

May 28, 2019

The National Stock Exchange of India Ltd.,  
The Listing Department,  
"Exchange Plaza",  
Bandra Kurla Complex, Bandra (East),  
Mumbai – 400 051

BSE Ltd.  
The Department of Corporate Services,  
Phiroz Jeejeebhoy Towers,  
Dalal Street,  
Mumbai – 400 001

Scrip Symbol: TCIEXP

Scrip Code: 540212

Dear Sir/Madam,

**Sub: Intimation under Regulation 30 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015**

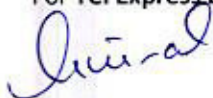
In compliance with Regulation 30 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, please find attached Investor Presentation for Q4/FY 2018-19.

This is for your information, records and meeting the disclosure requirements as per applicable Regulation of Listing Regulations, 2015.

Thanking you,

Yours faithfully,

For TCI Express Limited



Vinay Gujral  
Company Secretary & Compliance Officer

Encl: as above

TCI Express Limited

CIN: L62200TG2008PLC061781

Corporate Office: TCI House, Plot No. 69, Sector 32, Institutional Area, Gurugram - 122001, India

Tel.: +91-124-2384090-94 • Email: info@tcexpress.in • Website: www.tciexpress.in

Registered Office: Flat Nos. 306 & 307, 1-8-273, Third Floor, Ashoka Bhoopal Chambers, S. P. Road, Secunderabad - 500003 • Tel.: +91 40 27840104

A TCI Company

# TCIEXPRESS

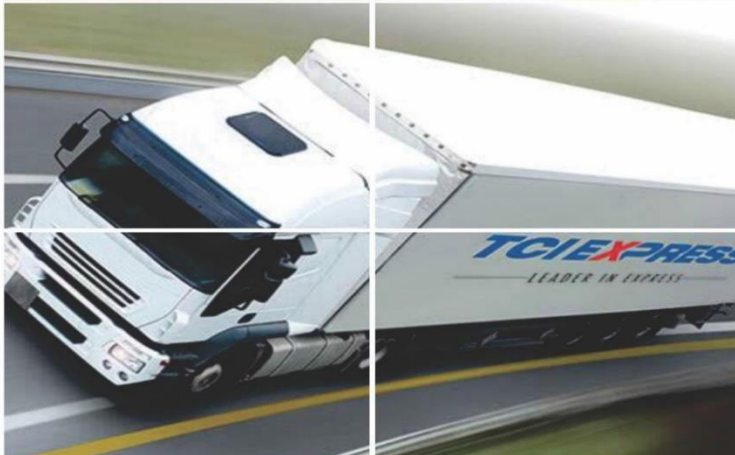
LEADER IN EXPRESS



# TCIEXPRESS

LEADER IN EXPRESS

Investors Presentation  
May 2019



A TCI Company



**L** *LOVED BY CUSTOMERS IN INDIAN  
AND INTERNATIONAL MARKETS*

**E** *EXPRESS MULTIMODAL  
FASTEST COMPANY*

**A** *ALWAYS AHEAD OF THE REST  
IN SPEED AND PROFESSIONALISM*

**D** *DELIGHT OUR CUSTOMERS  
EVERY TIME*

**E** *EXCELLENCE IN SERVICE USING  
THE LATEST IN TECHNOLOGY*

**R** *RELIABLE TO ALL OUR CUSTOMERS  
AND RESPECTED BY  
ALL OUR STAKEHOLDERS*

## OUR VISION

TCIEXPRESS should be a customer oriented, multitechnology, multispecialist transport system in the Indian and International markets, with a proven commitment to excellence in every facet of activity and pursuit of value based policies to satisfy aspirations of society, customers, vendors, employees, share holders and the transport industry.

## हमारा ध्येय

टीसीआई एक्सप्रेस देश-विदेश के बाजारों में, ग्राहक-केंद्रित, बहु-प्रौद्योगिकी आधारित और बहु-विशेषज्ञ वाहन प्रणालियों के संचालन वाली कंपनी है जो समाज, ग्राहकों, वैडरों, कर्मचारियों, शेयरधारकों तथा परिवहन उद्योग की आकांक्षाओं को पूरा करने के लिए, अपनी विभिन्न गतिविधियों में उत्कृष्टता सुनिश्चित करने के साथ-साथ मूल्य आधारित नीतियों को अपनाने पर जोर देती है।

## QUALITY POLICY

To provide effective, reliable and on time express delivery services through continuous development of human resources, operational systems, information technology and infrastructure, while adhering to the Best Quality Management System for Customer's Delight.

## गुणवत्ता नीति

ग्राहक की खुशी के लिए अच्छी गुणवत्ता प्रबंधन प्रणाली का पालन करते हुए मानव संसाधन, संचालन प्रणाली, सूचना प्रौद्योगिकी और बुनियादी ढांचे में निरंतर विकास के माध्यम से प्रभावी, विश्वसनीय और समय पर तेज वितरण सेवाओं को प्रदान करना।



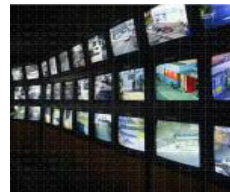


An Independent Company listed with stock Exchange of India since 15th Dec 2016, having credit rating of A1+ Short Term (ICRA) and AA- Long Term (CRISIL) with Robust revenue growth.



B2B-Surface Express, Air Express  
B2C – Last Mile Express  
Multi modal Distribution

ERP enabled operations, Barcoding on packaging, GPS enabled vehicles and CCTV surveillance All India



