IPO REVIEW

Glottis IPO

By **Dilip Davda** · SEBI Registered Research Analyst · Reg. No. INH000003127 Reviewed on 27 September 2025

- The company is engaged in providing multi-modal integrated logistics solutions.
- It is operating in a highly competitive and fragmented segment.
- It posted growth in its top and bottom lines for the reported periods with extraordinary earnings for FY25, that surprises all.
- Based on its recent financial data, the issue appears fully priced, discounting all near term positives.
- Well-informed investors may park moderate funds for medium to long term.

About the Company

Glottis Ltd. (GL) offers multi-modal integrated logistics solutions, which include end to end transportation solutions through ocean, air and road logistics services. The Company delivers end-to-end logistics solutions with multimodal capabilities across verticals to optimize the movement of goods across geographies including (i) ocean freight forwarding (project cargo load and full container load, import as well as export); (ii) air freight forwarding (import as well as export); (iii) road transportation; along with other ancillary services, including warehousing, storage, cargo handling, third-party logistics (“3PL”) services and custom clearance, among others. It has handled ~112,146 TEUs of imports through ocean during the Fiscal 2025.

The company integrates services of Intermediaries and in-house infrastructure, to offer start to finish logistical solutions to customers. GL’s service offerings coupled with the capabilities of Intermediaries enable it to offer assistance in geographically dispersed locations, while modifying operating volumes, optimizing loads and maintaining flexibility in handling capacity variations depending on customers’ requirements. It has a track record of mobilizing large volumes of cargo for customers engaged in various industries. GL’s ability to mobilize higher volumes is on account of widespread network of international freight forwarding agencies, who provide it insights on available carriers, route management and globally prevalent freight forwarding rates, which enhances its capabilities of committing carrier spaces in advance at competitive rates, thereby offering commitment of delivery.

Owing to the aforementioned measures taken by the Company to anticipate demand, its pre-books shipping slots to guarantee capacity and negotiate favorable rates with carriers, resulting in higher margins. For urgent requests, the company books available slots on short notice, ensuring flexibility and reliability. Pre-booking cargo allows it to stay ahead of the competition by accommodating both scheduled and last-minute delivery requests, leveraging its volume share to negotiate higher margins. Further, due to minimal cancellations, its pricing remains unaffected, allowing it to maintain

consistent margins. This stability enables GL to offer predictable costs to customers, fostering long-term relationships and trust.

The logistics industry in India is highly competitive, dominated by a large number of unorganized players. (Source: Company Commissioned 1Lattice Report). In comparison to the unorganized players, the company offers customers an organized and structured mechanism for document handling, custom clearance, tracking of shipment and grievance management. For each import or export shipment undertaken by it, the company prepares a daily report which provides an update on the latest completed process, along with the next scheduled step, which keeps the customer informed and enables them to plan and manage their operations more effectively.

Furthermore, its track record of handling ~112,146 TEUs of imports through ocean during the Fiscal 2025, coupled with its widespread network of international freight forwarding agencies, has given it the required experience and knowledge of executing orders for the renewable energy industry, which involve transportation of sensitive as well as specialized products. Its capabilities of handling complex cargo and ability to mobilize volumes has given it a competitive edge, and has garnered industry recognition. With global footprint and expertise in handling complex supply chains, Glottis serves customers across multiple industries, with particular emphasis on energy infrastructure and renewable energy projects. It has over the years built a track record of offering freight forwarding services to varied industries including renewable energy industry, engineering products, home appliances, granite and minerals, timber and other industries including agro, automobile chemicals, textiles, machineries among others and have been increasing share of wallet from existing customers by offering freight forwarding services for products forming part of their supply chain.

Its revenue streams in the renewable energy industry come from leading power producers in renewable energy landscape, encompassing solar, wind, hydro, and other clean energy sources. Beyond power generation companies, its freight management services also extend to Intermediaries throughout the renewable energy supply chain, including solar glass manufacturers, manufacturers of energy components such as, solar cells, solar wafers, trackers, among others, and consolidators of intelligent power systems designed to mitigate high nonrenewable energy costs, etc.

As on date of this Red Herring Prospectus, GL operates PAN-India through a network of 8 branch offices in New Delhi, Gandhidham, Kolkata, Mumbai, Tuticorin, Coimbatore, Bengaluru and Cochin; and registered and corporate offices in Chennai to cover major transportation hubs. It has over the years also spread operations across countries, including but not limited to, Europe, North America, South America, Africa, Middle East and Asian Countries through arrangements with local freight forwarding agents in such countries. Growing logistics, and freight needs has led to the Company’s expansion into new markets like Europe, African, Central & South America, Canada, Mediterranean, Middle East and Australia. We have handled ~112,146 TEUs of imports through oceans during the Fiscal 2025.

