhance operating margins by expanding the scope of value-added services, offering solutions that improve customer experience, maximizing asset utilization through economies of scale, increasing integration across logistics networks, and strengthening its focus on dry bulk cargo logistics opportunities.

A number of initiatives have been implemented to drive operational efficiency, including (i) development of an integrated and value-added service portfolio, and (ii) improved utilization of the existing fleet and equipment. In the increasingly competitive shipping and logistics solutions industry, integrated and value-added services are essential to optimize costs, improve time management, reduce supply chain complexities, and enhance quality control and traceability. The Company offers value-added services at multiple stages of the logistics value chain, such as cargo handling, customs clearance, storage management, stevedoring, transportation, and equipment rental. Deployment of heavy assets including reach barges, mini bulk carriers, floating cranes, motor tugs, tippers, material handling machines, and excavators enables efficient loading, unloading, and cargo handling, thereby strengthening end-to-end service capabilities.

The Company also focuses on improving overall asset utilization through economies of scale and greater integration across its logistics networks. Integration with customers' supply chains facilitates cross-selling of additional services and capabilities while reducing customer dependence on third-party service providers. Additionally, the Company operates its own drydocking yard for the marine fleet, supported by a dedicated quality control department and repair and maintenance personnel to ensure regular monitoring and upkeep of equipment, thereby minimizing unplanned operational disruptions.

Proven Track Record of Growth in Financial Performance: Over the last three fiscal years, the company has delivered consistent growth in profitability and operating efficiency, with EBITDA margins improving from 22.82% in FY23 to 33.03% in FY25 and PAT margins improving steadily from 14.38% in FY23 to 23.24% in FY25. EBITDA increased from ₹1,887.13 million in FY23 to ₹2,006.82 million in FY25, while profit for the year grew from ₹1,188.85 million to ₹1,412.37 million, underscoring the resilience of the business model. This sustained margin expansion reflects disciplined productivity enhancement, competitive pricing strategies, and rigorous cost optimisation, enabling the company to maintain strong returns, including a ROE of 42.91% in Fiscal 2025 and a ROCE of 28.09%.

The company has also maintained healthy cash flows and a robust balance sheet, with net operating cash flows averaging over ₹1,500 million during the period, including ₹1,387.89 million in FY25. Leverage remains at prudent levels, with a debt-to-equity ratio of 0.75x and a net debt-to-equity ratio of 0.44x in FY25, supported by a strong debt service coverage ratio of 15.49x, ensuring ample headroom for future growth. This financial strength, combined with operational efficiency and consistent profitability, positions the company well to capitalise on expansion opportunities while maintaining financial flexibility and stability.

Valuation and Outlook: India's cargo handling industry is poised for a structural upcycle, with port volumes projected to grow at a CAGR of 10.8% through FY30, supported by rising EXIM trade, coastal shipping, and government infrastructure push. Gujarat, which accounts for the largest share of cargo movement and is Shreeji's key operational hub, is expected to expand at an even stronger CAGR of 17.5%, underscoring a favourable demand environment. Shreeji has established itself as a leading integrated dry bulk logistics provider with over 30 years of experience, operating a fleet of 80+ vessels and 370+ equipment units across 20+ ports in India, Sri Lanka, and West Africa. Cargo handling operations remain the backbone of the business, contributing 79.39% of FY25 revenues, with volumes rising to 15.71 MMT, while the chartering segment provides additional growth optionality. The company benefits from sticky B2B client relationships, with over 92% of revenues recurring in nature, ensuring visibility and stability in earnings. Shreeji has shown strong financial growth, with EBITDA margin increasing from 22.8% in FY23 to 33.0% in FY25 and PAT margin rising from 14.4% to 23.2%. The company delivered impressive returns with an ROE of 42.91% and ROCE of 28.09% in FY25, supported by consistently healthy cash flow generation. We recommend subscribing to the issue, underpinned by the planned acquisition of dry bulk carriers in the Supramax category, which is expected to enhance capacity, drive operational integration, and position the company to capitalize on the anticipated revival in cargo volumes, offering a compelling long term investment opportunity.