Over 22 + years of industry expertise

Ranked 457 in Top 500 Companies based on Market Cap, as on March 31, 2019



Year of Commencement 1997



Locations Served 40000



Countries Served 202



Containerized Vehicles 5000



Air Gateways 24



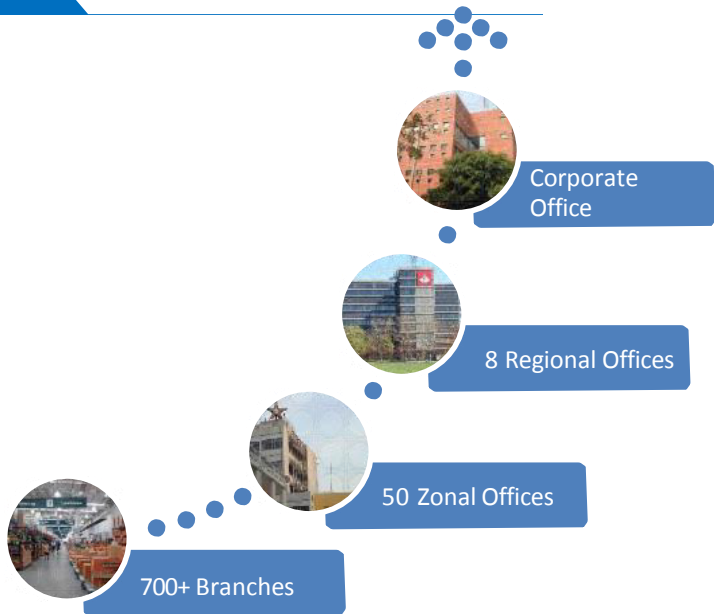
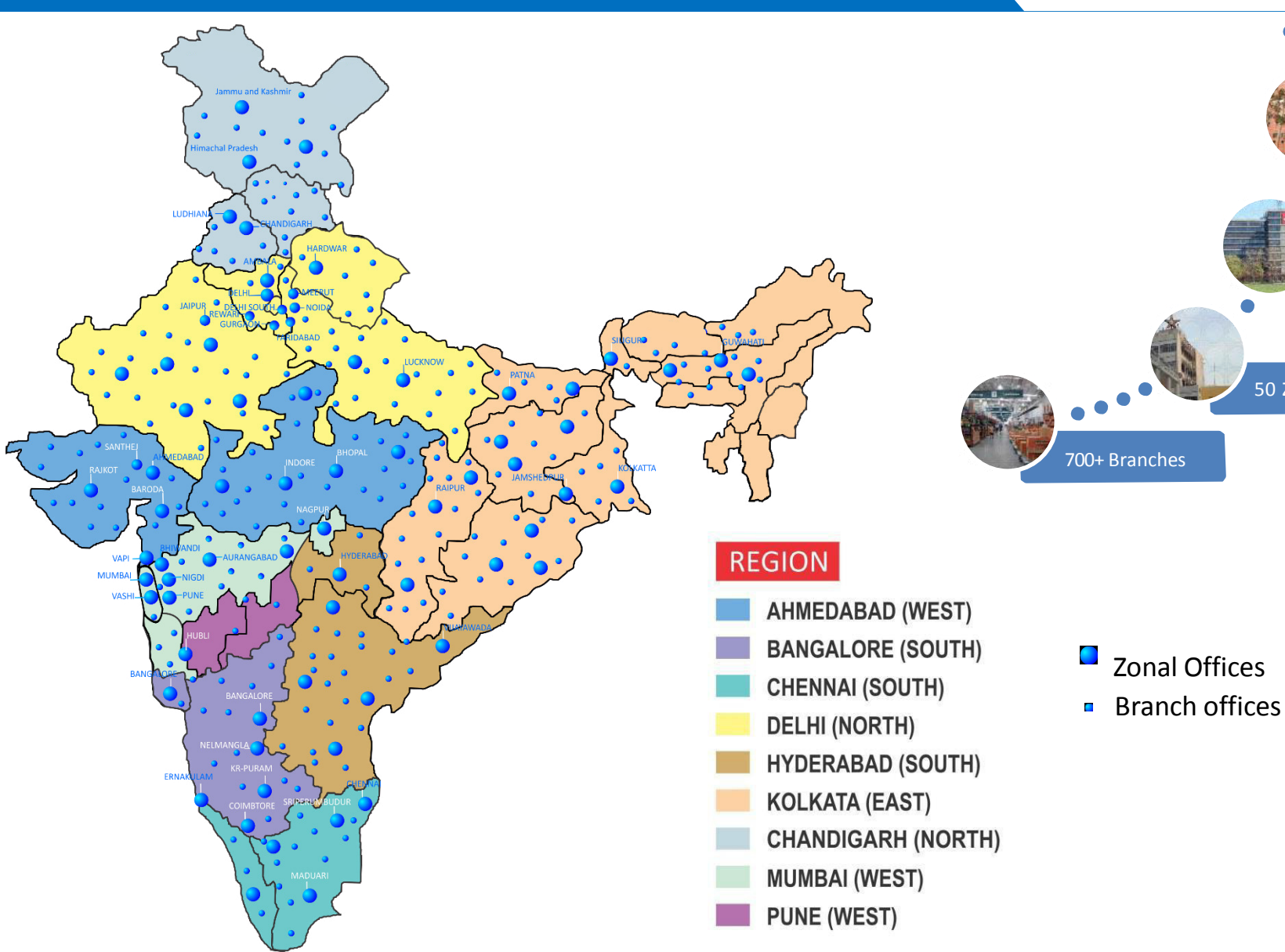
Company Branch Setup 700



