



S J LOGISTICS (INDIA) LIMITED

October 12, 2026

National Stock Exchange of India Limited

Exchange Plaza, C-1 Block G

Bandra Kurla Complex, Bandra (E), Mumbai – 400051

Symbol: SJLOGISTIC

Subject: Credit Rating – Intimation under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Dear Sir/Madam,

Pursuant to Regulation 30 of SEBI (LODR) Regulations, 2015 that CARE Ratings Limited (“CARE”), a credit rating agency, has published the rating rationale in respect of S J Logistics (India) Limited. The credit ratings assigned to the Company’s facilities/instruments carry a Stable outlook. A copy of the detailed rating report dated October 12, 2026, is enclosed herewith for your reference and records.

For S J LOGISTICS (INDIA) LIMITED

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RAJEN HASMUKHLAL
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Date: 2026.10.12

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Rajen Hasmukhlal Shah

Chairman & Managing Director

DIN: 01903150

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CIN: L63000MH2003PLC475076

S J Logistics (India) Limited

October 12, 2026

Facilities/Instruments	Name of the Regulator ¹	Amount (₹ crore)	Rating ²	Rating Action
Long-term / Short-term bank facilities	RBI	80.00	CARE BBB; Stable / CARE A3+	Assigned
Long-term bank facilities	RBI	20.00	CARE BBB; Stable	Assigned

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

Ratings assigned to bank facilities of S J Logistics (India) Limited (SJLIL) factor in experienced promoters with over three decades in managing the integrated logistics business, with operations spanning freight forwarding especially in project cargo and in yarn, and vessel operations where the client is operating vessels on time charter. Ratings also derive strength from its growing scale of operations registering compounded annual growth rate (CAGR) of 58.02% from FY22 (FY refers to April 01 to March 31) to FY26 and improving profitability on year-on-year basis since FY21. Ratings also consider comfortable capital structure supported by steady accumulation of profits over the years and equity infusion.

Ratings remain constrained by the working capital intensive its operations, risks associated with time-charter operations, and susceptibility of its operations to economic cycles, highly competitive and fragmented logistics industry.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors:

- Significant growth in the total operating income (TOI) with a sustained Profit before interest, lease and rentals, depreciation and taxation (PBILDT) margin above 18% while maintaining its financial risk profile.
- Significant improvement in working capital cycle.

Negative factors:

- Significant decline in the TOI and PBLIDT margin impacting the financial risk profile on a sustained basis.
- Deterioration in overall gearing exceeding 1x or total debt/PBILDT exceeding 2x on a sustained basis.
- Deterioration in gross current asset days above 200 days.

Analytical approach: Consolidated

Care Ratings Limited (CareEdge Ratings) has considered a consolidated approach of SJLIL and its wholly owned subsidiaries, considering their operational and financial linkages. List of subsidiaries is mentioned in Annexure-5.

Outlook: Stable

The stable outlook reflects CareEdge Ratings' expectations that SJLIL will continue to benefit from the promoters' extensive experience. This will aid the company in maintaining its financial risk profile over the medium term.

Detailed description of key rating drivers

Key strengths

Growing scale of operations and profitability

SJLIL's scale of operations grew at a CAGR of 58.02% from FY22 (A) to FY26 (A). TOI increased to ₹654.55 crore in FY26 from ₹502.52 crore in the FY25, largely driven by the addition of project cargo freight forwarding and vessel operations to its existing yarn freight forwarding business. The expansion in scale and business diversification also supported profitability, with the profit before interest, lease rentals, depreciation and taxation (PBILDT) margin improving from 4.51% in FY22 (A) to 18.37% in FY26 (A) (PY: 15.04%). Improvement in margin was supported by project cargo freight forwarding, which generates higher margins owing to the nature of transportation, and vessel operations under time-charter arrangements. Going forward, SJLIL's ability to grow its scale of operations and sustain profitability from these business segments will remain a key rating monitorable.

¹SEBI: Securities and Exchange Board of India; RBI: Reserve Bank of India; MCA: Ministry of Corporate Affairs; IRDAI: Insurance Regulatory and Development Authority of India; PFRDA: Pension Fund Regulatory and Development Authority.

²Complete definitions of ratings assigned are available at www.careratings.com and in other CARE Ratings Limited's publications.

