



IPO DETAILS

#IPOlogy

# ZINKA LOGISTICS SOLUTIONS LIMITED



 **ISSUE OPEN**

13 November, 2024

 **ISSUE CLOSE**

18 November, 2024

Min. Lot Size  
**54 shares**

Issue Price Band  
**₹259 - ₹273**

### Issue Size

Fresh Issue:  
2.01 Cr Eq shares  
(₹550.00 Cr)

OFS:  
2.07 Cr Eq shares  
(₹564.72 Cr)

### Face Value

₹1

### Industry

Logistics

### Listing at

NSE, BSE

RATING

**SUBSCRIBE**

**OPEN ACCOUNT**

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#### Marwadi Shares and Finance Limited

**Corporate Office:** Marwadi Financial Plaza, Nana Mava Main Road, Off 150ft Ring Road, Rajkot - 360001, Gujarat.

**Registered Office:** X-Change Plaza, Office No. 1201 to 1205, 12th Floor, Building No. - 53E, Zone - 5, Road 5E, Gift City, Gandhinagar - 382355, Gujarat.  
0281 7174 100/0281 6192 100 **CIN of MSFL:** U65910GJ1992PLC017544

SEBI Reg. No. of MSFL for NSE, BSE, MCX, NCDEX: INZ000174730 | Membership No.: NSE:08760, BSE:0910, MCX:56410, NCDEX:1280 | SEBI Regn.No. of DP: IN-DP-476-2020 (NSDL DPID:IN300974) (CDSL DPID:12035100) | Research Analyst: INH 000002186 AMFI: ARN-42506 | PFRDA: POP07082018

**Disclaimer:** 'Investment in securities market are subject to market risks, read all the related documents carefully before investing'.

[For Facts & Figures](#)



## ZINKA LOGISTICS SOLUTIONS LIMITED

### Rationale

Considering the FY24 Sales of Rs 2,969 Cr, the company is going to list at a MCap/Sales of 16.2x with a market cap of Rs 4,818 Cr, whereas its peer namely C.E. Infosystems is trading at MCap/Sales of 28.6x.

We assign "Subscribe" rating to this IPO as the company has India's largest digital platform for truck operators and omnichannel distribution network driving sales. Also, it is available at reasonable valuation as compared to its peer.

### Objectives of the issue

Funding towards sales and marketing costs;

Investment in Blackbuck Finserve Private Limited, company's NBFC subsidiary, for financing the augmentation of its capital base to meet its future capital requirements;

Funding of expenditure in relation to product development; and

General corporate purposes.

## Company Overview

Zinka Logistics Solutions Ltd is India's largest digital platform for truck operators (in terms of number of users), with 963,345 truck operators in the country transacting on its platform in Fiscal 2024, which comprises 27.52% of India's truck operators.

Truck operators use the BlackBuck mobile application (the "BlackBuck App") for their diverse business needs. Using this platform, the truck operators digitally manage payments for tolling and fueling, monitor drivers and fleets using telematics, find loads on marketplace and get access to financing for the purchase of used vehicles.

The company generates revenue from truck operators through commission income from the company's payment's offerings, subscription fees from a combination of telematics, payments and loads marketplace offerings and service fees from vehicle financing offering.

For the three months period ended June 30, 2024, the company derived 41.09% of its revenue from Commission income, 38.37% of its revenue from Subscription fees, 19.36% of its revenue from Services fees and 1.18% of its revenue from others.

Gross Transaction Value ("GTV") in payments was ₹5,356 crore and ₹17,396 crore in the three months ended June 30, 2024 and Fiscal 2024, respectively.



### India's Largest Trucking Network

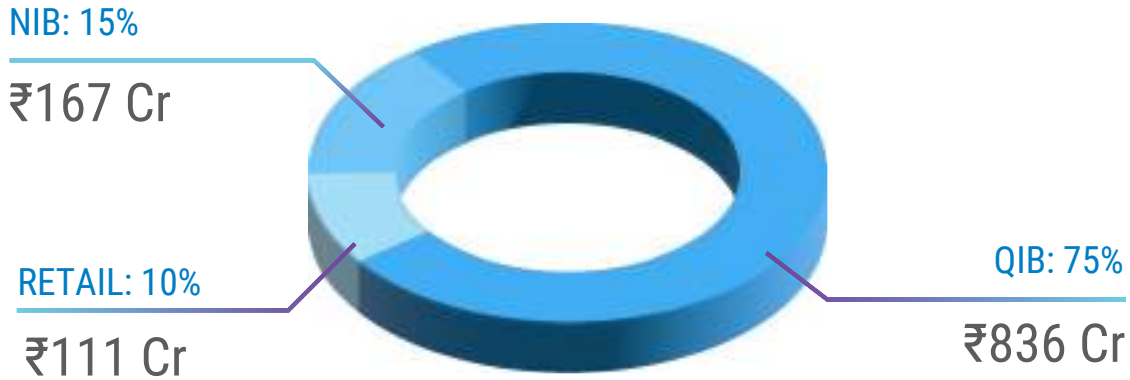
The company's omnichannel strategy combines digital marketing with on-ground sales, channel partners, and tele sales to support customer onboarding. As of June 30, 2024, the company has built India's largest trucking network with 9,374 touchpoints across 628 districts, covering 80% of India and 76% of toll plazas, ensuring trust and service accessibility.



