

Company Overview

Om Freight Forwarders Limited (OFFL) is a third-generation integrated logistics solutions provider, headquartered in Mumbai, with its operations consolidated under the current brand since 1995. Over the years, the company has evolved into a full-scale third-party logistics (3PL) service provider, offering end-to-end multimodal solutions spanning sea, air, road, and rail. Its comprehensive portfolio includes international freight forwarding, customs clearance, vessel agency services, warehousing, distribution, and project logistics, allowing customers to engage with a single partner for their entire supply chain. A key area of expertise for OFFL lies in handling complex and specialised cargo segments such as over-dimensional (ODC), heavy-lift, breakbulk, sensitive, and dry bulk cargo. The company has successfully managed transportation of high-value and large-scale equipment for sectors including infrastructure, power, oil & gas, and mining, often on a turnkey contract basis. In FY25, FY24, and FY23, it handled cargo volumes of 66.86 MMT, 66.78 MMT, and 21.06 MMT, respectively, demonstrating strong operational capability and scalability. The company operates through a domestic network of 28 branches across India and maintains an international reach spanning more than 800 destinations through alliances with global logistics providers. Its operations follow a hybrid asset strategy, combining 135 owned vehicles and equipment, including trailers, cranes, forklifts, payloaders, tippers, and vessels, with services from 22 logistics partners who supply additional vehicles and resources as required. In FY25, OFFL served over 1,700 customers across diverse industries such as minerals, steel, coal, oil and gas, energy, FMCG, and EPC & infrastructure. The company's service portfolio covers multimodal transportation via sea, air, road, and rail, supported by integrated offerings that include freight forwarding, customs clearance, warehousing, distribution, vessel agency, and project cargo handling.

Issue Details

Offer Period	29th Sept, 2025 - 03rd Oct, 2025
Price Band	Rs. 128 to Rs. 135
Bid Lot	111
Listing	BSE & NSE
Issue Size (no. of shares in mn)	9.1
Issue Size (Rs. in bn)	1.2
Face Value (Rs.)	10

Issue Structure

QIB	50%
NIB	15%
Retail	35%

BRLM	Smart Horizon Capital Advisors Private Limited
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Registrar	Bigshare Services Private Limited
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Particulars	For the Year ended					
	FY23		FY24		FY25	
	Amount (Rs. in millions)	% of revenue from operations	Amount (Rs. in millions)	% of revenue from operations	Amount (Rs. in millions)	% of revenue from operations
Freight Forwarding Service	1,664	35.5%	1,141	28.0%	2,544	52.1%
CHA Activity	2,442	52.0%	2,383	58.4%	846	17.3%
Vessel Agency Service	287	6.1%	462	11.3%	704	14.4%
Transportation Services	92	2.0%	0	0.0%	488	10.0%
Warehousing and Distribution	7	0.2%	5	0.1%	0	0.0%
Other Value-Added Services	202	4.3%	93	2.3%	298	6.1%
Total	4,693	100%	4,084	100%	4,882	100%

In FY25, OFFL handled a total cargo volume of 67 MMTs. Bulk cargo accounted for the largest share at 66 MMTs (98.4%), followed by break bulk cargo at 1 MMT (1.2%) and liquid bulk cargo at 0.2 MMT (0.4%).

Particulars	Pre Issue %	Post Issue %
Promoter & Promoter Group	99.0%	72.2%
Public	1.0%	27.8%
Total	100.0%	100.0%

(Assuming issue subscribed at higher band)

Research Team - 022-61596138

Om Freight Forwarders Ltd.

Objects of the issue

The company proposes to utilise net proceeds from the issue towards the following objects:

- ⇒ Funding of capital expenditure requirements of the company related to the acquisition of commercial vehicle and heavy equipment;
- ⇒ General corporate purposes.

Out of the total issue size of Rs. 1,223 million, Rs. 979 million comprises OFS.

