

**Jul-Sep'26
Earnings
Preview**

Logistics

October 07, 2026

Coverage Universe

Name of the Company	Rating	CMP (INR)	TP (INR)
Delhivery	BUY	408	532
Mahindra Logistics	BUY	416	527
TCI Express	HOLD	501	567

Steady quarter despite wage & fuel inflation headwinds

Quick Pointers

- DELHIVER IN's margin pressure to ease a bit as wage and fuel inflation pass through starts materializing
- TCIEXP IN to report mid-single-digit growth in volumes while MAHLOG IN's B2B express division on the verge of EBITDA breakeven

For our coverage universe, we expect revenue growth of 15.6% YoY in 2QFY27E led by DELHIVER IN amid strong uptick in B2C and PTL volumes. Even MAHLOG IN is expected to report decent performance given M&M's auto volumes (ex-exports) were up 15.4% YoY, coupled with improving traction in the B2B express business. As for TCIEXP IN, growth momentum is likely to continue, and volumes are expected to increase by 6.5% YoY to 2.66 lakh tons. On the other hand, EBITDA of our coverage universe is likely to increase by 75.1% YoY led by 1) healthy volume growth in DELHIVER IN's B2C and PTL division and 2) improvement in profitability profile of MAHLOG IN's B2B express division. While fuel and wage inflation pass through clauses have been activated, full benefit is likely to be visible from 2HFY27E.

Top pick: MAHLOG IN remains our top pick in logistics space and we retain 'BUY' on the stock with TP of INR527 (13x Sep-28E pre-IND AS EBITDA) amid 1) anticipated turnaround in the B2B express business, 2) change of guard at the top level, and 3) improvement in BS health post rights issue.

DELHIVER IN's margin pressure likely to ease a bit: DELHIVER IN's topline is expected to grow by 17.6% YoY to INR30,099mn led by 17.3%/20.2% YoY growth in B2C/PTL segments. The B2C parcel volumes are expected to remain flat sequentially at 323mn but expected to grow 31.5% YoY, indicating consolidation of market share post-acquisition of Ecom Express. Further, growth momentum in the PTL business is expected to continue with volumes anticipated to rise by 14.5% YoY to 5.5 lakh tons.

With fuel and wage inflation pass through clauses getting activated, margin pressure is likely to ease a bit on sequential basis. Thus, we expect service EBITDA margin of B2C/PTL division to be at 16.5%/12.0% in 2QFY27E. Consequently, we expect adjusted EBITDA margin of 3.6% in 2QFY27E (2.6%/3.2% in 1QFY27/2QFY26) after accounting for losses of INR340mn from new business initiatives. Given the sharp correction in stock price, we upgrade DELHIVER IN from "HOLD" to "BUY" with TP of INR532 as we roll forward our valuation to Sep-28E (30x Sep-28E pre-IND AS EBITDA; earlier 35x).

Volume growth remains in favor of TCIEXP IN: We expect volume growth of 6.5% YoY to 2.66 lakh tons for the quarter while realization is expected to witness a marginal uptick of 1.5% YoY to INR12.5/kg. EBITDA margin is likely to be at 10.7%. Retain "HOLD" on the stock with a TP of INR567 as we roll forward to Sep-28E (16.5x Sep-28E EPS; earlier 19x).

MAHLOG IN's B2B express division on the verge of EBITDA breakeven: We expect MAHLOG IN to report 13.8% YoY growth in topline led by steady performance in the core 3PL segment. Revenue from MLL mobility and B2B express businesses is expected to increase at a healthy pace, while the freight forwarding segment is set to face headwinds due to the Middle East crisis. We expect B2B express segment to achieve EBITDA breakeven in the quarter. Consolidated EBITDA margin is expected to be at 5.7%. After reporting a positive bottom-line in 3QFY26, we expect MAHLOG IN to continue with the momentum and report PAT of INR199mn in 2QFY27E. We maintain 'BUY' on the stock with TP of INR527 as we roll forward to Sep-28E (13x Sep-28E pre-IND AS EBITDA; earlier 14x).

Exhibit 1: Q2FY27 Result Preview (INR mn)

Company Name		Q2FY27	Q2FY26	YoY gr. (%)	Q1FY27	QoQ gr. (%)	Remark
Delhivery	Sales	30,099	25,593	17.6	29,307	2.7	For Delhivery, we expect revenues to increase by 17.6% YoY to INR30,099mn led by healthy growth in the B2C & PTL segments. Further, EBITDA margin is expected to get some respite as fuel pass through clauses are activated and wage inflation led negotiations with clients have been culminated. We expect EBITDA margin of 6.1% with a PAT of INR635mn.
	EBITDA	1,821	682	167.1	1,422	28.1	
	Margin (%)	6.1	2.7	339 bps	4.9	120 bps	
	PBT	617	(566)	NA	332	85.6	
	Adj. PAT	635	395	60.7	489	29.8	
Mahindra Logistics	Sales	19,187	16,853	13.8	20,029	(4.2)	Mahindra Logistics is expected to report revenues of INR19,187mn (up 13.8% YoY) with an EBITDA margin of 5.7% led by healthy performance in the core 3PL segment and B2B segment. Consequently, we expect PAT to be at INR199mn.
	EBITDA	1,094	851	28.5	1,154	(5.2)	
	Margin (%)	5.7	5.0	65 bps	5.8	-6 bps	
	PBT	286	(54)	NA	391	(27.0)	
	Adj. PAT	199	(103)	NA	254	(21.7)	
TCI Express	Sales	3,335	3,085	8.1	3,134	6.4	Revenue is expected to increase 8.1% YoY to INR3,335mn as volumes are expected to increase by 6.5% YoY. GM is anticipated to be at 27.8% for the quarter. EBITDA/PAT is estimated to increase/decline by 6.1%/5.0% YoY to INR356mn/227mn, respectively.
	EBITDA	356	335	6.1	314	13.2	
	Margin (%)	10.7	10.9	-20 bps	10.0	63 bps	
	PBT	306	320	(4.2)	276	10.8	
	Adj. PAT	227	239	(5.0)	205	10.9	