Comfortable capital structure and debt coverage indicators

SJLIL has comfortable capital structure considering healthy retained earnings and funds raised to the tune of ₹48.00 crore in FY24 via Initial Public Offer on the NSE-SME platform, and further in FY25 via preferential allotment of 7,00,000 warrants and 6,40,000 equity shares, raising a total of ₹77.18 crore, increasing the tangible net worth from ₹31.40 crore in FY23 (A) to ₹303.07 crore in FY26 (A). Adjusted overall gearing (including guarantees given to subsidiaries and other companies) at 0.43x in FY26 (A; PY: 0.36x), and total outside liabilities to tangible net worth (TOL/TNW) at 0.58x in FY26 (A; PY: 0.38x) remained comfortable considering the company's healthy TNW. Debt coverage metrics with PBILDT/ interest coverage ratio of 7.47x in FY26 (A; PY: 13.64x) and adjusted total debt (including guarantees given to subsidiaries and other companies) to gross cash accruals (TD/GCA) at 1.60x (PY: 1.42x) remain comfortable considering the company's healthy profitability margins.

Experienced promoters with established track record of operations

SJLIL was established in December 2003, is promoted by Rajen Shah (Chairman and MD), who has over three decades of experience in the shipping logistics and transportation industry. He is supported by his son Jeet Shah (CFO) an MBA, who oversees the company's financial and accounting activities. Promoters have a team of experienced professionals, who support them to run the company's business operations.

Key weaknesses

Working capital intensive operations

SJLIL's operations remain working capital intensive considering high working capital cycle of 106 days in FY26 (A; PY: 89 days), this is majorly due to the nature of freight forwarding operations under yarns and project cargo where SJLIL extends a credit period of 90-120 days and 100-140 days to its customers respectively, which may extend up to 150 days for project cargo, increasing the trade receivables of the company which was at ₹240.61 crore in FY26 (A; PY: ₹193.64 crore), this has also led to an increased working capital utilisation of the fund-based limits of the company in the last 12 months. The company's gross current asset days are also stretched at 208 days for FY26 (PY: 182 days) majorly due to high receivables and security deposit paid towards charter of vessels for vessel operations. However, comfort can be drawn that working capital is compensated by back-to-back orders from customers and a higher margin for its project-based freight forwarding operations as reflected in the PBILDT margins. As on March 31, 2026, the company has cash and liquid investments to the tune of ₹2.96 crore, and cash flow of operations of ₹16.49 crore (PY: -₹51.77 crore). The company's working capital utilisation remained on a higher side denoted by average of maximum working capital utilisation for 12 months ended July 2026 of ~86%. Low free cash and liquid investments and high working capital utilisation provides limited cushion in case of further requirement of working capital to support growth of operations.

Risks associated with recently commenced time-charter operations

The company's recent entry into the time-charter segment exposes it to fixed charter-hire obligations. However, its earnings from this segment depend on cargo availability, freight rates and vessel utilisation. This mismatch between fixed charter-hire obligations and variable earnings exposes the company's profitability and cash flows to fluctuations in vessel deployment and freight rates. The company is also exposed to risks related to the timely renewal of charter agreements on expiry. Delayed renewal, non-renewal by vessel owners, or renewal at higher-than-anticipated charter-hire rates may constrain vessel availability and disrupt the continuity of operations. These factors may also adversely affect profitability and cash flows.

Given the limited track record in this segment, the company's ability to maintain profitable vessel deployment and secure timely renewals at competitive rates over the near term will remain a key rating monitorable.

Susceptibility to economic cycles and presence in a fragmented industry

The Indian logistics industry is highly fragmented due to diverse geography, socio-economic factors, and infrastructure constraints, resulting in intense competition from numerous small and medium-sized players. The logistics industry's prospects are closely linked to global economic conditions, as freight movements depend on demand and supply for industrial raw materials. Policy changes such as import/export bans, volume restrictions, and higher customs duties, can impact earnings of freight-forwarding companies. SJLIL mitigates this risk to some extent through back-to-back orders in the freight forwarding segment.

