# VIRDI RESEARCH

## INITIATION OF COVERAGE: BLACKBUCK LIMITED (NSE: BLACKBUCK)

### Target Price and Upside

|  | Metric | Value |
| --- | --- | --- |
|  | 12-Month Target Price | ₹820 |
|  | Estimated Upside | 18% |
|  | **Recommendation** | **Buy** |

## Leveraging Platform Utility to Dominate Indian Logistics FinTech

### I. Investment Thesis: Blackbuck Ltd. (BLACKBUCK)

Blackbuck Limited (formerly Zinka Logistics Solutions Limited) operates as a critical technology backbone for the highly fragmented Indian trucking industry. Since its incorporation in 2015, the company has successfully pivoted from a basic Full-Truck-Load (FTL) aggregation marketplace to an asset-light, multi-vertical digital ecosystem.1 The analysis indicates that Blackbuck has established a dominant position in utility services (Payments and Telematics), which creates significant network effects and generates proprietary data used to scale its high-margin financial services segment, Blackbuck Finserve.3

The company’s recent financial results validate a critical shift toward operational profitability. While statutory profitability remains negative, the rapid conversion to positive Adjusted EBITDA demonstrates exceptional operating leverage and scalability inherent in its platform model. This structural change merits a premium valuation over traditional logistics peers.

**Recommendation and 12-Month Price Target**

Based on Blackbuck’s dominant market position, proven operational profitability pivot, accelerating revenue growth, and embedded FinTech monetization opportunity, we initiate coverage with an **Overweight** rating. We assign a 12-month target price of **₹820**, representing an estimated 18% upside from the current closing price.

**Current Trading Context**

The company’s Initial Public Offering (IPO) of ₹1114.72 Cr 5 launched between November 13 and November 18, 2024, with shares listed on November 22, 2024, at an issue price of ₹273.00.5 The listing gain was modest, at 2.89%, with the stock opening at ₹280.90.5 However, the subsequent market performance reflects a substantial re-rating. As of October 17, 2025, Blackbuck trades at ₹694 1, commanding a market capitalization of ₹12,548 Cr.1 The stock has performed strongly, trading near its 52-week high of ₹720.5.8

The initial modest listing premium was quickly transcended by market recognition of the company’s structural business changes and accelerated profitability, evidenced by strong Q1 and Q2 FY25 earnings.9 This dramatic appreciation post-IPO confirms that investors now fully value the transition from a transactional marketplace model to a sticky, data-rich platform utility, validating the operational turnaround achieved in FY24.

**Key Investment Highlights (The Three Pillars of the Thesis)**

1. **Dominant Platform Moat & Network Effects:** Blackbuck is recognized as India's largest digital platform for truck operators, serving nearly a million users in Fiscal 2024.3 This network represents over 27.5% of India’s estimated truck operators.11 The platform's high adoption rate, particularly in essential utility services like digital tolling (32.9% market share in the truck tolling segment) and fuel payments, creates formidable data advantages and high switching costs for operators.3
2. **Validated Profitability Pivot (Adjusted EBITDA):** The strategic shift toward platform services, which carry significantly higher margins than the traditional freight aggregation model, has led to a structural turnaround in core operations. The company achieved positive Adjusted EBITDA of ₹13.3 Cr in FY24, a major reversal from the Adjusted EBITDA loss of ₹154.5 Cr reported in FY23.12 Quarterly results show accelerating operating leverage, with Q2 FY25 Adjusted EBITDA reaching ₹24.64 Cr, showcasing strong operational flow-through.9
3. **Future Monetization via FinTech Layer (Blackbuck Finserve):** The established utility layer—Payments and Telematics—serves as a sophisticated customer acquisition tool that simultaneously provides continuous, proprietary data on operator financial health and operational efficiency. This data enables the scaling of the NBFC subsidiary, Blackbuck Finserve, which unlocks high-value, data-driven revenue streams in vehicle financing, positioning the company to capture additional value in the credit-starved trucking ecosystem.4

### II. Company Profile & Business Deep Dive: The Ecosystem Moat

Zinka Logistics Solutions, operating under the BlackBuck brand, was founded in 2015 with the vision of digitizing and streamlining the highly fragmented Indian trucking industry.1 The initial focus was on the Full-Truck-Load (FTL) freight matching market, but the leadership quickly identified the scaling challenges inherent in a pure marketplace model, especially with the difficulty in bringing truck operators online.2 This led to a bold, multi-year business model pivot that shifted the focus from merely matching loads to offering high-value productivity tools, establishing a critical distinction from asset-heavy logistics competitors.14

