

Shree Maruti Integrated Logistics Limited

March 17, 2026

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long-term bank facilities	86.00 (Enhanced from 69.00)	CARE BBB; Stable	Reaffirmed
Long-term / Short-term bank facilities	17.50 (Enhanced from 10.00)	CARE BBB; Stable / CARE A3+	Reaffirmed

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

Ratings assigned to bank facilities of Shree Maruti Integrated Logistics Limited (SMILE) derive comfort from its established market position and track record of over three decades in the domestic courier business segment and its well-entrenched franchisee network enabling it to service over 5,000 pin codes across the country. Ratings also take cognisance of stable volume growth in the courier segment, with the company focusing on diversifying its revenue stream in segments including cold storage transportation and warehousing, providing courier services to direct-to-consumer (D2C) brands and e-commerce aggregators, manual sorting for e-commerce aggregators; its moderate capital structure and adequate liquidity.

However, ratings remain constrained owing to intense competition from unorganised players and new start-ups in the logistics industry, backed by international private equity (PE) investors. CARE Ratings Limited (CareEdge Ratings) also takes note of significant moderation in SMILE's profitability in FY25 (FY refers to April 01 to March 31) and in the current year as well, owing to sizeable deployment of contractual manpower for the new business ventures, which are yet to scale up meaningfully. The profitability was also significantly lower-than-envisioned for the year in CareEdge Ratings' last review, and thus, shall remain a key rating monitorable going forward.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Substantial increase in its scale of operations to ₹1200 crore backed by scaling up of new business ventures leading to improvement in profit before interest, lease rentals, depreciation and taxation (PBILDT) margin above 10% on a sustained basis.

Negative factors

- Deterioration in the PBILDT margin below 6% on a sustained basis.
- Increase in working capital intensity or significant advances for unrelated business leading to deterioration in the overall gearing above unity on a sustained basis.
- Decline in liquidity cushion available with the company below ₹25 crore on a sustained basis.

Analytical approach: Consolidated

CareEdge Ratings has taken a consolidated view of SMILE and its three subsidiaries, Delcaper Technologies India Private Limited, Coldverse Supply Chain Private Limited, and Green Logitech LLP, considering managerial, financial, and operational linkages. List of companies considered in SMILE's consolidation is shown in Annexure-6.

Outlook: Stable

Stable outlook reflects CareEdge Ratings expectations that the company will sustain growth in its total operating income (TOI) and sustenance of its comfortable credit risk profile in the near-to-medium-term supported by its established presence in the domestic courier industry and its strategic plan to diversify its revenue stream under an asset-light model, enabling low reliance on external debt.

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

Detailed description of key rating drivers:

Key strengths

Experienced promoters and company's established presence in domestic courier segment

Incorporated in 1985 as a partnership firm by Ram Mokariya, SMILE has an established track record of over three decades in the domestic courier industry. The company has an established distribution network pan-India with its branches in 27 states, offering last-mile connectivity to its customers. As of February 28, 2026, the company has ~157 regional hub offices and 3,522 channel partners, covering over 5,000 pin-codes across the country covering ~27% of total pin-codes in India. The company is currently managed by the second generation of the family, Ajay Mokariya and Maulik Mokariya. The management is supported by qualified professionals to manage the company's day-to-day operations.

Stable operating performance of the courier business, with focus on diversification of revenue stream

SMILE's total operating income (TOI) grew at a compounded annual growth rate (CAGR) of 26% for five years ended FY25. In FY25, SMILE's TOI grew by 23% y-o-y to ₹825.57 crore (FY24: ₹669.99 crore), with 5% y-o-y increase in number of shipments delivered, and some increase from other business segments.

Around 90% of the revenue is derived from the traditional courier services business, which is poised to grow at ~8-10% annually, with y-o-y addition of pin codes and expansion of franchisee network.

The company has also been focusing on diversifying its presence in logistics and cold storage segments. In FY25, SMILE commenced providing cold storage warehousing and transportation facilities, courier services to D2C businesses (e-commerce/hyperlocal), and manual sorting facilities to e-commerce aggregators. However, revenue contribution from these new segments remained limited at below 10% in FY25. With addition of new capacities and new clientele base, contribution from these segments is expected to augment gradually over the projected period, which shall remain crucial for the company's credit risk profile.

In 9MFY26, the company reported sales of ~₹705 crore (9MFY25: ₹590 crore), with this for full year FY26, the company is expected to book TOI of ~₹950 crore.

Moderate capital structure

As envisaged in the last review, SMILE's capital structure stood moderate with an overall gearing of 0.58x (FY24: 0.19x) and total outside liabilities to tangible net worth (TOL/TNW) of 1.58x (FY24: 1.00x) as on March 31, 2025. Moderation in debt metrics compared to previous year was owing to company availing a ₹20 crore term loan for a planned capex to establish a cold storage facility in Jalisana, Mehsana, and incremental working capital debt availed with moderation in cash flows, emanating from moderation in profitability, and increased lease liabilities. .

CareEdge Ratings expects SMILE's capital structure to continue to remain moderate considering increase in working capital requirements for new business ventures, which is expected to be funded partially through bank borrowings. The finance lease liability is also expected to increase, considering the group's expansion plan on an asset-light model for the cold storage and transportation services.

