

About the Company

- ✦ **GB Logistics Commerce Limited** was established on December 24, 2019, by Mr. Prashant Natwarlal Lakhani.
- ✦ The company specializes in providing **full truckload freight services** to large and medium-sized enterprises.
- ✦ They use both their own and third-party transportation services for logistics operations. Currently company owned 4 trucks.
- ✦ GB Logistics Commerce Limited positions itself as a partner providing comprehensive cargo movement solutions across various sectors.
- ✦ The company has a **wholly-owned subsidiary, GB Hospitality (India) Private Limited**, which operates in a similar line of business.
- ✦ The registered office is located at B-3, Saptak Plaza, Shivaji Nagar, Nagpur-440010.
- ✦ The company is an **ISO 9001:2015 certified company** for transportation, freight forwarding, custom clearance & warehousing logistics solutions.
- ✦ Company also operates in Trading of Agricultural Commodities.

Segment wise Revenue

Particulars	Sep 30, 2024	FY'24	FY'23	FY'22
Trading of Agricultural Commodities	57.70%	61.22%	56.33%	33.66%
Logistics	42.30%	38.78%	43.67%	66.34%

Industry Analysis and TAM

- ✦ The Indian full truckload freight services industry is a crucial part of the country's logistics sector.
- ✦ The industry is characterized by a **competitive landscape with numerous players**.
- ✦ It is driven by the increasing demand for **efficient and reliable cargo movement**.
- ✦ Key factors in the industry include the **extensive road network, technological advancements, and the use of both owned and third-party fleets**.
- ✦ The industry faces challenges such as **regulatory compliance and fuel price fluctuations**.
- ✦ The industry is evolving with the expanding economy, adapting to changing market dynamics and incorporating innovations for enhanced efficiency and cost-effectiveness.

Promoters Details

- ✦ The promoter of the company is **Prashant Natwarlal Lakhani**.
- ✦ As of the date of the Red Herring Prospectus, Prashant Natwarlal Lakhani holds **4,293,870 equity shares**, representing **74.85% of the pre-issue paid-up share capital**.

IPO Details

- ✦ Issue Size :
Up to 2,457,600 Equity Shares amounting Rs. 25.07 Cr.
- ✦ Face Value : **₹10 per equity share.**
- ✦ Issue Type :
Fresh issue of equity shares.
- ✦ Market Maker Reservation :
123,600 Equity Shares are reserved for the market maker.
- ✦ Net Issue to Public :
2,334,000 Equity Shares.
- ✦ Issue Dates :
 - **Anchor Investor Bidding Date: January 23, 2025.**
 - **Issue Opens: January 24, 2025.**
 - **Issue Closes: January 28, 2025.**
- ✦ Listing :
The shares are proposed to be listed on the BSE SME platform.
- ✦ Book Running Lead Manager :
SKI Capital Services Limited.

Objects of the Issue

- The company intends to use the net proceeds from the IPO for the following purposes:
- ✦ Prepayment or repayment of a portion of certain outstanding borrowings :
₹5 Cr.
 - ✦ Working capital requirements :
₹9.37 Cr.
 - ✦ Funding expenditure towards the purchase of truck chassis and truck bodies : **₹3.80Cr.**
 - ✦ General corporate purposes.

Financials of the company

(Fig. in Cr)

Particulars	Sep 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Revenue from Operations	50.83	115.62	40.29	17.23
EBITDA	4.55	9.26	1.51	1.50
EBITDA Margins	8.97%	8.01%	3.76%	8.75%
PAT	2.52	4.86	0.76	0.96
PAT Margins	4.97%	4.21%	1.91%	5.57%
CFOA	1.09	-20.60	-2.46	0.43
ROCE	6.22%	14.51%	11.44%	43.41%

Comparison with Peers

Companies	Revenue	EBITDA Margin	PAT Margin	D/E Ratio	MCap	P/E
GB Logistics Commerce (FY 2024)	115.62 Cr.	8.01%	4.21%	0.97	83.58 Cr.	17.19
VRL Logistics (TTM)	3,032 Cr.	14%	2.77%	1.03	4,030 Cr.	47.80
Ritco Logistics (TTM)	1,022 Cr.	8%	3.81%	0.77	1,074 Cr.	27.70
Orissa Bengal Carrier (TTM)	333 Cr.	2%	1.20%	0.43	120 Cr.	32.50

Positive and Negative Points _____

Positive

- ✦ Established company with experience in full truckload freight services.
- ✦ Wholly-owned subsidiary in a related business, indicating potential for synergies.
- ✦ ISO 9001:2015 certified company, which can improve its appeal for certain clients.

Negative

- ✦ Corporate Governance Issue as the company failed to comply certain statutory provisions of Companies Act 1956 in relation to MCA filing in the past.
- ✦ Negative Operating Cash Flows.
- ✦ Directors have previously been subject to regulatory action by the Ministry of Corporate Affairs.
- ✦ EBITDA and PAT Margins are not impressive as business also includes Trading Business which is low margin business.



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