Investment Rationale

Proven track record and diversified client base to strengthen competitive edge

The company combines a long-standing track record in logistics with robust operational standards, validated through ISO certifications in quality (ISO 9001:2015), environmental management (ISO 14001:2015), and occupational health & safety (ISO 45001:2018). The company's strong customer relationships underpin revenue stability, with over 75% of FY25 revenues coming from repeat clients and several top customers having partnerships exceeding five years. At the same time, OFFL continues to expand its client base, adding 890 new customers in FY25 alone, demonstrating its ability to scale across industries and geographies. While a significant portion of its business comes from minerals, mining, and steel, the company is strategically targeting high-growth sectors such as FMCG, automotive, and oil & gas, offering tailored solutions to diversify its revenue streams. Together, these factors of operational excellence, sticky customer relationships, consistent client acquisition, and targeted sectoral diversification position OFFL to sustain growth and enhance its competitive standing in the logistics industry.

Strategic infrastructure expansion and technology integration to drive operational efficiency and margin growth

OFFL has established a robust in-house logistics infrastructure, underpinned by a diverse fleet of specialized equipment, including cranes, forklifts, trailers, payloaders, tippers, and vessels. As of March 31, 2025, a dedicated team of 134 skilled equipment operators ensures operational readiness, minimizing downtime and maximizing asset performance. The company's vessel and earthmoving equipment fleets are strategically deployed to handle general cargo, dry bulk commodities, over-dimensional loads, and intra-warehouse transport efficiently, supporting a broad spectrum of client requirements. Technology is a key enabler of OFFL's operations. The company has invested significantly in advanced logistics and supply chain solutions, including real-time vehicle tracking, end-to-end visibility, route optimisation, inventory management, and integrated client systems. These technological capabilities allow OFFL to enhance operational efficiency, maintain fiscal controls, optimise transit times, and reduce costs, thereby improving client service levels. The company has also developed in-house expertise in areas such as solution consulting, predictive analytics, and infrastructure management to support continued innovation. To strengthen its pan-India logistics network and capture growing demand, OFFL is setting up an additional large-format, multi-user warehouse in Bhiwandi, Maharashtra. Strategically located near the Mumbai-Nashik Express Highway, the facility will expand storage capacity, reduce reliance on third-party warehousing, lower operational costs, enhance inventory control, and improve supply chain visibility. Integrated automation and data analytics will further optimise warehouse operations, enabling faster turnaround and higher utilisation rates, while providing scalable value-added services.

Om Freight Forwarders Ltd.

Valuation

OFFL serve as a trusted India-based agent, specialising in comprehensive import and export customs clearance services across all major air and seaports in the country. Backed by over four decades of operational and handling expertise, the company seamlessly combines in-depth customs knowledge with advanced information technology. Leveraging its extensive experience and established presence across India's major ports, OFFL is well-positioned to benefit from the expanding trade volumes, increased industrial activity, and growing demand for organised logistics services. OFFL's ongoing investments in technology enable end-to-end visibility, faster decision-making, and cost optimisation. This technological edge positions the company to serve large clients in high-growth sectors such as FMCG, automotive, e-commerce, and oil & gas, which are increasingly seeking reliable, scalable, and technology-enabled logistics partners. The addition of strategically located, large-format multi-user warehouses, such as the upcoming Bhiwandi facility, allows OFFL to capitalise on the structural shift in India's logistics sector post-GST, where companies are consolidating inventories into larger, more efficient facilities. By offering value-added services, automation, and proximity to key distribution hubs, OFFL can increase client stickiness, improve turnaround times, and expand volumes handled, directly contributing to revenue growth and margin expansion. On the financial front, the company delivered a tepid performance during FY20xx-xx, growing revenue, EBITDA, and PAT at a CAGR of 2.0%, 6.4%, and -10.0%, respectively. EBITDA margin decreased from 7.1% in FY23 to 2.9% in FY24 before improving to 7.7% in FY25, while PAT margin declined from 5.8% in FY23 to 2.5% in FY24 and moderated to 4.5% in FY25. On the return front, the company reported modest ROCE and ROE of 13.7% and 12.7% in FY25, respectively, observing a decline from 20.0% and 19.5% in FY23. While OFFL has demonstrated strengths in integrated logistics, operational capabilities, and client relationships, its financial performance has been inconsistent, reflected in volatility in earnings and margins. Furthermore, near-term geopolitical and macroeconomic uncertainties add risk to growth visibility. Additionally, ~80% of the issue comprises an Offer for Sale (OFS). **In light of these factors, we remain largely cautious of the listing. We, thus, recommend an AVOID rating for the issue and will reassess our rating in future following sustained business performance in upcoming quarters.**