#### Business Segments and Revenue Layers

Blackbuck operates on an asset-light, platform-led model with high operating leverage.1 Its offerings are stratified into three synergistic layers:

##### 1. The Utility Layer: Payments and Telematics

This segment is the most crucial component of Blackbuck’s moat and customer retention strategy, generating the vast majority of revenue and proprietary data. In FY24, the payments and telematics businesses collectively contributed to more than 94% of the consolidated operating revenue.12

* **Payment Solutions:** Blackbuck offers crucial digital payment solutions for operating expenses, holding a market share of 32.9% in the truck tolling segment via FASTag.3 It also partners with oil marketing companies for cashless fuel payments at 72% of Indian fuel stations.3
* **Telematics and Fleet Management:** Services include real-time fleet management, route optimization, historical trip tracing, and detailed reports on driver behaviour (e.g., harsh acceleration, over speeding).3 This data, managed through an evolving technology stack built on AWS and microservices 16, helps truckers optimize fleets, reduce costs, and increase revenue by 25% to 30%.17

##### 2. The Transaction Layer: Loads Marketplace

The Loads Marketplace connects truck operators with shippers, solidifying its position as India’s largest digital freight platform.3 While the original foundation, this layer now leverages the sticky user base acquired through the utility layer. Growth businesses, including the Loads Marketplace and Vehicle Finance, demonstrated combined Year-over-Year (YoY) revenue growth of 144% in Q2 FY25, indicating successful scaling outside the core utility layer.9 Historically, revenue from this segment came from a 15-20% commission.18

##### 3. The Monetization Layer: Blackbuck Finserve

Blackbuck Finserve, the Non-Banking Financial Company (NBFC) subsidiary, focuses on providing vehicle financing options, particularly for the purchase of used commercial vehicles.3 The IPO explicitly allocated ₹140 Cr of the fresh issue proceeds toward augmenting Finserve’s capital base to meet future regulatory and growth requirements.3

#### Competitive Moats and Network Dynamics

Blackbuck’s competitive advantage stems not merely from its size but from the high switching costs and network effects generated by its core utility services. By providing essential, frequently used services (fuel, tolls, GPS tracking), the company embeds itself into the daily operations of the trucker.2

The company’s massive market share (27.5% of India’s truck operators) is critical because the utility layer acts as an infrastructure builder for future, higher-margin monetization. The transactional data collected through the Payments and Telematics layers provides continuous, proprietary visibility into the operational efficiency, utilization rates, and financial behaviour of its users.16 This flow of reliable, real-time data acts as a powerful underwriting engine, allowing Blackbuck Finserve to offer financing solutions with substantially lower risk and potentially superior margins compared to traditional lenders who lack such granular data.13 The high growth rate observed in new businesses (144% YoY in Q2 FY25) reflects this successful transition toward high-value monetization.9

Furthermore, the recent receipt of in-principle approval for a Prepaid Payment Instrument (PPI) license for its subsidiary, TZF Logistics Solutions 20, is a significant strategic development. This approval allows Blackbuck to achieve end-to-end ownership of the payments stack, which not only enhances the customer experience and potentially reduces external payment processing costs but also centrally mitigates the regulatory risk concerning changes in the electronic toll collection and payment ecosystem, a vulnerability previously identified in regulatory filings.12 By vertically integrating the payments stack, Blackbuck strengthens its position as an essential infrastructure provider, deepening the platform's stickiness and long-term viability.

Blackbuck’s operational reach covers 628 districts, encompassing 80% of India, facilitated by 9,395 digital touchpoints for onboarding and servicing.3 This combination of physical and digital reach creates a significant barrier to entry for potential competitors.

### III. Indian Logistics Sector Dynamics: Structural Tailwinds

Blackbuck operates in a sector currently undergoing rapid structural transformation, benefiting immensely from powerful macroeconomic and regulatory tailwinds. The India logistics market generated a revenue of $228.4 billion in 2024 and is forecast to reach $357.3 billion by 2030, projecting a robust Compound Annual Growth Rate (CAGR) of 7.7% from 2025 to 2030.21 The sector is expected to reach $380 billion by 2025.22

#### Road Freight Dominance and Market Growth

The road transport industry is the undisputed backbone of India’s freight movement, accounting for approximately 60% to 70% of freight volume.23 This dependency translates to a trucking market expected to grow four times its current size by 2050.25 The total number of trucks is projected to increase from 12.5 million to between 14 million and 15 million by 2028, driven by economic expansion and the goal for India to become the world’s third-largest economy by 2027.24

#### Government-Driven Digitalization and Efficiency

Government policy and large-scale infrastructure projects are creating a mandatory shift towards digitization, effectively subsidizing Blackbuck's growth model.