Issue Details / Capital History

The company is coming out with its maiden book building route combo IPO of equity shares worth Rs. 307.00 cr. – (approx. 23798741 equity shares at the upper cap). The issue comprises fresh equity issue worth Rs. 160 cr. (approx. 12403101 shares at the upper cap), an Offer for Sale (OFS) of 11395640 equity shares (worth Rs. 147.00 cr. at the upper cap). The company has announced a price band of Rs. 120 – Rs. 129 per equity shares of Rs. 2 each. The issue opens for subscription on September 29, 2025, and will close on October 01, 2025. The minimum application to be made is for 114 shares and in multiples thereon, thereafter. Post allotment, shares will be listed on BSE and NSE. The issue constitutes 25.76% of the post-IPO paid-up equity capital. From the net proceeds of the IPO, the company will utilize Rs. 132.54 cr. for capex requirements for purchase of commercial vehicles and containers, and the rest for general corporate purposes.

The sole Book Running Lead Manager (BRLM) to this issue is Pantomath Capital Advisors Pvt. Ltd., while KFin Technologies Ltd., is the registrar to the issue. Asit C Mehta Investment Interrmediates Ltd. is a syndicate member.

After issuing initial equity shares at par, the company issued bonus shares in the ratio of 15 for 1 in June 2024. The average cost of acquisition of shares by the promoters/selling stakeholders Rs. 0.02 per share.

Post-IPO, its current paid-up equity capital of Rs. 16.00 cr. will stand enhanced to Rs. 18.48 cr. Based on the upper cap of the IPO price band, the company is looking for a market cap of Rs. 1192.00 cr.

Financial Performance

On the financial performance front, for the last three fiscals, the company has posted a total income/net profit, of Rs. 478.77 cr. / Rs. 22.44 cr. (FY23), Rs. 499.39 cr. / Rs. 30.96 cr. (FY24), and Rs. 942.55 cr. / Rs. 56.14 cr. (FY25). The company posted almost static top lines for FY23 and FY24, but bottom line marked growth. Top and bottom lines spurted for FY25.

For the last three fiscals, the company has posted an average EPS of Rs. 5.97 and an average RoNW of 62.35%. The issue is priced at a P/BV of 10.47 based on its NAV of Rs. 12.32 as of March 31, 2025, and at a P/BV of 4.61 based on its post-IPO NAV of Rs. 27.98 per share (at the upper cap).

If we attribute FY25 earnings to its post-IPO fully diluted paid-up equity capital, then the asking price is at a P/E of 21.22. Based on FY24 earnings, the P/E stands at 38.51. Thus, the issue appears fully priced.

The company has shown PAT margins of 4.69% (FY23), 6.23% (FY24), 5.97% (FY25), and RoCE margins of 256.67%, 95.91%, 72.58%, respectively for the referred periods.

Dividend Policy

The company has not paid any dividends for the reported periods of the offer document. It has already adopted a dividend policy in August 2024, based on its financial performance and future prospects.

Comparison with Listed Peers

As per the offer document, the company has shown Allcargo Logi, TCI, as their listed peers. They are currently trading at a P/E of NA and 21.8 (As of September 25, 2025). However, they are truly not comparable on an apple-to-apple basis.

Merchant Banker's Track Record

This is the 15th mandate from Pantomath Capital in the last three fiscals (including the ongoing one). Out of the last 14 listings, 1 opened a par and the rest with premium ranging from 1.18% to 90.91% on the listing date.

Conclusion / Investment Strategy

GL is engaged in providing multi-modal integrated logistics solutions. It is operating in a highly competitive and fragmented segment. It posted growth in its top and bottom lines for the reported periods with extraordinary earnings for FY25, that surprises all. Based on its recent financial data, the issue appears fully priced, discounting all near term positives. Well-informed investors may park moderate funds for medium to long term.

About Dilip Davda

Dilip Davda is a veteran financial journalist associated with the Indian stock market since 1978. He has been contributing to print and electronic media on capital markets, insurance, and finance since 1985. He is widely recognized for reviewing public issues and non-convertible debentures (NCDs) in the primary market, with a special emphasis on SME public issues.

SEBI Registered Research Analyst – Mumbai · Registration No.: INH000003127 (Perpetual)

Disclaimer: The information provided herein is solely for educational and informational purposes and does not constitute an offer, solicitation, or recommendation to buy or sell any securities. Readers are advised to consult a qualified financial advisor before making any investment decisions. Investments in the securities market are subject to market risks. The author does not intend to invest in the securities discussed.