Workforce 3000 +

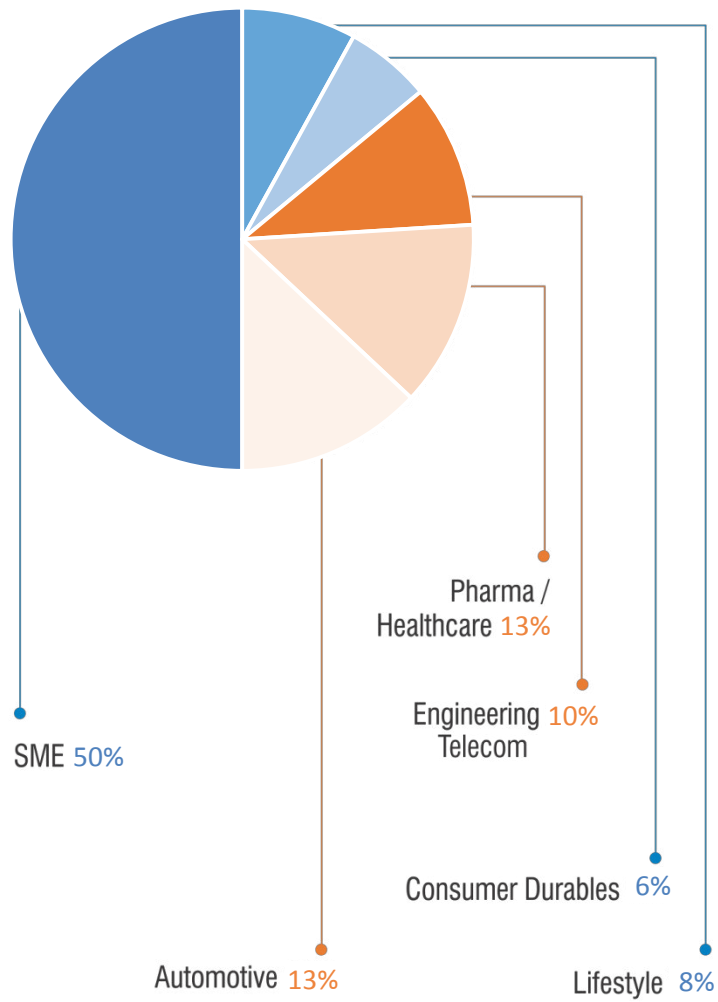


Sorting Centres 28

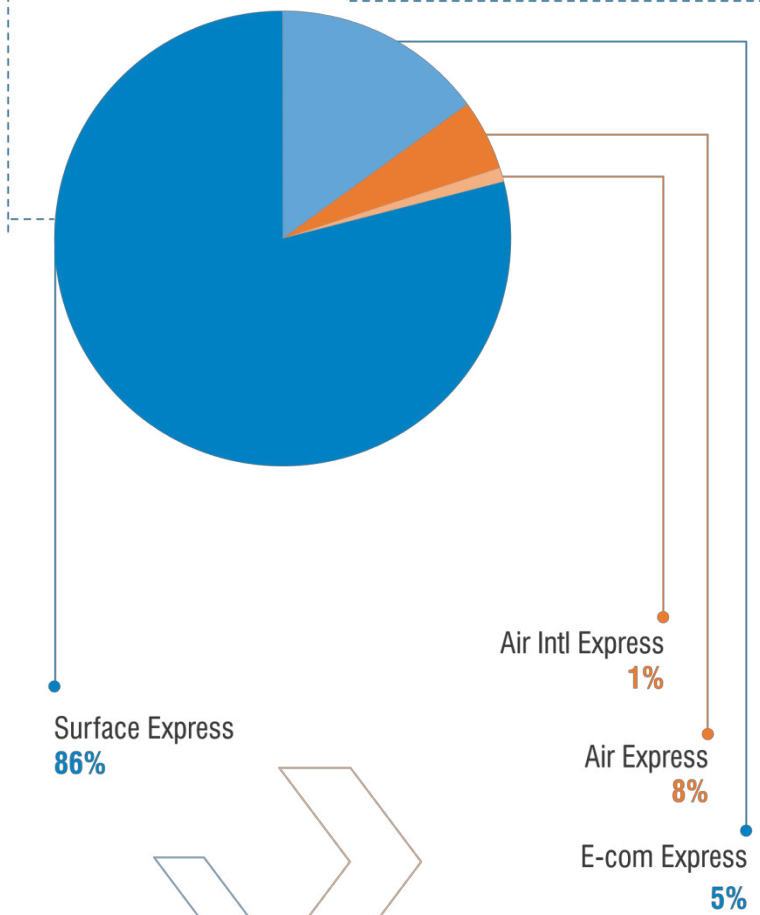




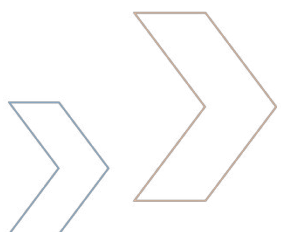
INDUSTRY VERTICAL



PRODUCT MIX



Since our 86% revenue share comes from Surface express and Government push to improve road infra would support our business objectives.



B2B

95%



## SURFACE EXPRESS

- 40,000 Pickup & Delivery Locations.
- Fully containerized fleet.
- Customized Value added services.



## DOMESTIC AIR EXPRESS

- Connecting 24 domestic airports.
- 24hr delivery into Tier 1 Cities.
- Multimodal options for small towns.
- Time sensitive distribution.



## INTERNATIONAL AIR EXPRESS

- Servicing 202 countries globally.
- 3rd Country Billing option.



## REVERSE EXPRESS

- Customized Reverse pick ups.
- Effective Return Management.