Key Risks

- ⇒ OFFL derives a significant portion of its revenue from customers in Maharashtra, which accounted for over 85% of revenue from operations in FY25. Any adverse developments in this region could materially affect the company's revenue and overall financial performance.
- ⇒ The company is highly prone to geopolitical risks.
- ⇒ OFFL does not have long-term agreements with shipping companies, relying instead on relationships built over time. Any disputes or disruptions with these partners could have a material adverse impact on the company's operations and business performance.

Om Freight Forwarders Ltd.

Income Statement (Rs. in millions)

Particulars	FY23	FY24	FY25
Revenue			
Revenue from operations	4,711	4,105	4,901
Total revenue	4,711	4,105	4,901
Expenses			
Operating cost	3,614	3,103	3,660
Employee Benefits	459	609	651
Other Expenses	305	273	214
Total operating expenses	4,378	3,985	4,524
EBITDA	333	120	377
Depreciation & amortization	37	59	99
EBIT	296	61	278
Finance costs	160	34	26
Other Income	222	108	39
PBT before share of profit/loss of associates and taxes	358	135	291
Share of profit/(loss) of associates	6	3	4
PBT	364	138	295
Current tax	95	27	70
Deferred tax	-2	7	5
Total tax	93	35	75
Net Profit	272	103	220
Diluted EPS	8.5	3.3	6.9

Source: RHP, BP Equities Research

Cash Flow Statement (Rs. in millions)

Particulars	FY23	FY24	FY25
Cash Flow from operating activities	57	377	398
Cash flow from/(used in) investing activities	146	-495	-462
Net cash flows (used in) / from financing activities	-33	160	2
Net increase/(decrease) in cash and cash equivalents	170	42	-62
Cash and cash equivalents at the beginning of the period	28	198	241
Cash and cash equivalents at the end of the period	198	241	179

Source: RHP, BP Equities Research

Om Freight Forwarders Ltd.

Balance Sheet (Rs. in millions)

Particulars	FY23	FY24	FY25
Assets			
Non-Current Assets			
Property, plant and equipment	261	702	951
Intangible assest	7	5	7
Capital work-in-progress	0	0	0
Right-of-use assets	17	16	23
Financial Assets			
(i) Investments	74	109	211
(ii) Other financial assets	277	172	58
Other non-current assets	4	9	11
Total Non Current assets	639	1,014	1,261
Current Assets			
Financial Assets			
(i) Investments	47	30	66
(ii) Trade receivables	796	1,035	1,098
(iii) Cash and cash equivalents	198	241	179
(iv) Other financial assets	130	143	245
Other current assets	101	57	46
Current tax assets (net)	1,141	169	227
Total Current Assets	2,413	1,674	1,859
Total Assets	3,052	2,688	3,120
Equity and Liabilities			
Equity Share Capital	1	1	319
Other Equity	1,391	1,515	1,416
Total Equity	1,392	1,516	1,735
Non-Current Liabilities			
Financial Liabilities			
(i) Borrowings	76	133	127
(ii) Lease liabilities	6	10	12
Provisions	41	44	56
Deferred Tax Liabilities (net)	-10	4	9
Total Non-Current Liabilities	113	190	204
Current Liabilities			
Financial Liabilities			
(i) Borrowings	-1	112	143
(ii) Lease Liabilities	11	7	11
(iii) Trade Payables	226	429	405
(iv) Other financial liabilities	1,120	249	276
Provisions	42	37	44
Other current liabilities	147	148	302
Total Current Liabilities	1,547	982	1,181
Total Liabilities	1,659	1,173	1,386
Total Equity and Liabilities	3,052	2,688	3,120

Source: RHP, BP Equities Research

Disclaimer Appendix

Analyst (s) holding in the Stock : Nil**Analyst (s) Certification:**

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