* **GST and E-Way Bill:** The implementation of the Goods and Services Tax (GST) and the mandatory E-Way Bill system have profoundly impacted logistics efficiency. GST eliminated multiple state-level taxes and simplified the tax structure, leading to a reported improvement in transport time by over 33%.27 The E-Way Bill, mandatory for high-value consignments, requires electronic documentation and tracking, forcing compliance and enhancing transparency across the supply chain.29
* **National Logistics Policy (NLP) and Infrastructure:** The NLP, launched in September 2022, aims to align India's logistics cost with global benchmarks by 2030.30 This policy is complemented by the PM GatiShakti framework, an initiative focused on integrated infrastructure planning.32 The planned creation of the GatiShakti Transport Planning and Research Organisation (GTPRO) aims to streamline project approvals and maintain a repository of Big Data for transport planning.33
* **Digital Integration:** Key digital mandates like FASTag (electronic toll collection) and the proposed Unified Logistics Interface Platform (ULIP) 31 integrate operational data across the sector.

The regulatory environment, particularly the mandates surrounding E-Way Bills and FASTag, forces the historically fragmented and unorganized trucking market to adopt technology.26 Blackbuck, by integrating these utility functions seamlessly and early, has become the default application layer for regulatory compliance for a significant portion of the ecosystem. This regulatory-driven necessity accelerates the adoption of its sticky user base and solidifies its dominant market share (27.5%). This competitive lead is challenging for newer market entrants to overcome, as network participants are already habituated to Blackbuck's platform for essential, compliance-heavy services.

Furthermore, the government’s immense infrastructure push—including schemes like Bharatmala and the National Infrastructure Pipeline (NIP), expected to raise over $650 billion in investment 32—drives substantial improvements in road quality and efficiency. While Blackbuck is an asset-light operator, these infrastructural enhancements reduce congestion and enable faster transit times.23 Critically, this translates directly to micro-level operational efficiency for truckers, leading to higher truck utilization rates (reported improvement of 25% to 30%).17 Financially healthier truck operators, making more trips and generating stable cash flows, present lower credit risk, which is a substantial, albeit indirect, benefit to Blackbuck’s high-margin NBFC segment, Finserve. The improved infrastructure thus serves to mitigate the structural risk of expanding into vehicle financing.

### IV. Financial Performance and Outlook

Blackbuck's financial narrative centers on its successful pivot from a pure transactional model characterized by high volume and low margins to a recurring platform model based on utility services and FinTech enablement. While the company still reports a statutory net loss, a deep analysis of its quality of earnings reveals robust operational profitability and strong cash flow generation.

#### Revenue Growth and Operational Momentum

The company has achieved impressive growth in its operating revenue following the model shift. Revenue from operations increased by 69.0% Year-over-Year (YoY), rising from ₹175.68 Cr in FY23 to ₹296.92 Cr in FY24.36

Recent quarterly performance underscores this acceleration:

* **Q2 FY25 Gross Revenue:** ₹104.27 Cr (54.05% YoY growth).9
* **Q2 FY25 Contribution Margin:** ₹95.36 Cr (55.57% YoY growth).9
* **Transacting Customers:** The network effect is evident, with transacting truck operators growing 22.32% YoY to 699,206 in Q2 FY25.9

#### The Profitability Pivot: Adjusted EBITDA vs. Statutory Loss

The most salient feature of Blackbuck’s recent financials is the achievement of positive operational profitability despite continued statutory net losses (PAT).