Source: Company, PL

Exhibit 2: Valuation Summary

Company Name	C/S	Rating	CMP (INR)	TP (INR)	Mcap (INR bn)	Sales (INR mn)				EBITDA (INR mn)				Adj. PAT (INR mn)				EPS (INR)				RoE (%)				PE (x)			
						FY26	FY27E	FY28E	FY29E	FY26	FY27E	FY28E	FY29E	FY26	FY27E	FY28E	FY29E	FY26	FY27E	FY28E	FY29E	FY26	FY27E	FY28E	FY29E	FY26	FY27E	FY28E	FY29E
Delhivery	C	BUY	408	532	305.1	1,05,083	1,24,382	1,47,259	1,69,579	6,400	8,453	14,153	18,740	3,345	3,896	9,691	10,398	4.5	5.2	12.9	13.9	3.5	3.9	9.2	9.0	91.2	78.3	31.5	29.3
Mahindra Logistics	C	BUY	417	527	41.3	69,993	81,553	92,233	1,03,817	3,765	4,986	5,967	6,901	47	1,146	1,741	2,151	0.5	11.5	17.5	23.8	0.6	9.4	13.0	14.3	885.9	36.1	23.7	17.5
TCI Express	C	HOLD	501	567	19.3	12,374	13,439	14,732	16,297	1,253	1,496	1,781	2,231	797	958	1,164	1,476	20.8	25.0	30.3	57.6	10.1	11.3	12.6	14.5	24.1	20.1	16.5	8.7

Source: Company, PL C=Consolidated / S=Standalone

Exhibit 3: Change in Estimates

	Rating		Target Price			Sales (INR mn)						PAT (INR mn)						EPS (INR)					
						FY27E			FY28E			FY27E			FY28E			FY27E			FY28E		
	C	P	C	P	% Chng.	C	P	% Chng.	C	P	% Chng.	C	P	% Chng.	C	P	% Chng.	C	P	% Chng.	C	P	% Chng.
Delhivery	BUY	HOLD	532	503	5.8%	1,24,382	1,23,841	0.4%	1,47,259	1,46,607	0.4%	3,896	3,781	3.0%	9,691	9,525	1.7%	5.2	5.1	3.0%	12.9	12.7	1.7%
Mahindra Logistics	BUY	BUY	527	507	3.9%	81,553	81,553	0.0%	92,233	92,233	0.0%	1,146	1,146	0.0%	1,741	1,741	0.0%	11.5	11.5	0.0%	17.5	17.5	0.0%
TCI Express	HOLD	HOLD	567	576	-1.5%	13,439	13,439	0.0%	14,732	14,732	0.0%	958	958	0.0%	1,164	1,164	0.0%	25.0	25.0	0.0%	30.3	30.3	0.0%

Source: Company, PL C=Consolidated / S=Standalone

Analyst Coverage Universe

Sr. No.	Company Name	Rating	TP (INR)	Share Price (INR)
1	Apeejay Surrendra Park Hotels	BUY	156	112
2	Chalet Hotels	BUY	991	805
3	Delhivery	HOLD	503	473
4	DOMS Industries	BUY	2783	2067
5	Flair Writing Industries	BUY	397	228
6	Imagicaaworld Entertainment	BUY	62	47
7	Indian Railway Catering and Tourism Corporation	BUY	706	507
8	InterGlobe Aviation	Hold	4520	5024
9	Lemon Tree Hotels	BUY	143	108
10	Mahindra Logistics	Buy	507	391
11	Nazara Technologies	BUY	378	353
12	PVR Inox	BUY	1307	1064
13	Safari Industries (India)	Buy	1953	1505
14	Samhi Hotels	BUY	201	174
15	TCI Express	HOLD	576	580
16	V.I.P. Industries	SELL	246	308
17	Zee Entertainment Enterprises	BUY	116	94

PL's Recommendation Nomenclature (Absolute Performance)

BUY	: > 15%
Accumulate	: 5% to 15%
Hold	: +5% to -5%
Reduce	: -5% to -15%
Sell	: < -15%
Not Rated (NR)	: No specific call on the stock
Under Review (UR)	: Rating likely to change shortly

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