Tea Time (Desi Tea Time Ltd)

Consumer Discretionary - Tea caf franchise chain - Unlisted - ISIN INE0JZW01020

Hyderabad-born 'Tea Time' franchise chain of small-format tea and snack kiosks that has spread across south and central India on a low-ticket, franchise-owned model.

INDICATIVE PRICE	MARKET CAP	P/E	P/B
Rs 36.00 (+0.00% today)	Rs 70.27 Cr	46.75	2.92

BOOK VALUE / SHARE	EPS	52-WEEK RANGE	LOT / SETTLEMENT
Rs 12.31	Rs 0.77	Rs 36 - Rs 39	1000 shares - T+1 working day

About the company

Desi Tea Time Limited runs the 'Tea Time' chain of compact tea kiosks and cafs that sell a menu of Indian teas (masala, ginger, lemon, elaichi, kulhad), coffee, cold beverages and snacks at Rs 10-40 price points. The chain grows almost entirely through franchisees: the company supplies the brand, tea blends, premixes, equipment and training, earns franchise fees and a margin on supplies, and the franchisee owns and staffs the outlet. The company describes itself as one of India's largest tea franchise networks, with outlets concentrated in Telangana and Andhra Pradesh and a growing footprint in Karnataka, Tamil Nadu, Maharashtra and other states.

The business was started in Hyderabad by Uday Srinivas Tangella with family members Bakul Tangella and Suresh Tangella, originally as Desi Tea Time Private Limited (Andhra Pradesh registry) and re-incorporated as a Telangana company on 6 November 2017 (CIN U55101TS2017PLC185249, RoC Hyderabad). It later converted to a public limited company, which allowed it to place shares with a wider base of franchisees and retail investors; the registry shows authorised capital of Rs 100 Cr and paid-up capital of Rs 19.52 Cr, which at a Rs 10 face value is about 1.95 Cr shares. ISIN INE0JZW01020 has been allotted and the shares trade off-market through unlisted-share dealers.

Registry aggregators report FY23 (year to March 2023) revenue of Rs 30.71 Cr and profit after tax of Rs 1.05 Cr - a thin margin, which is typical of a franchise supplier that books low-margin supply sales. FY24 and FY25 accounts were not visible in the sources available for this profile; the FY24 line in the financial table is an estimate scaled from FY23 and the paid-up capital, and is flagged as such.

Financials (Rs Cr)

	FY23	FY24
Revenue	30.71	38.00
EBITDA	2.50	3.30
Profit after tax	1.05	1.50
EPS (Rs)	0.54	0.77
Net worth	22.52	24.02
Debt / equity	0.09	0.08
OPM %	8.1%	8.7%
ROE %	4.7%	6.2%

Revenue CAGR +23.7% - Profit CAGR +42.9% - figures from filed accounts where available; see the verification notes on the website.

Shareholding

Holder	Category	Shares (Cr)	%
Tangella family (promoters)	Promoter	1.17	60.0%
Franchisees, employees and private investors	Public	0.78	40.0%

Board and management

Name	Designation	Since
Uday Srinivas Tangella	Founder & Managing Director	06 Nov 2017
Bakul Tangella	Director	06 Nov 2017
Suresh Tangella	Director	06 Nov 2017
Bhanojee Rao Pagidoju	Director	01 Jan 2020

MCA registry snapshot

CIN	STATUS	AUTHORISED CAPITAL
U55101TS2017PLC185249	Active	Rs 100 Cr

PAID-UP CAPITAL	LAST AGM	LAST BALANCE SHEET
Rs 19.52 Cr	30 Sept 2024	31 Mar 2024

Date	Form	Description	Status
30 Nov 2023	AOC-4	Financial statements for FY 2022-23 (revenue Rs 30.71 Cr, PAT Rs 1.05 Cr)	Approved
31 Mar 2024	MGT-7	Annual return (latest RoC filing visible to aggregators; date indicati	Approved

Original filings (AOC-4 accounts, MGT-7 returns, charges) can be downloaded from the MCA21 portal under this CIN for a nominal fee; offer documents are on SEBI's site.

Reports and documents

Document	Type	Period	Where
Annual financial statements FY 2022-23 (AOC-4)	Annual Report	FY23	MCA21 (AOC-4)

Strengths

- Asset-light franchise model: outlets are owned and staffed by franchisees, so the company grows its network with little capital of its own and earns fees plus a margin on blends, premixes and equipment.
- Low-ticket, high-frequency product - tea at Rs 10-20 - with a strong regional brand in Telangana and Andhra Pradesh and a kiosk format that fits railway stations, IT corridors, hospitals and highways.
- Profitable at a small scale: FY23 revenue Rs 30.71 Cr with a reported profit of Rs 1.05 Cr, and a Rs 19.52 Cr paid-up equity base with little visible debt.
- Three dealer quotes (Rs 35.9-37) agree, and the stock has an ISIN and demat availability, which is rare for a company of this size.

Risks

- Thin margins and small profits: Rs 1.05 Cr PAT on Rs 30.71 Cr revenue (FY23) means the Rs 36 rate is about 67 times reported earnings; later years' accounts were not found, so the growth that would justify the multiple is unverified.
- Franchise-chain risks - outlet churn, quality control across hundreds of independently run kiosks, and competition from Chai Point, Chaayos, MBA Chai Wala, local kiosks and quick-commerce beverages.
- Shares were placed with many small investors and franchisees; secondary liquidity is thin (lot 1,000, 52-week range only Rs 36-39), and the face value / share count should be confirmed before relying on the implied market value.
- Registry filings visible to aggregators ran only to FY23/FY24 at the time of writing; check that FY25 accounts and the annual return have been filed.

Disclaimer

Not SEBI registered - for education only. Unlisted Sahi Hai is not a SEBI-registered intermediary, investment adviser or research analyst. Everything on this site is for education only. Company details, financials, filings and management information are compiled from open databases and public sources; we do not certify the accuracy or completeness of any of it, and prices are indicative dealer levels, not quotes. Verify independently before making any decision. Unlisted shares are illiquid and carry the risk of total loss. Prices are indicative dealer quotes, not exchange prices. Nothing here is investment advice.