In FY24, the company recorded a positive **Adjusted EBITDA of ₹13.3 Cr**, a significant operational achievement compared to the Adjusted EBITDA loss of ₹154.5 Cr in FY23.12 This metric continued its positive trajectory, reaching **₹24.64 Cr in Q2 FY25**.9

However, the statutory Net Loss (PAT) for FY24 stood at ₹194 Cr 12, although this was an improvement from the ₹290.4 Cr loss reported in FY23.12

##### Understanding the Quality of Earnings (The Adjustment Bridge)

The substantial divergence between positive Adjusted EBITDA and negative Statutory PAT is largely driven by non-cash charges inherent to high-growth technology platforms. Adjusted EBITDA is defined as restated profit/(loss) before tax from continuing operations, adjusted for (a) finance costs, (b) depreciation and amortization expense (D&A), (c) employee share-based payment expenses (ESOPs), (d) other gains/losses (net), and (e) exceptional items.12

The majority of the disparity between the Adjusted EBITDA (positive) and GAAP Net Income (negative) is attributable to non-cash expenses, particularly ESOP costs and D&A. While significant ESOP costs increase the GAAP loss, they represent an investment in retaining specialized, high-demand talent (CTO, CPO, specialized Finserve teams).40 As the company rapidly scales and achieves operational maturity, these non-cash expenses are expected to moderate as a percentage of overall revenue, leading to a dramatic convergence of Adjusted EBITDA toward statutory PAT. This structural feature underpins analyst projections for massive profit growth, with one forecast estimating a profit growth of 2096.0% for FY26.41 The current positive operational cash flow suggests that the platform has achieved critical scale, and future revenue growth will flow through rapidly to the bottom line, justifying the high growth forecast.

Table V: Historical Consolidated Financial Performance (INR Cr)

| **Metric** | **FY22A** | **FY23A** | **FY24A** |
| --- | --- | --- | --- |
| Revenue from Operations (Net) | 119.32 | 175.68 | 296.92 |
| YoY Growth (%) | N/A | 47.2% | 69.0% |
| Statutory Net Loss (PAT) | -284.6 | -290.5 | -194.0 |
| Adjusted EBITDA | N/A | -154.5 | 13.3 |
| Adjusted EBITDA Margin (%) | N/A | Negative | 4.5% |
| Cash Flow from Operations (CFO) | N/A | 125 | 446 |

Data compiled from various financial disclosures and filings.12

#### Cash Flow and Capital Allocation Strategy

Despite reporting statutory losses, the company’s Cash Flow from Operating Activities (CFO) was positive, standing at ₹446 million in FY24.36 This positive cash generation validates the asset-light business model and the strong underlying cash conversion cycle.42 Furthermore, Blackbuck’s balance sheet health is robust, being described as "almost debt free".1 Crucially, Debtor days have shown significant improvement, declining sharply from 104 days to 23.4 days 1, indicating highly efficient working capital management, which is essential for a B2B platform scaling its financial services arm.

The allocation of IPO proceeds reflects a clear strategic intent: ₹200 Cr is earmarked for funding sales and marketing initiatives, and ₹140 Cr is allocated for capital augmentation in the NBFC subsidiary, Blackbuck Finserve.3 This represents a focused "land-and-expand" capital strategy: using aggressive sales and marketing to solidify the platform’s 27.5% market dominance (the 'land'), and then deploying capital to scale the high-margin financing arm (the 'expand').43 The capital infusion into Finserve is necessary to meet regulatory reserve requirements for NBFC lending, allowing for rapid expansion of the high-margin product offering.

### V. Valuation and Peer Comparison

The valuation of Blackbuck requires methodologies that account for its dual nature as a high-growth, asset-light technology platform embedded within the large, cyclical logistics sector. Traditional Price-to-Earnings (P/E) multiples are rendered ineffective by the current statutory losses driven by non-cash charges.1 Therefore, we prioritize forward-looking Enterprise Value to Adjusted EBITDA (EV/Adjusted EBITDA) and Price-to-Sales (P/S) multiples.

#### Current Valuation Profile

Blackbuck currently trades at a significant premium to conventional logistics companies, suggesting the market already classifies it as a software/platform play.19 The current Price/Sales (P/S) multiple stands at 25.96x, and the Price/Book Value (P/B) is 11.02x.44 This premium is only justifiable if the platform model continues to deliver high revenue growth and converts its network advantage into accelerated, high-margin profits, which the Q2 FY25 operational results strongly support.

#### Peer Group Analysis and Multiple Justification

We compare Blackbuck against two primary peer groups: traditional logistics firms and other supply chain technology platforms.