5%

B2C

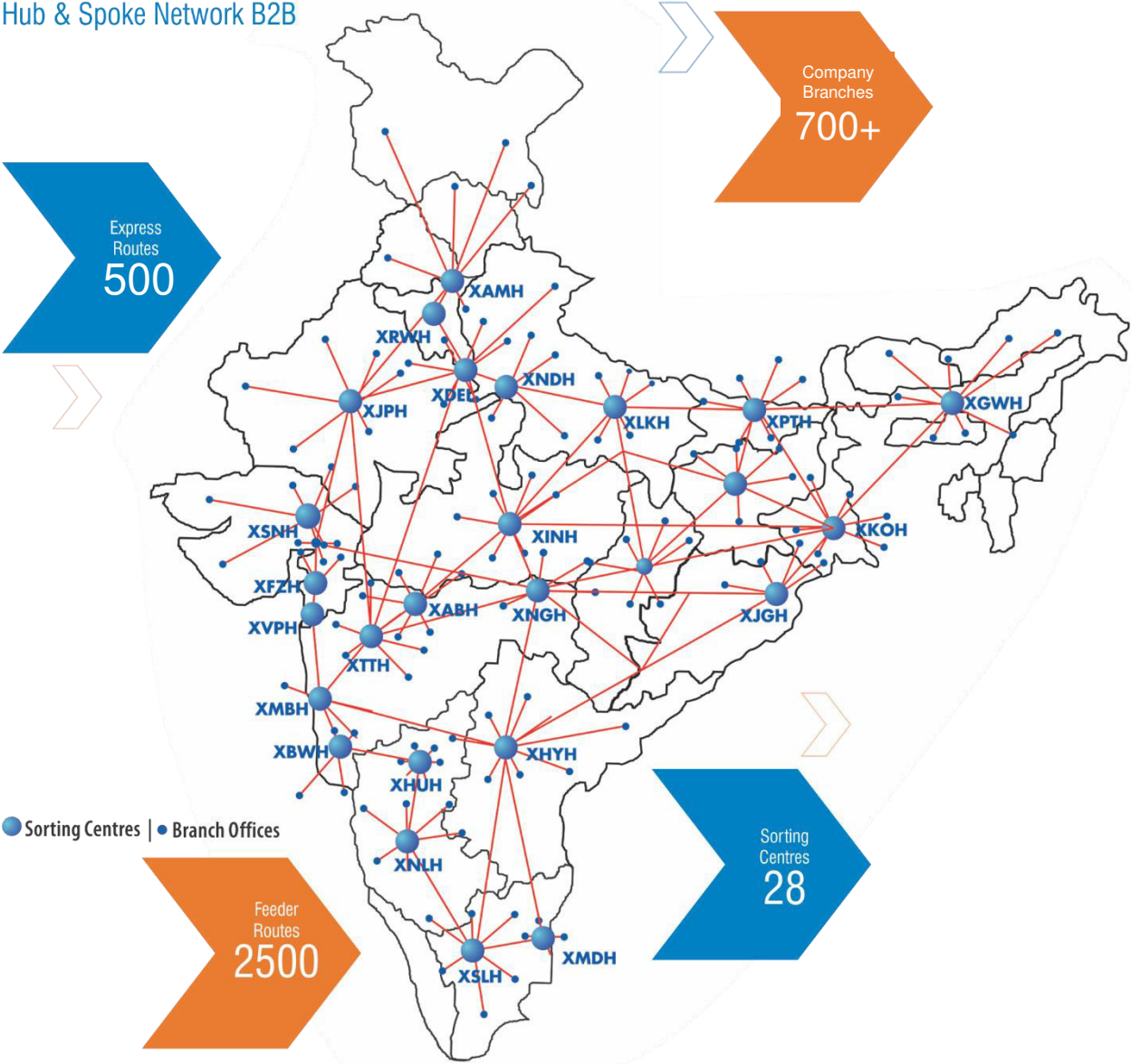


## E-COMMERCE EXPRESS

- Last mile delivery service.
- Technology driven product.
- Effective market place handling.
- Multi-modal network leverage.
- Value added feature of Cash-on-Delivery.
- Focus on tier II and III cities.



Hub & Spoke Network B2B



## COD

- Collection on Delivery for B2C

## Key Account Management (KAM)

- Customized Solutions as per the customer specification

## Sunday Delivery

- Sunday/Holiday delivery services

## EPOD

- Scanned colored POD image available on the web on same day of delivery of the shipment)

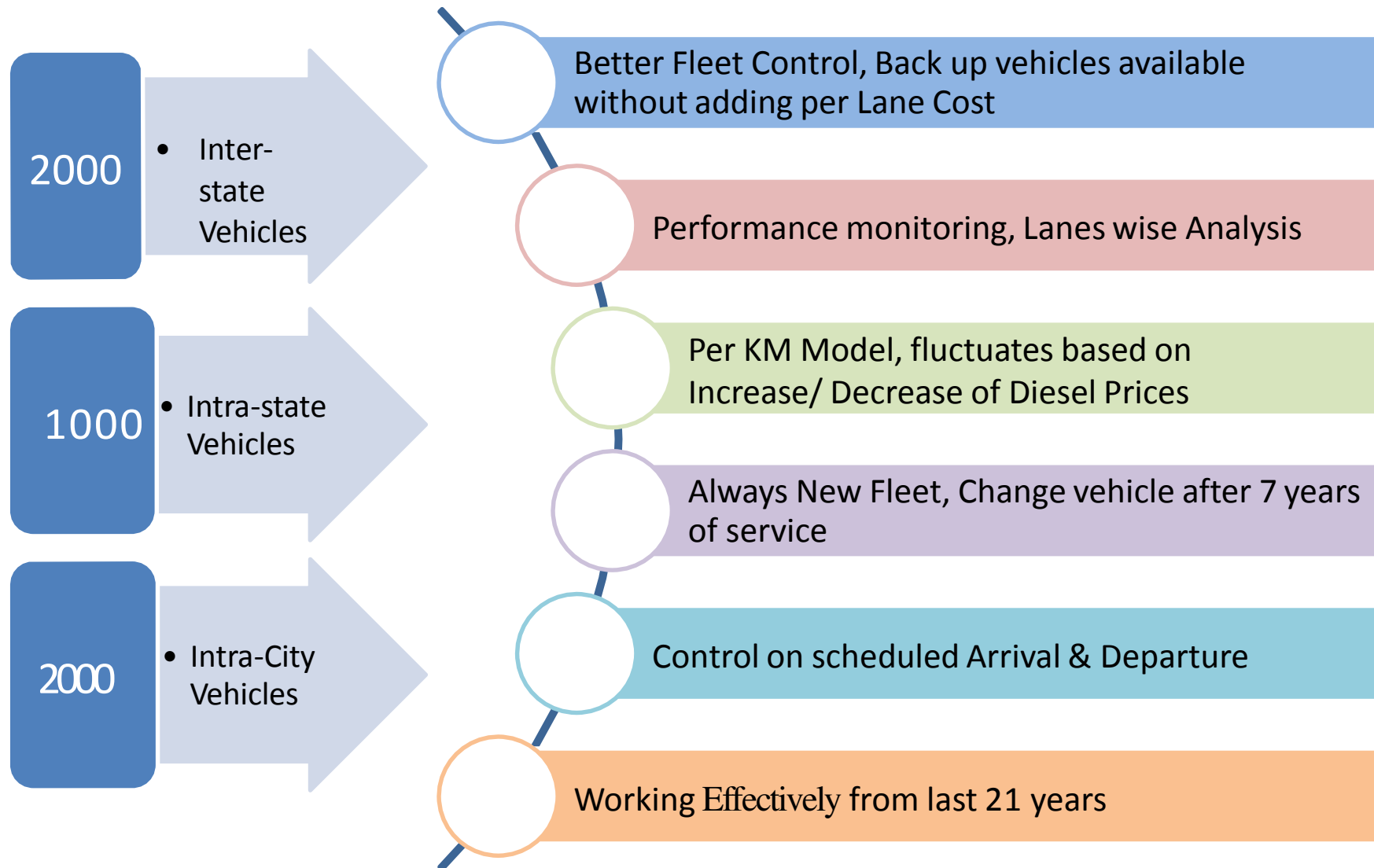
## ODA

- ODA Services (Out of Delivery)

## e-Billing

- GST enabled customized billing options to Customers





## Barcoding & RFID

- ✓ Accurate dispatch & billing



- Barcoded Labels printing for Accuracy.
- Barcode Scanning of packets on movement of packet for exact position.