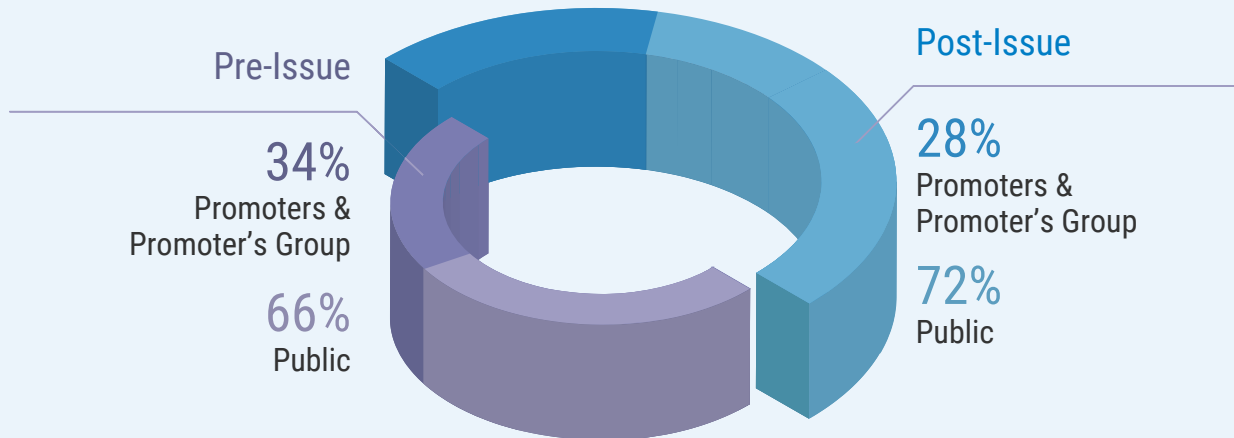
ZINKA LOGISTICS SOLUTIONS LIMITED

# Issue Details

## Issue Break-Up



## Shareholding Pattern

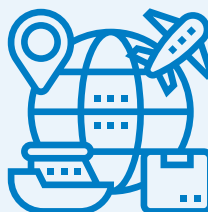


## Capital Structure (in ₹ Cr.)



**25 Cr**

Authorised Equity  
Share Capital



**16 Cr**

Paid-Up Capital  
(Pre-Offer)



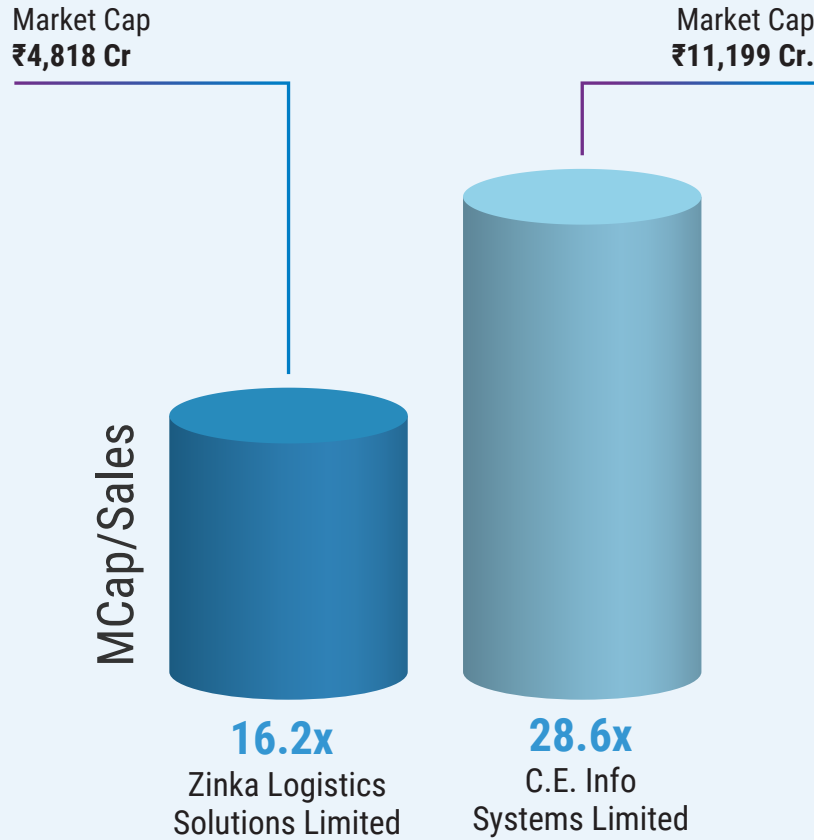
**18 Cr**

Paid-Up Capital  
(Post-Offer)