* **Traditional Logistics Peers:** Companies like Transport Corporation of India Ltd. (TCI) operate in a mature, asset-heavy environment. The Indian logistics sector average EV/EBITDA stood at 16.2x in FY24, with TCI currently trading around 18.7x.45 These multiples reflect stable, low-to-moderate growth profiles.
* **Digital Supply Chain Technology Peers:** Comparables like Unicommerce, a supply chain management software provider, trade at much higher multiples, exemplified by an LTM EV/EBITDA of 39.2x.47

Table VI: Comparative Valuation Benchmarks (Selected Peers)

| **Company** | **Ticker/Segment** | **Market Cap (INR Cr)** | **P/S (Current)** | **EV/EBITDA (Current/LTM)** |
| --- | --- | --- | --- | --- |
| Blackbuck Ltd. | BLACKBUCK / Tech Platform | 12,548 1 | 25.96 44 | N/A (Statutory) |
| TCI Ltd. | Traditional Logistics | 8,990 (Implied) 45 | N/A | 18.7x 45 |
| Unicommerce | SupplyChainTech | 1,240 (Implied) 47 | 7.8x 47 | 39.2x 47 |
| Sector Average | Indian Logistics (FY24) | N/A | 2.68x 46 | 16.2x 46 |

Blackbuck’s current high multiples signal that the market views it closer to the SupplyChainTech segment than the Traditional Logistics sector. This is highly appropriate, given its asset-light model and expected hyper-growth in revenue (40.5% forecast for FY26) and profit (2096% forecast for FY26).41

**Valuation Rationale and Price Target Derivation**

The target price of ₹820 is derived by applying a premium forward valuation multiple to the projected FY26 Adjusted EBITDA, reflecting the company's clear path to operational leverage and the unique FinTech monetization opportunity.

Assuming the platform sustains its acceleration, resulting in robust growth in the high-margin Payments and Finserve segments, Blackbuck’s future profile warrants a multiple commensurate with technology platforms experiencing structural profitability shifts. We project Blackbuck to trade at approximately 20x–25x its FY26E Adjusted EBITDA. This multiple represents a significant premium over industrial logistics peers (16.2x to 18.7x) but aligns with the valuation expectations set by the rapid conversion of operational revenue into cash-backed profits, as demonstrated by the positive CFO and sharp improvement in Adjusted EBITDA.

This target significantly exceeds the current analyst consensus target price range of ₹616 to ₹650 48, but is justified by incorporating the accelerated Q2 FY25 results and the potential for the Finserve arm, which many conservative consensus models may not fully account for in their profitability projections.

### VI. Corporate Governance and Management

Blackbuck's leadership structure is characterized by stability and specialized expertise across its core technological and financial verticals.

#### Leadership and Management Team

The company is led by its three co-founders, who maintain active executive roles: Mr. Rajesh Kumar Naidu Yabaji (Chairman, Managing Director & CEO), Mr. Chanakya Hridaya (COO & Executive Director), and Mr. Ramasubramanian Balasubramaniam (Executive Director and Head of New Initiatives).50 This stability since the company's inception in 2015 provides continuity in strategic execution.

The management team includes key functional specialists crucial for scaling a modern tech platform: Mr. Satyakam G N (Chief Financial Officer), Mr. Thejasvi Bhat (Chief Technology Officer), and Mr. Manish Singh (Chief Product Officer).40 Crucially, the business heads for the key monetization engines are clearly defined: Abhishek Singh for Payments & Telematics, and Prakash Bajirao Mali for Vehicle Finance.40

#### Board Structure and Institutional Confidence

The Board of Directors maintains a strong governance structure, featuring a contingent of Independent Non-Executive Directors, including Mr. Kaushik Dutta, Ms. Hardika Shah, Mr. Niraj Singh, and Mr. Rajamani Muthuchamy.51 These independent directors chair and serve on critical committees, such as the Audit Committee, Nomination and Remuneration Committee, and Risk Management Committee, ensuring robust oversight of operational and financial integrity.51

The company received significant institutional backing during its pre-IPO phase, including Accel (the largest shareholder at 17.07%), Flipkart’s Quickroutes International (12.97%), and Peak XV Partners.11

A significant validation of the company's strategic pivot and execution capability is the dramatic increase in Institutional Investor holdings, which rose from 34.00% to 40.53% in the September 2025 quarter.53 This substantial increase in institutional ownership reflects a strong conviction in the platform’s potential, driven by the visible operating leverage and the confidence in management’s execution of the high-margin, asset-light model.

### VII. Investment Risks and Sensitivities

While the investment thesis is fundamentally sound, Blackbuck is subject to several risks material to its operations and valuation.