## Hand Held Terminals (HHT)

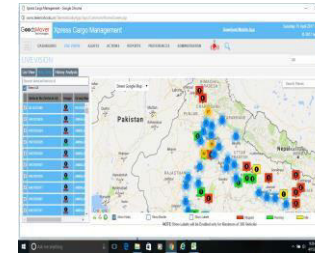
- ✓ Scanning for speed and accuracy



- Onsite Booking, Delivery, In/Out Scan Updation.
- Dynamic routing & Misroute Alert System

## GPS: Ground Technical Support

- ✓ Real-time Vehicle & shipment visibility



- GPS in all vehicles for real time packet status.
- Provides 24X7 visibility



- CCTV surveillance in All Warehouses and Main Pickup and Delivery Locations.
- Operation Control Centre Monitoring for Real Time Corrective Action.



## Mobile Apps



- Mobile App for Pickup and Delivery Update at Customer point
- Instant POD Uploading.
- Customer Pickup Request
- Services and Business Locations Enquiry.
- Freight Calculator



# New Age Sorting Centers

# TCI EXPRESS

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# Packages Handling

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# Shipment Process Flow- Using Technology

**TCIEXPRESS**

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LISTED ENTITY



Ranked 457 in Top 500 Companies based on Market Cap, as on March 31, 2019

IATA CERTIFICATE



ISO CERTIFIED



RATED BY



Business Superbrand of 2019



The Economic Times Iconic Brands Of India



India GDP \$2.3 TN

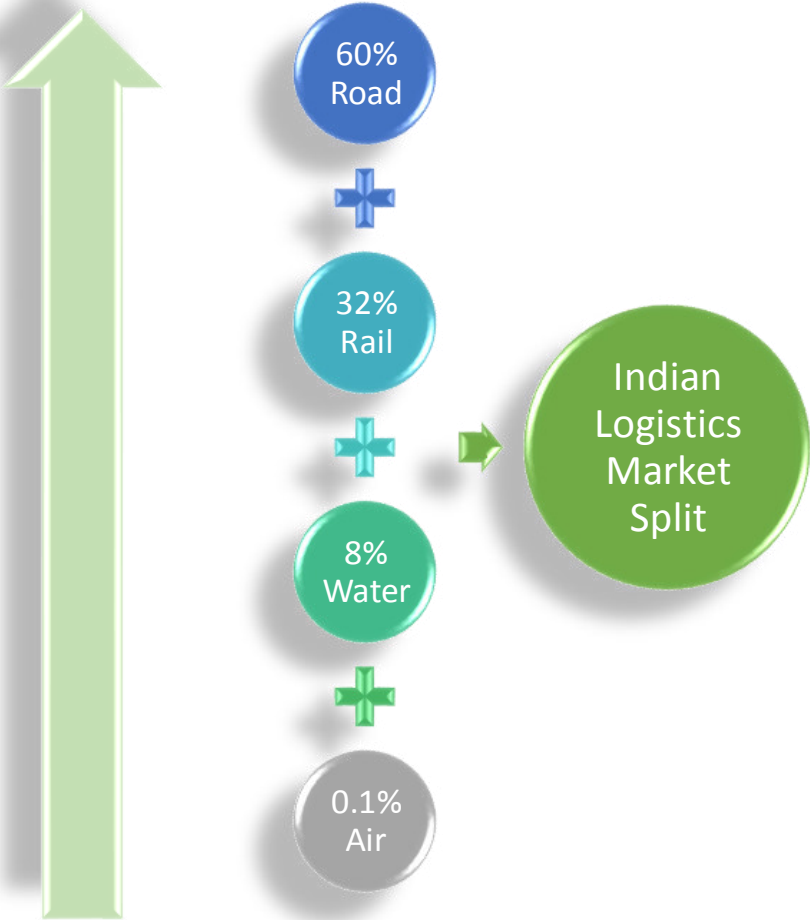
Total Logistics Spend \$300 Bn

Road Transportation \$180 Bn

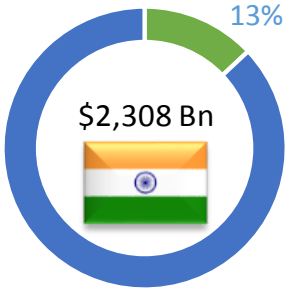
Un-Organised Segment 95%

TCI Express Carries \$9 Bn

TCI Express Market Share 5%



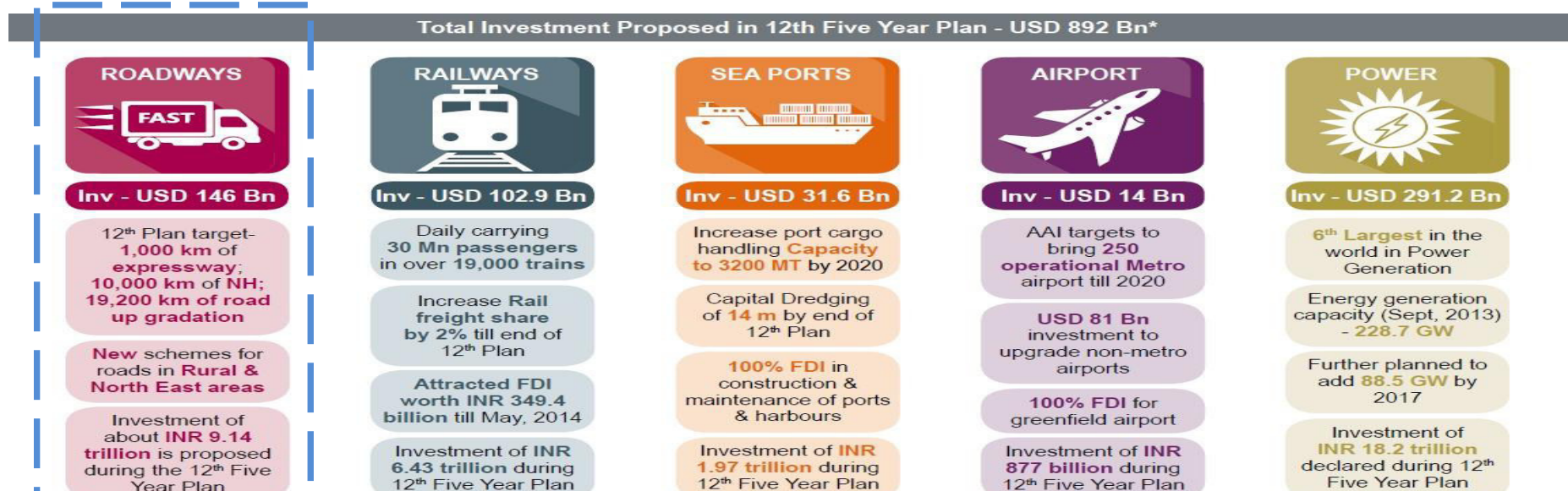
Logistics as % of GDP



## ✓ Road Express

- ✓ Small but Premium and significant segment of the Logistics Industry.
- ✓ Fastest Growing and expecting 17% YOY in next 3 years.
- ✓ Express industry is also expected to receive a fillip from the higher level of consumption demand in the country.
- ✓ The consumption demand in India is expected to grow at 10%
- ✓ **Thus creating additional demand for express industry.**

