

## ALLCARGO LOGISTICS LTD (ALL) - REDUCE

### Q4FY26 Result Update

Current Market Price (CMP) <b>Rs. 9.2</b>	Fair Value (FV) <b>Rs.9</b>
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### Rationale:

- Allcargo Group has executed a corporate overhaul to simplify its corporate structure and streamline capital allocation.
- Domestic express (Gati) and contract logistics fall under Allcargo logistics.
- Q4FY26 performance excludes CFS/ICD division, Asset heavy Equipment, International freight forwarding & Logistics Parks business.
- The remaining continuing operations of Express Logistics and Contract Logistics reported revenue of Rs 514 cr (+0.2% yoy) in Q4.
- Express Logistics was stable, while Contract Logistics has done well during the quarter.
- Core operational EBITDA improved, the reported Net Profit (PAT) was weighed down.
- We reduce estimates, and Recommend REDUCE with a revised TP of Rs 9 at 15x P/E FY28E earnings.

### Positives:

- Revenue from operations stood at Rs 514 cr (+.2% yoy).
- Gross Profit from operations was reported at Rs 154 cr (+3% yoy).
- Realization per ton was reported at Rs 12,037 (+3% yoy).

### Negatives:

- Net profit was slightly below our estimates.
- Depreciation and interest cost were higher during the quarter



The content of this document has been derived from Kotak Securities PCG research report. Kotak's PCG Research has summarized the report (Research Team: shrikant.chouhan@kotak.com). Readers who wish to access the complete report are kindly requested to contact their respective Relationship Manager. Further, the recipient of this material should take their own professional advice before investing.

Holding Period: 12 months

## RATING SCALE (PRIVATE CLIENT GROUP)

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<b>BUY</b>	– We expect the stock to deliver more than 15% returns over the next 12 months
<b>ADD</b>	– We expect the stock to deliver 5% - 15% returns over the next 12 months
<b>REDUCE</b>	– We expect the stock to deliver -5% - +5% returns over the next 12 months
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<b>NR</b>	– <b>Not Rated.</b> Kotak Securities is not assigning any rating or price target to the stock. The report has been prepared for information purposes only.
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<b>NA</b>	– <b>Not Available or Not Applicable.</b> The information is not available for display or is not applicable
<b>NM</b>	– <b>Not Meaningful.</b> The information is not meaningful and is therefore excluded.
<b>NOTE</b>	– Our target prices are with a 12-month perspective. Returns stated in the rating scale are our internal benchmark.

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