

Tejas Cargo India Limited

March 20, 2026

Facilities/ Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long term bank facilities	124.30	CARE BB+; Stable; ISSUER NOT COOPERATING*	Downgraded from CARE BBB-; Stable and moved to ISSUER NOT COOPERATING category
Long term / Short term bank facilities	70.00	CARE BB+; Stable / CARE A4+; ISSUER NOT COOPERATING*	Downgraded from CARE BBB-; Stable / CARE A3 and moved to ISSUER NOT COOPERATING category
Short term bank facilities	15.70	CARE A4+; ISSUER NOT COOPERATING*	Downgraded from CARE A3 and moved to ISSUER NOT COOPERATING category

Details of instruments/facilities in Annexure-1.

*Issuer did not cooperate; based on best available information.

Rationale and key rating drivers

CARE Ratings Limited (CareEdge Ratings) has been seeking information from Tejas Cargo India Limited (TCIL) to monitor the rating(s) vide e-mail communications dated January 06, 2026; January 12, 2026; February 02, 2026; and numerous phone calls. However, despite our repeated requests, the company has not provided the requisite information for monitoring the ratings. In line with the extant SEBI guidelines, CareEdge Ratings has reviewed the ratings on the basis of the best available information which, however, in CareEdge Ratings' opinion is not sufficient to arrive at a fair rating. The ratings of TCIL bank facilities will now be denoted as CARE BB+; Stable / CARE A4+; ISSUER NOT COOPERATING*.

Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).

Ratings assigned to the bank facilities of TCIL have been revised on account of the non-availability of requisite information due to non-cooperation by TCIL with CareEdge Ratings' efforts to undertake a review of the ratings outstanding. CareEdge Ratings views information availability risk as a key factor in its assessment of credit risk. Further, the ratings are constrained by moderate capital structure, highly fragmented and competitive industry, vulnerability of profitability margins to economic cycle and competition. However, ratings derive strength from improvement in operational performance and experienced promoters and established client base position.

Analytical approach: Consolidated

CareEdge Ratings has taken a 'consolidated' approach for analytical purpose since TCIL and its subsidiary (together referred to as 'group') are engaged in similar line of business and have common management. Entities consolidated are listed under Annexure-6.

Outlook: Stable

"Stable" outlook reflects CareEdge Ratings' opinion that TCIL will continue to derive benefit from its long-standing experience of promoters in the industry.

Detailed description of key rating drivers:

At the time of last rating on May 05, 2025, the following were the rating strengths and weaknesses (updated on the basis financials available on stock exchange):

Key weaknesses

Moderate capital structure

The company's capital structure stood moderate as marked by overall gearing of 0.92x as on March 31, 2025 (PY: 2.91x) driven by improvement in net-worth base owing to IPO proceeds of ₹105.84 crore in Q4FY25. The overall gearing stood at 0.97x as on September 30, 2025. TCIL's debt coverage indicators as marked by interest coverage ratio (ICR) stood comfortable at 5.82x as on March 31, 2025, and 6.10x as on September 30, 2025. However, the total debt to profit before interest, lease rentals, depreciation and taxation (TD/PBILDT) and total debt to gross cash accruals (TD/GCA) stood moderate at 1.60x and 2.03x, respectively, as on March 31, 2025 (PY: 2.34x and 2.92x, respectively).

¹Complete definition of ratings assigned are available at www.careratings.com and other CARE Ratings Limited's publications.

Highly fragmented and competitive industry

The goods transportation industry is unorganized, competitive and highly fragmented in India. The principal competitive factors include service quality, reliability, price and the availability and configuration of vehicles that can comprehensively address varying requirements of different customer segments and specific customer needs. The logistics industry faces intense competition and weak margins due to low entry barriers. High fragmentation and intense competition lead to unhealthy price wars and discounts resulting in pressure on margins and depressed freight rates. The company is competing with a variety of local, regional, and national goods transportation service providers of varying sizes and operations and, to a lesser extent, with railroads carriers.

Vulnerability of profitability margins to economic cycle and competition

Logistics operations depend on the country's overall economic condition. Higher economic activity translates to higher freight movement which drives demand for road freight transport industry. TCIL remains exposed to significant fluctuation in hire charges for market vehicles as the rates primarily depend on the demand-supply dynamics. It is also vulnerable to the volatility in fuel prices, and its ability to tackle a timely pass-through of variation in fuel prices remains critical in maintaining its profitability margins. However, TCIL consistently managed to pass these costs to customers through periodic freight rate adjustments, maintaining a stable fuel cost-to-revenue relationship in transportation business. The company's ability to safeguard its profitability margins while managing its competition in an efficient manner will continue to be a crucial factor to monitor.