Maximum investment has been seen in Road Express out of total pie. Niti Aayog, Govt. of India has proposed a lot for the infrastructural development which is favourable for the Road Express Sector



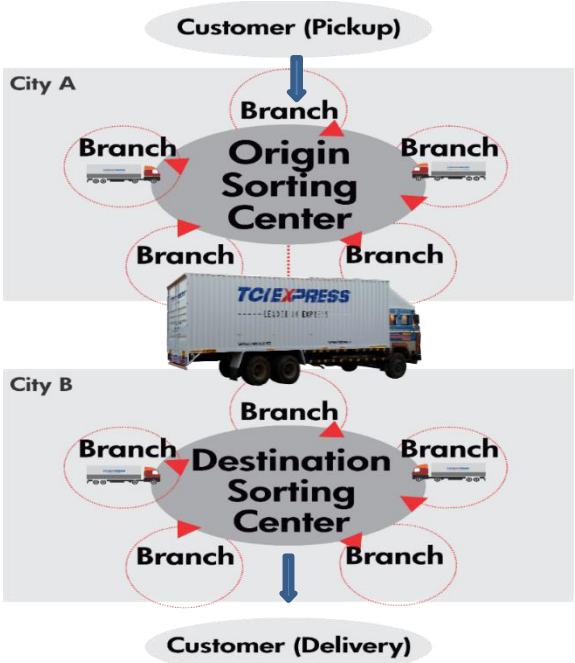
Source: 12th five-year plan (2012–2017), Planning Commission, Govt. of India (now known as NITI Aayog). Exchange rate assumption: USD 1 = INR 62.5

Note: \*Total investment number includes all the sectors apart from the ones highlighted. Other sectors are telecommunications, irrigation, storage, and oil and gas pipelines.

# Premium Vs Conventional Distribution

## Express (Premium)

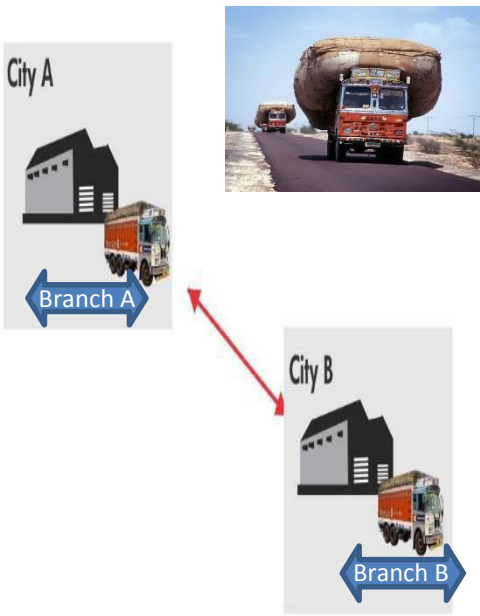
Hub & Spoke  
(Small Pkgs)



- Door to Door Delivery
- Time Definite
- High Value Cargo Movement
- Containerized Movement
- Value Added Services

## Conventional

Full-truckload (FTL)



- Spot Buying, Un organized
- Non Containerized vehicles
- Non time Definite
- No Door-to-Door Setup
- No Value Added Services

## Key Differentiator

| Key Differentiators    | Express                            | FTL                                 |
|------------------------|------------------------------------|-------------------------------------|
| Operating Model        | Plying on key routes               | Catering to towns/rural locations   |
| Key presence           | Metros and Tier-I cities           | Tier-II to Tier-IV cities           |
| Key Industrial Sectors | IT & Mobile, FMCG, Apparel, Pharma | Textiles (Yarn/Fabric), Agro, Auto, |
| Pricing                | High                               | Low                                 |
| Cash conversion cycle  | High                               | Low                                 |
| Time sensitive         | Yes                                | No                                  |
| Truck fill factor      | Low                                | High                                |
| Competition            | Route specific                     | Regional                            |

# Comparing parameters- Industry Listed Players

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|                  |                           | Express   |  |  | FTL/ LTL  |
|------------------|---------------------------|---|--|--|---|
|                  |                           | TCIEXPRESS<br>LEADER IN EXPRESS   | Express Player 1   | Express player 2   | Conventional player   |
| Primary Service  |                           | <ul style="list-style-type: none"> <li>GROUND EXPRESS</li> <li>Etail Express</li> </ul>   | <ul style="list-style-type: none"> <li>GROUND EXPRESS</li> <li>CONTRACT LOGISTICS</li> <li>E-TAIL LOGISTICS</li> </ul> | <ul style="list-style-type: none"> <li>AIR EXPRESS</li> <li>GROUND EXPRESS</li> <li>E-TAIL LOGISTICS</li> </ul>                | <ul style="list-style-type: none"> <li>GROUND NON-EXPRESS</li> <li>Full Truckload</li> <li>Transit warehousing</li> <li>Passenger Transportation</li> </ul> |
| Key Trait        |                           | <ul style="list-style-type: none"> <li>Fastest growing ground express LSP</li> </ul>  | <ul style="list-style-type: none"> <li>One of the Largest ground express LSP</li> </ul>                                | <ul style="list-style-type: none"> <li>Largest air express LSP</li> <li>Only domestic LSP with dedicated freighters</li> </ul> | <ul style="list-style-type: none"> <li>Largest pan India LTL operator</li> <li>Largest owned truck fleet</li> </ul>   |
| Customer Profile |                           | High value products requiring time bound and secure transportation; Predominantly from metros and tier-I cities (E-tail logistics provided for tier-ii and tier-iii cities) |  |  | Cost sensitive customers predominantly operating in tier-i to tier-iv cities  |
| Infrastructure   | Sorting Centre            | 28  | 19   | 21   | 47  |
|                  | Branches                  | 700   | 540  | 515  | 1000  |
|                  | Rent as % (FY19)          | 3%  | 5%   | 6%   | 5%  |
| Fleet            | Owned                     | NIL   | NIL  |  | 3,939   |
|                  | Total                     | 5,000   | 5,000+   | 9,815  | 4,507   |
|                  | ROCE                      | 40%~46%   | 6%~12%   | 28%~35%  | 18%~23%   |
|                  | Employee Cost as % (FY19) | 8%  | 13%  | 18%  | 17%   |





**Operations** : Aligned with GST Registration/ Billing needs and E-Waybill generation for Intra/ Inter State movement of goods .