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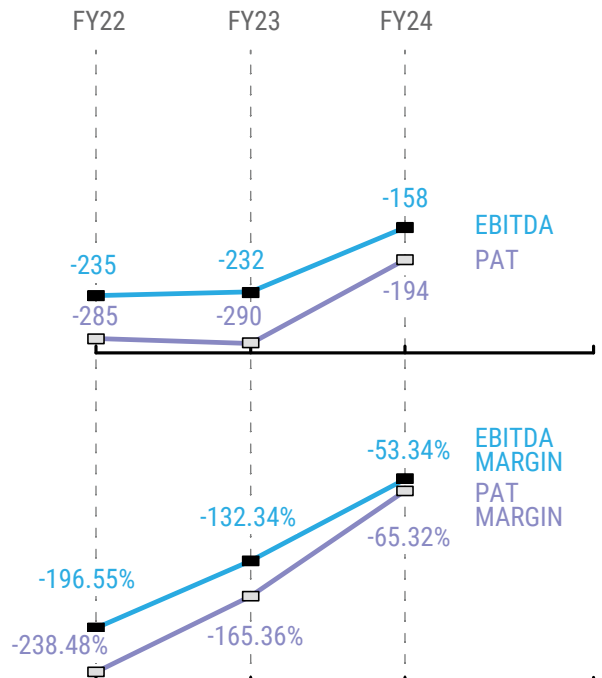
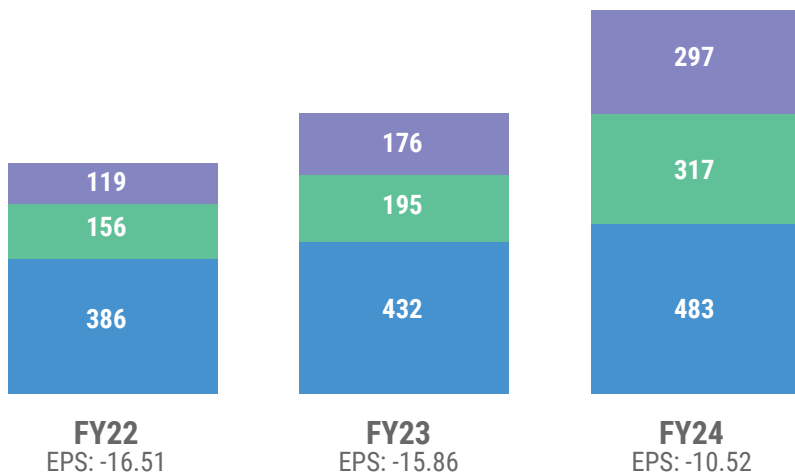
# Valuations and Peer Comparison



Market Cap data of listed securities as on November 9, 2024

## Financial Snapshot (in ₹ Cr.)

- Revenue
- Total Income
- Total Expenses





ZINKA LOGISTICS SOLUTIONS LIMITED

## Business Insights



### Competitive Strengths

- India's largest digital platform for truck operators.
- Strong network effects of platform resulting in robust customer retention rates and higher monetization.
- Repeatable playbook of creating and launching new offerings.
- Omnichannel distribution network with robust sales and service strategy driving customer adoption.
- Scalable and reliable in-house technology integrating with multiple stakeholders.
- High growth business with operating leverage and strong unit economics
- Promoter-led management team and an experienced board.



### Business Strategy

- Deepen distribution and continue strengthening the truck operator base.
- Continue investing in core verticals of payments and telematics.
- Focus on growing loads marketplace and vehicle finance verticals.
- Continue to innovate, launch new offerings and solve problems for truck operators
- Continue to scale and invest in technology infrastructure and data science capabilities



### Risks

- The company depends on its business partners in payments and vehicle financing offerings. The company's partners in payments offering contribute to a significant portion of its revenues. The loss of any such partners may adversely affect the company's business, results of operations and financial condition.
- The company depends on certain key suppliers to procure a significant portion of vehicle tracking solutions. The company does not enter into long-term agreements with these suppliers and any denial of supplies or loss of the relationship with 38 these suppliers or any supply chain disruption could adversely affect the company's business, results of operations and financial condition.

## Promoters and Management Details

Raesh Kumar Naidu Yaba - Chairman, Managing Director and Chief Executive Officer

Chanakya Hridaya - Chief Operating Officer and Executive Director

Ramasubramanian Balasubramanian - Head of New Initiatives and Executive Director

Research Disclosure <https://bit.ly/2RK2tzc>

