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## **ABOUT COMPANY:**

Committed Cargo Care Ltd. (CCCL) is a 3PL (third-party Logistic) provider that specializes in handling Import and Export Cargo and provides integrated services to customers. The Company started its operations as a Clearing House Agent. Committed Group has established its hub in Delhi, Mumbai, Chennai, Jaipur, Ludhiana, and Agra, and a reliable network of associate offices in India and the world over and is also an accredited member of FIATA, The Air Cargo Agent Association of India (ACAAI) and International Air Transport Association (IATA).

CCCL provides integrated logistics services such as cargo management solutions, order management, international freight management, customs and cross-border movement, heavy and over-dimensional cargo movement, etc. Its well-established network and tracking software enable it to provide fast and reliable information to clients. Thus, capable of handling - packaging, warehousing, freight forwarding, customs clearance of export and import cargo of commercial consignments, diplomatic and non-diplomatic consignments, special services, and forwarding of cargos, with an objective to provide the most convenient and cost-effective transportation method by air, courier, sea, and road any time & anywhere around the globe. The company is able to provide all sorts of logistics solutions under one roof.

Its customers operate in various sectors across India, including automotive and heavy engineering, telecom, food and agro, fast-moving consumer goods ("FMCG"), paint, handicrafts, e-commerce products, garments, pharma and dairy. Over the years, it nurtured capabilities and specialized in the segment of project logistics where CCCL takes care of end-to-end pickup, clearance, and delivery for all kinds of heavy and over-dimensional cargo. Project cargo is a specialized activity requiring detailed planning, scheduling, and technical expertise.

## **FINANCIAL PERFORMANCE:**

On the financial performance front, for the last three fiscals, CCCL has posted a total income/net profit of Rs. 113.86 cr. / Rs. 2.32 cr. (FY21), Rs. 146.12 cr. / Rs. 3.09 cr. (FY22), and Rs. 122.43 cr. / Rs. 5.33 cr. (FY23). For 1M of FY24, it earned a net profit of Rs. 0.54 cr. on a total income of Rs. 9.59 cr. According to the management, during the Pandemic period, freight rates skyrocketed and that was attributed to the surge in the top line.

For the last three fiscals, CCCL has reported an average EPS of Rs. 5.39 and an average RoNW of 15.51%. The issue is priced at a P/BV of 1.98 based on its NAV of Rs. 38.82 as

of April 30, 2023, and at a P/BV of 1.55 based on its post-IPO NAV of Rs. 49.77 per share.

If we attribute annualized FY24 earnings to the post-IPO fully diluted paid-up equity capital of the company, then the asking price is at a P/E of 12.84. **The issue appears fully priced based on its annualized FY24 earnings.**

The company has posted PAT margins of 2.04% (FY21), 2.11% (FY22), 4.36% (FY23), and 5.64% (1M-FY24), and RoCE margins of 15.80%, 17.52%, 24.06%, and 2.43% respectively for the corresponding periods.

As per the management, since things have started to be back to normal, the freight rates are at realistic levels, and because of it, the top-line declined, but for real profits, tonnage is most important and that has marked growth over the pandemic period scale. The company also gave thrust on custom brokerage services which emerged as the high margin activity for them and this trend will continue going forward. In the next two to three years the company mulls a Pan-India presence with its niche services.

## Committed Cargo Care IPO Details

<b>IPO Date</b>	<b>October 6, 2023 to October 10, 2023</b>
<b>Listing Date</b>	[.]
<b>Face Value</b>	₹10 per share
<b>Price</b>	₹77 per share
<b>Lot Size</b>	1600 Shares
<b>Total Issue Size</b>	3,244,000 shares (aggregating up to ₹24.98 Cr)
<b>Fresh Issue</b>	3,244,000 shares (aggregating up to ₹24.98 Cr)
<b>Issue Type</b>	Fixed Price Issue IPO
<b>Listing At</b>	NSE SME
<b>Share holding pre issue</b>	7,569,600
<b>Share holding post issue</b>	10,809,600

## Conclusion

Based on FY24 annualized earnings, the issue appears fully priced. Investors may SUBSCRIBE for the IPO from medium to long term perspective.

Disclosure:

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