**Information Technology** : In house ERP has been upgraded to facilitate the state wise Revenues/Expenses recognition, reports, and other requirements to upload returns under GST regime.



**Accounts** : State wise set of books of accounts have been started and monitored centralized by corporate office. Line item wise reconciliation with customers/suppliers, tax deposition and return filing getting controlled from corporate office.

**Marketing** : Post implementation of GST, customers have realigned their warehouses from Regional to National structure and our system has supported them for multi locational services.



### GST

- Rationalizing the impact of taxes on Production, Distribution and Inventory management.
- Would lead to faster movement of goods, increase consumption.
- Consolidation of warehouses and emergence of point to point model
- Increase in manufacturing hubs.
- Positive impact for TCIEXPRESS

### DFC/Diamond quadrilateral

- Creation of additional dedicated rail freight capacity.
- Will reduce unit cost of transportation since movement would be from road to rail.
- Increased bulk multi modal movement for improved productivity & efficiency.
- Will result in development of logistic Warehouses in the vicinity of Freight Corridor.
- No impact on TCIEXPRESS.


### Increased outsourcing of Logistics

- Growth in trend towards outsourcing of logistics in non traditional industries.
- Bringing in more focus from Industry perspective.
- Positive for TCIEXPRESS.

### E-commerce driven growth in consumption

- With increased per capita disposable income, consumption driven sectors will grow.
- Sectors like Fashion, Lifestyle, Telecom and consumable durables etc. will get a boost .
- Positive for TCIEXPRESS.






### 1 Diesel Price Fluctuation

- Diesel price fluctuation is the most uncertain cost of operation and has been sporadic in last 4 years.
- To mitigate the impact, TCIEXPRESS has added DFS (Diesel fuel surcharge) in its contracts, both with vendors and customers.



### 2 Delay in Inter State Check Posts

- The inter-state movement of goods in India is subject to multiple taxes and clearances.
- Implementation of GST is expected to streamline the processes and reduce a lot of these delays.



### 3 Lack of infrastructure

- Infrastructure has remained a concern for Express Industry, be it cargo terminals at airports or road conditions.
- Government of India has taken multiple initiatives so as reduce the gaps.



### 4 Unorganized local players

- Unorganized local players have always been a threat to the industry.
- Post GST, TCI EXPRESS might see some consolidation to happen.