Key strengths**Growing scale of operations with healthy profitability margins**

The company's operational performance grew by ~20% and stood at ₹503.76 crore in FY25 (PY: ₹421.03 crore) with profitability margins marked by PBILDT and profit after tax (PAT) margins stood comfortable of 19.75% and 3.80%, respectively. TCIL achieved total operating income (TOI) of ₹301.61 crore in H1FY26 (H1 refers to April 01 to September 30) with PBILDT and PAT margin of 14.39% and 4.18%, respectively.

Comfortable operating cycle despite high working capital requirements

The company's operating cycle stood comfortable as marked by operating cycle of 55 days as on March 31, 2025 (PY: 42 days), with credit period being provided to its customers in the range of 30-60 days. However, the company's business is working capital intensive considering huge upfront expenses incurred in conducting operations through own fleet and hired vehicles. The time gap in collection of receivables and upfront outflow of expenses results in large working capital requirement.

Reputed clientele position albeit customer concentration risk

The company serves customers across several industry sectors with most clients that are the leading companies in their respective sectors and strong credit profile, hence counterparty risk is also low. The company has been able to secure repeat orders from majority clients. TCIL is engaged in providing wide range of services including transportation services and third-party logistics (3PL), among others. It enables the company to cater diverse mix of customers including corporate, small and other enterprises, distributors and traders. TCIL has customer concentration risk since the top 10 customers contributing ~66% TOI in FY24, however, is attracting new clients to their customer base. The company's ability to diversify its customer base resulting reduction in customer concentration risk will remain a key monitorable.

Experienced promoters

Incorporated in 2009, Manish Bindal founded Trans Cargo India as a sole proprietorship to meet the logistics needs of different industries and was supported by Chander Bindal. Their combined experience led to TCIL's establishment in 2021. The company is promoted by Chander Bindal as the chairman and managing director and Manish Bindal as the CEO and director. Their deep industry knowledge and a team of qualified personnel provide a competitive edge in building a reputable clientele.

Assumptions/Covenants: Not applicable

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

Applicable criteria

[Definition of Default](#)

[Information Adequacy Risk and Issuer Non-Cooperation](#)

[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

Incorporated as on March 26, 2021, based in Faridabad, Haryana, TCIL provide express supply chain transportation under Full Truck Load (FTL) to a diverse range of industries, including logistics, steel and cement, e-commerce, industrial and chemicals, FMCG, and white goods sectors, with over 25 branches nationwide. It provides 3PL services including warehousing, transportation, and distribution and Fourth party logistics (4PL) logistics solutions providing end-to-end supply chain management to streamline overall supply chain operations.

Brief Financials (₹ crore) - Consolidated	March 31, 2024 (A)	March 31, 2025 (A)	H1FY26 (UA)
Total operating income	421.03	503.76	301.61
PBILDT*	67.47	99.47	43.39
Profit after tax (PAT)	13.22	19.12	12.60
Overall gearing (x)	2.91	0.92	0.97
Interest coverage (x)	6.29	5.82	6.10

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

*PBILDT: Profit before interest, lease rentals, depreciation and tax

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

Complexity level of instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	IS IN	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - LT-Term Loan	-	-	-	March 2030	124.30	CARE BB+; Stable; ISSUER NOT COOPERATING*
Fund-based - LT/ST-Cash Credit	-	-	-	-	70.00	CARE BB+; Stable / CARE A4+; ISSUER NOT COOPERATING*
Non-fund-based - ST-Bank Guarantee	-	-	-	-	15.70	CARE A4+; ISSUER NOT COOPERATING*

*Issuer did not cooperate; based on best available information.

Annexure-2: Rating history for last three years

Sr. No.	Name of the Instrument/ Bank Facilities	Type	Current Ratings		Rating History			
			Amount Outstanding (₹ crore)	Rating	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	Date(s) and Rating(s) assigned in 2022-2023
1	Fund-based - LT/ ST-Cash Credit	LT / ST	70.00	CARE BB+; Stable / CARE A4+; ISSUER NOT COOPERATING*	1)CARE BBB-; Stable / CARE A3 (05-May-25)	-	-	-

2	Fund-based - LT-Term Loan	LT	124.30	CARE BB+; Stable; ISSUER NOT COOPERATING*	1)CARE BBB-; Stable (05-May-25)	-	-	-
3	Non-fund-based - ST-Bank Guarantee	ST	15.70	CARE A4+; ISSUER NOT COOPERATING*	1)CARE A3 (05-May-25)	-	-	-

*Issuer did not cooperate; based on best available information.

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

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

Annexure-4: Complexity level of instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Term Loan	Simple
2	Fund-based - LT/ ST-Cash Credit	Simple
3	Non-fund-based - ST-Bank Guarantee	Simple

Annexure-5: Lender details

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

Annexure-6: List of entities consolidated

Sr No	Name of the entity	Extent of consolidation	Rationale for consolidation
1.	Tejas Cargo India Limited	Full	Holding company
2.	Tejas Carriers Solutions Private Limited	Full	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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About us:

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