Liquidity: Adequate

As on March 31, 2026, the company has cash and liquid investments to the tune of ₹2.96 crore, and cash flow of operations of ₹16.49 crore (PY: -₹51.77 crore). The company has an average of maximum working capital utilisation for 12 months ended July 2026 of ~86%. SJLIL is expected to generate healthy GCA in the range of ₹110-130 crore in the next three years, against a repayment obligation of ~₹1.20-5.00 crore in the same period.

Assumptions/Covenants: Not applicable

Environment, social, and governance (ESG) risks: Not applicable

Applicable criteria

[Consolidation](#)

[Definition of Default](#)

[Liquidity Analysis of Non-financial sector entities](#)

[Rating Outlook and Rating Watch](#)

[Financial Ratios – Non financial Sector](#)

[Service Sector Companies](#)

[Short Term Instruments](#)

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Services	Services	Transport Services	Logistics Solution Provider

SJLIL was established on December 23, 2003, by Rajen Shah (Chairman and MD), who has over three decades of experience in the shipping, logistics, and transportation industry. He is supported by his son Jeet Shah (CFO), overseeing the company's financial and accounting operations. SJLIL is listed on the NSE-SME platform and is into freight a comprehensive range of logistics solutions, including freight forwarding services by air, sea, and land, customs clearance, warehousing, transportation, project cargo logistics, and vessel operations. The company was granted the International Air Transport Association (IATA) license in FY25, enabling it to provide air freight operations, and in FY26, it entered direct vessel-based operations through its Dubai subsidiary entity S J Logisol Shipping LLC.

Brief Financials (₹ crore) - Consolidated	March 31, 2025 (A)	March 31, 2026 (A)
Total operating income	502.52	654.55
PBILDT	75.60	120.23
PAT	52.49	75.81
Overall gearing (times)	0.28	0.38
Interest coverage (times)	13.64	7.47

A: Audited; Note: these are latest available financial results

Brief Financials (₹ crore) - Standalone	March 31, 2025 (A)	March 31, 2026 (A)
Total operating income	331.20	447.40
PBILDT	44.27	74.42
Profit after tax (PAT)	28.35	41.25
Overall gearing (x)	0.28	0.47
Interest coverage (x)	9.72	5.27

A: Audited; Note: these are latest available financial results

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating history for last three years: Annexure-2

Detailed explanation of covenants of rated instrument / facility: Annexure-3

For complexity level of instruments rated refer to Annexure-1

Lender details: Annexure-4

Disclosure on facilities/instruments and name of regulators:

A list of facilities / instruments falling under the purview of financial sector regulators (FSRs) along with the names of respective FSRs has been duly disclosed by CareEdge Ratings on its website. A link to the same has been provided below for ready reference:

https://www.careratings.com/activities_and_regulators

Note: For facilities or instruments falling under the purview of FSRs other than Securities and Exchange Board of India (SEBI), the grievance / dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.

Annexure-1: Details of instruments/facilities

Name of the Instrument	Name of the Regulator	Complexity Level	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
LT/ST Fund-based/Non-fund-based-CC/WCDL/OD/LC/BG	RBI	Not applicable	-	Not applicable	-	-	80.00	CARE BBB; Stable / CARE A3+
Term Loan-Long Term	RBI	Not applicable	-	Not applicable	-	31-12-2026	20.00	CARE BBB; Stable

Annexure-2: Rating history for last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2026-2027	Date(s) and Rating(s) assigned in 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024
1	Term Loan-Long Term	LT	20.00	CARE BBB; Stable	-	-	-	-
2	LT/ST Fund-based/Non-fund-based-CC/WCDL/OD/LC/BG	LT/ST	80.00	CARE BBB; Stable / CARE A3+	-	-	-	-

LT: Long term; LT/ST: Long term/Short term

Annexure-3: Detailed explanation of covenants of rated instruments/facilities: Not applicable

Annexure-4: Lender details

To view lender-wise details of bank facilities please [click here](#)

Annexure-5: List of entities consolidated

Sr. No.	Name of the entity	Extent of consolidation	Rationale for consolidation
1	SJA Logisol India Pvt Ltd	Full	Wholly Owned Subsidiary
2	SJL Group (Singapore) Pte Ltd	Full	Wholly Owned Subsidiary
3	SJ Logisol Shipping LLC	Full	Wholly Owned Subsidiary

Note on complexity levels of rated instruments: CareEdge Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for clarifications.

Contact us

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