Key weaknesses

Moderation in profitability

With its established presence in the domestic courier market, SMILE is also focusing on diversifying its presence in logistics and cold storage segments. However, while these new ventures are yet to scale up meaningfully, the company is incurring significant manpower costs (largely contractual) for their growth, and growth of its traditional courier business. Consequently, the company's PBILDT margin moderated in the last two years, to 8.84% in FY24 with further to 3.99% in FY25, against margin of 10-12% registered previously. CareEdge Ratings also notes that profitability registered in FY25 was significantly lower-than-envisaged for the year in the last review. It continued to remain subdued at 5.30% in 9MFY26 as well.

With subdued operating profitability and increased interest costs due to elevation in debt level, the company continued to report net loss of ₹1.57 crore in FY25 (net loss of ₹44.75 crore reported in FY24). Going forward, with envisaged scaling up of operations in new business segments, PBILDT margin is expected to gradually improve from FY27 onwards, which shall remain a key rating monitorable.

Exposure in form of investments and/or loans and advances to unrelated parties

As on March 31, 2025, total investments/loans/advances by SMILE, to its group entities/related parties stood ~₹14 crore, below 10% of its consolidated net worth. However, in the current year, the company extended additional advances of ₹12 crore to an e-commerce aggregator, AVN Business Solutions Private Limited, which shall enable SMILE expand its courier presence in remote locations. Considering that these advances have not yielded significant operational or financial benefits and given the expected increase in working capital intensity of operations, further major increase in such investments in shall remain a key monitorable.

Stiff competition from unorganised players and new start-ups backed by international PE investors

The courier industry comprises many large players with extensive networks in national and international locations, and numerous unorganised regional players, who primarily compete on pricing.

The e-commerce sector is highly competitive, with numerous companies striving to capture market share. This competition arises from direct rivals offering similar products and services, and indirect competitors providing alternative solutions to meet customer needs. As a result, being a new entrant in the e-commerce segment, SMILE has limited pricing power, which may exert pressure on its profitability.

Liquidity: Adequate

The company's liquidity remains adequate marked by adequate gross cash accruals (GCA) relative to its debt repayment obligations and moderate utilisation of working capital borrowings and free liquidity of ~₹40 crore as of December 31, 2025. Average utilisation of working capital limits has remained at moderate 40% for 12-months ended December 2025. The company generally extends credit up to 90 days to its corporate clients and ~30 days to its franchisees for courier business. Creditors mostly comprising franchisees are repaid on receipt of the amount from customers on three pre-decided dates in the month being 10th, 20th and 30th, while transporters are paid generally within a month's time. Hence the company's operating cycle remained comfortable at 23 days in FY25 (PY: 24 days). The company's cash flow from operations (CFO) stood positive at ₹15.92 crore in FY25. The current ratio stood adequate at 1.58x in FY25 (PY: 1.84x).

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

Established in 1985 by Ram Mokariya, SMILE (erstwhile Shree Maruti Courier Services Private Limited) is primarily engaged in providing express courier services in the domestic market. SMILE was originally constituted as a partnership firm in and was later reconstituted as a private limited company in November 1987. In 2024, the company was converted as a public limited company. SMILE also ventured into other business interests including cold storage transportation/warehousing business, courier services to D2C brands / e-commerce aggregators, manual goods sorting services for e-commerce aggregators.

Brief Financials (₹ crore)- Consolidated	March 31, 2024 (A)	March 31, 2025 (A)	9MFY26 (Prov.)
Total operating income	669.99	825.57	705.41
PBILDT*	59.25	32.97	37.46
Profit after tax (PAT)	(44.75)	(1.57)	NA

Brief Financials (₹ crore)- Consolidated	March 31, 2024 (A)	March 31, 2025 (A)	9MFY26 (Prov.)
Overall gearing (x)	0.19	0.58	NA
Interest coverage (x)	22.37	4.79	NA

A: Audited Prov.: Provisional, NA: Not available; Note: these are latest available financial results

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

Status of non-cooperation with previous CRA: Nil

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	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	67.00	CARE BBB; Stable
Fund-based - LT-Term Loan		-	-	December, 2029	19.00	CARE BBB; Stable
Non-fund-based - LT/ST-Bank Guarantee		-	-	-	17.50	CARE BBB; Stable / CARE A3+

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 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-Term Loan	LT	19.00	CARE BBB; Stable	1)CARE BBB; Stable (02-May-25)	-	-	-
2	Non-fund-based - LT/ ST-Bank Guarantee	LT/ST	17.50	CARE BBB; Stable / CARE A3+	1)CARE BBB; Stable / CARE A3+ (02-May-25)	-	-	-
3	Fund-based - LT-Cash Credit	LT	67.00	CARE BBB; Stable	1)CARE BBB; Stable (02-May-25)	-	-	-

LT: Long term; LT/ST: Long term/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-Cash Credit	Simple
2	Fund-based - LT-Term Loan	Simple
3	Non-fund-based - LT/ 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	Delcaper Technologies Private Limited	Full	Subsidiary
2	Coldverse Supply Chain Private Limited	Full	Subsidiary
3	Green Logitech LLP	Full	Step-down 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.

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