#### A. Regulatory and Technological Dependency Risk

Blackbuck’s concentration risk is tied to its Payments and Telematics segment, which generated over 94% of consolidated operating revenue in FY24.12 This exposes the company to potential regulatory shifts in India's electronic toll collection systems (FASTag) or digital fuel payments. Any adverse policy changes in the payment ecosystem could materially affect the business.12

While the recent PPI license approval mitigates some operational regulatory risks by gaining end-to-end control of the payment stack 20, core governmental policy remains an external factor. Furthermore, as the logistics sector rapidly digitizes, platforms like Blackbuck face escalating cybersecurity risks.54 The reliance on microservices architecture and large spatial data sets (for telematics) 16 requires continuous, substantial investment in technology and security measures to maintain the trust and integrity of the platform for nearly a million users.

#### B. Execution and Scaling Risk (Finserve)

The success of the high-margin FinTech overlay is contingent upon flawless execution of the Blackbuck Finserve subsidiary. The subsidiary lacks an established operational history in lending.13 Successfully deploying the ₹140 Cr of IPO capital and rapidly scaling the NBFC’s loan book requires superior risk modeling, credit assessment, and collection infrastructure in a highly cyclical market.43 Failure to maintain credit quality, particularly if economic growth slows, could result in elevated Non-Performing Assets (NPAs) and greater-than-expected credit losses, neutralizing the benefit of high-margin interest income.

However, this credit risk is partially mitigated by the intrinsic nature of the platform’s business model. Blackbuck’s asset-light model avoids the balance sheet exposure to vehicle depreciation risks faced by asset-heavy competitors.14 More importantly, the company relies on proprietary operational data gathered via telematics and payments to underwrite loans. This continuous, real-time data on a trucker’s cash flow and efficiency allows Finserve to assess credit risk more accurately and efficiently than traditional, external NBFCs, thus creating a structural buffer against credit cycle volatility.

#### C. Competitive and Pricing Pressure

The Indian trucking market, despite Blackbuck’s leading 27.5% digital share, remains highly fragmented with numerous small-scale operators.2 Heightened competition from established players (such as Delhivery) 55 and regional marketplaces could intensify pricing pressure in the Loads Marketplace segment, potentially compressing platform take rates.56 The company’s growth relies heavily on its ability to continually attract new truck operators and retain the existing user base.13 Any failure to enhance the value proposition or address competitor moves could erode the network effect moat.

#### D. Macroeconomic and Cyclical Sensitivity

The overall business performance remains sensitive to broad macroeconomic volatility, particularly in industrial sectors, manufacturing, and e-commerce demand, which directly impact freight volumes.58 Additionally, high exposure to the road transport sector makes the company sensitive to volatile diesel prices and changes in toll charges, impacting the operational costs and financial health of the trucker base.24

### VIII. Conclusion and Final Recommendation

Blackbuck Limited represents a unique investment opportunity as a high-growth technology platform capitalizing on the structural digitization mandated by India's regulatory and infrastructure reforms. The core investment thesis is built on the successful transition from a commoditized transactional marketplace to a differentiated, high-margin platform utility.

The company's scale—serving 27.5% of India’s truck operators—provides a formidable distribution network for its essential utility products (payments and telematics). This core utility generates proprietary, high-frequency data, which acts as the foundational technological advantage for its higher-margin monetization layer, Blackbuck Finserve.

The financial results unequivocally demonstrate the success of this structural pivot, evidenced by the sharp and decisive move into positive Adjusted EBITDA in FY24, which continues to accelerate in FY25. Although statutory losses persist due to non-cash expenses, the positive operating cash flow and improved working capital metrics signal a business that has achieved operational maturity and critical scale. The anticipated moderation of non-cash charges is forecast to result in exponential growth in statutory profitability in the medium term.

The deployment of IPO capital toward Finserve augmentation and aggressive network expansion is a calculated strategic move designed to leverage the company’s platform advantage into a dominant, high-yield FinTech presence within the logistics ecosystem. The recent increase in institutional ownership validates the market's growing confidence in this strategy.

We reiterate our **Overweight** rating and assign a **12-month Price Target of ₹820**, reflecting a premium valuation justified by the platform’s superior operating leverage and substantial embedded FinTech growth potential. Investors should view Blackbuck as a play on India's logistics digitization and structural financial inclusion, rather than a traditional transport services provider. Any near-term volatility stemming from lock-in expiries or general market correction should be viewed as an opportunity to accumulate the stock, given the strong, defensible long-term growth trajectory.

##### October 20, 2025 Prepared by Jashan Singh Virdi - Research Analyst