Revenue Decomposition

	FY25		FY24		FY23	
Divisions	**Revenue (₹ million)**	**% of Revenue**	**Revenue (₹ million)**	**% of Revenue**	**Revenue (₹ million)**	**% of Revenue**
Cargo Handling	4823.6	79.39	5065.01	69.29	5434.53	65.71
Transportation	715.93	11.78	871.27	11.92	1016.41	12.29
Fleet Chartering and Equipment Rentals	473.99	7.8	1331.66	18.22	1732.12	21.01
Other operational income	62.61	1.03	42.09	0.58	81.91	0.99
Total	**6076.13**	**100**	**7310.03**	**100**	**8269.97**	**100**

Geographical Revenue

	FY25		FY24		FY23	
Particulars	**Revenue (₹ million)**	**% of Revenue**	**Revenue (₹ million)**	**% of Revenue**	**Revenue (₹ million)**	**% of Revenue**
India	5641.06	92.84	6452.15	88.26	7846.15	94.88
Guinea	-	-	440.73	6.03	166.34	2.01
Sri Lanka	435.07	7.16	417.15	5.71	257.48	3.11
Total	**6076.13**	**100**	**7310.03**	**100**	**8269.97**	**100**

Shreeji Shipping Global Ltd.

August 18, 2025

SMIFS LIMITED
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IPO Note

Income Statement

Y/E (INR mn)	FY23	FY24	FY25
Revenue	8,269.97	7,310.03	6,076.13
Expenses:			
Cost of material consumed	5995.43	4981.65	3719.51
Employee Cost	85.98	88.27	89.42
Total Expenses	6,383.21	5,378.00	4,094.56
EBITDA	1,887.13	1,978.91	2,006.82
EBITDA Margin %	22.82	27.07	33.03
Interest	161.17	111.99	122.65
Depreciation	168.01	202.81	216.51
Other Income	3.32	51.71	28.38
PBT	1,601.73	1,675.45	1,907.47
PAT	1,188.85	1,245.12	1,412.37
EPS	8.49	8.89	9.83

Balance Sheet

Y/E (INR mn)	FY23	FY24	FY25
Source of funds			
Equity Share Capital	1.00	1.00	1466.20
Reserves	2557.07	3150.83	1965.52
Total Share holders funds	2558.07	3151.83	3431.72
Total Debt	1,754.51	1,588.84	2,564.72
Curent Liabilities	2,165.29	1,468.94	3,656.26
Trade Payables	459.42	478.05	444.00
Total Non-Current Liabilities	1,285.81	1,485.73	497.78
Total Liabilities	6,009.71	6,106.50	7,585.76
Application of funds			
Fixed Assets	3610.82	3709.54	3662.68
Capital Work in Progress	-	3.35	262.36
Cash and Bank	36.43	24.49	1152.47
Current Assets	2303.94	2205.70	3464.34
Trade Receivables	1735.19	1564.98	1510.77
Other current assets	116.62	140.24	311.65
Total Assets	6,009.71	6,106.50	7,585.76

Cash Flow

Y/E (INR mn)	FY23	FY24	FY25
Profit Before Tax	1601.73	1675.45	1,907.47
Adjustment	543.08	697.51	92.66
Changes In working Capital	-112.35	-350.25	-312.59
Cash Flow after changes in Working Capital	2032.46	2022.71	1,687.54
Tax Paid	-505.45	-437.13	-299.65
Cash From Operating Activities	1527.01	1585.58	1387.89
Cash Flow from Investing Activities	-413.44	-376.41	-214.80
Cash from Financing Activities	-1120.10	-1221.17	-134.48
Net Cash Inflow / Outflow	-6.53	-12.00	1038.61
Opening Cash & Cash Equivalents	41.08	34.55	22.55
Closing Cash & Cash Equivalent	34.55	22.55	1061.16

Key Ratios

Y/E (INR mln)	FY23	FY24	FY25
Growth Ratio			
Net Sales Growth(%)	-	-11.61	-16.88
EBITDA Growth(%)	-	4.86	1.41
PAT Growth(%)	-	4.73	13.43
Margin Ratios			
EBITDA	22.82	27.07	33.03
PBT	19.37	22.92	31.39
PAT	14.38	17.03	23.24
Return Ratios			
ROA	-	20.55	20.63
ROE	58.17	43.61	42.91
ROCE	38.05	35.33	28.09
Turnover Ratios			
Asset Turnover(x)	-	1.21	0.89
Inventory Turnover(x)	-	48.48	31.59
Fixed Asset Turnover (x)	2.29	1.97	1.55
Solvency Ratios			
Debt/Equity(x)	0.69	0.50	0.75
Current Ratio(x)	1.06	1.50	0.95
Quick Ratio(x)	1.01	1.38	0.89
Interest Cover(x)	10.94	15.96	16.55
Valuation Ratios			
P/E	-	-	25.64
P/B	-	-	5.45
EV/EBITDA	-	-	21.16
EV/Sales	-	-	6.99

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