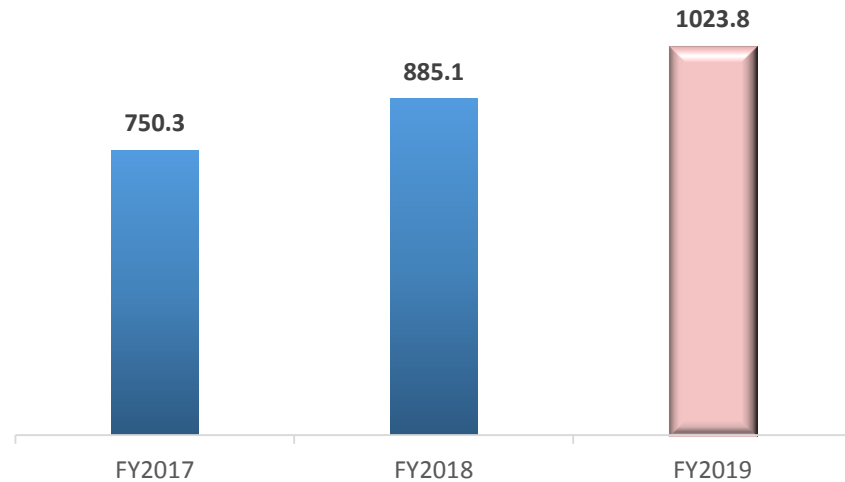
# Financial Performance of last 3 Years

**TCI EXPRESS**

LEADER IN EXPRESS

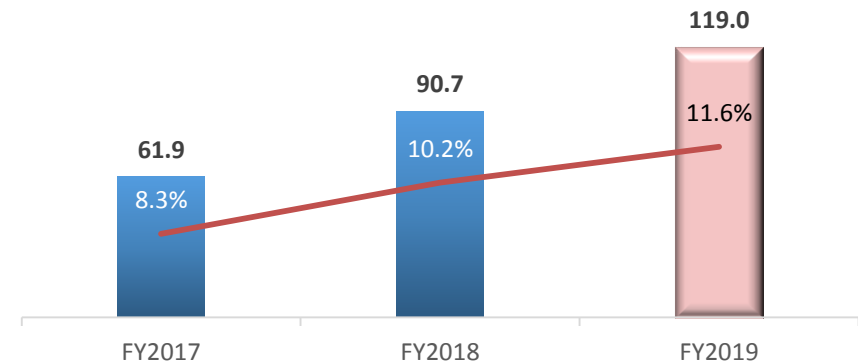
## Revenue

↑ 16.8% CAGR



## EBITDA and Margins

↑ 38.7% CAGR



\* All numbers in Crores unless specified

Strictly Private and confidential



# Financial Performance of last 3 Years

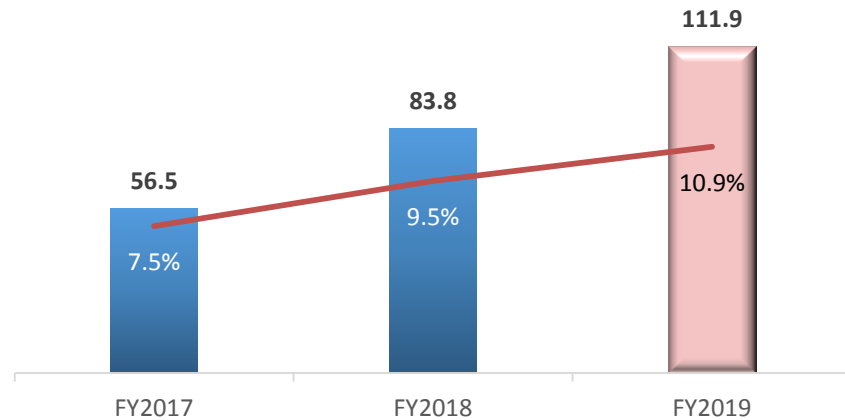
**TCI EXPRESS**

LEADER IN EXPRESS

## PBT and Margins



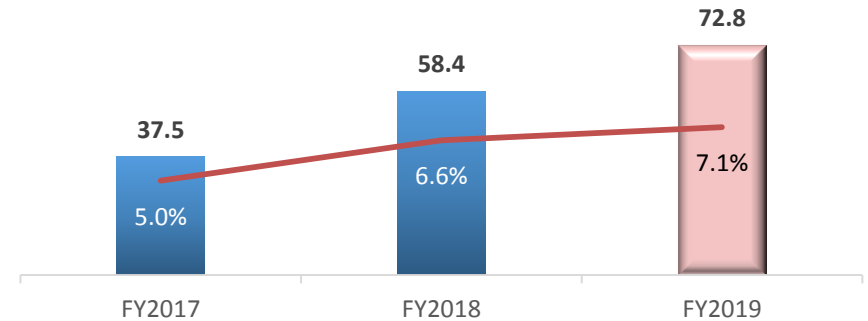
40.7% CAGR



## PAT and Margins



39.3% CAGR



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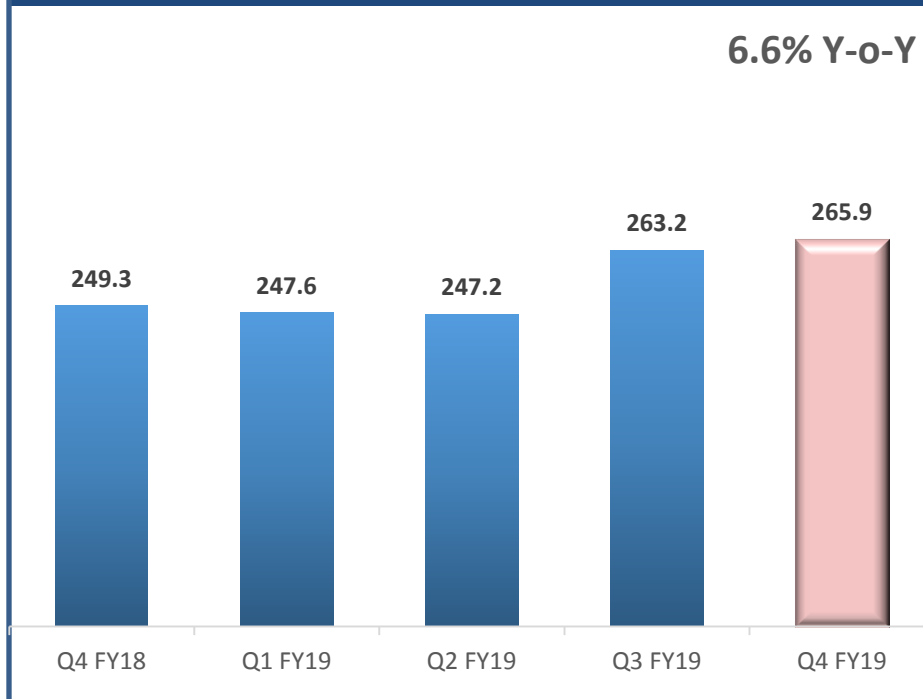
# Financial Performance of last 5 Quarters

**TCIEXPRESS**

LEADER IN EXPRESS

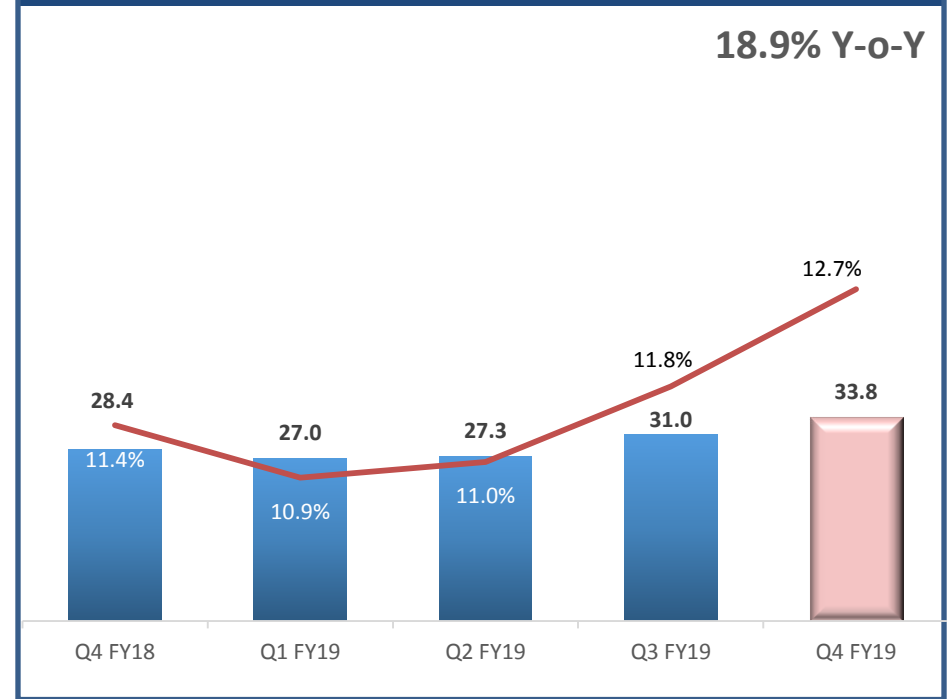
## Revenue

6.6% Y-o-Y



## EBITDA and Margins

18.9% Y-o-Y



\* All numbers in Crores unless specified

Strictly Private and confidential

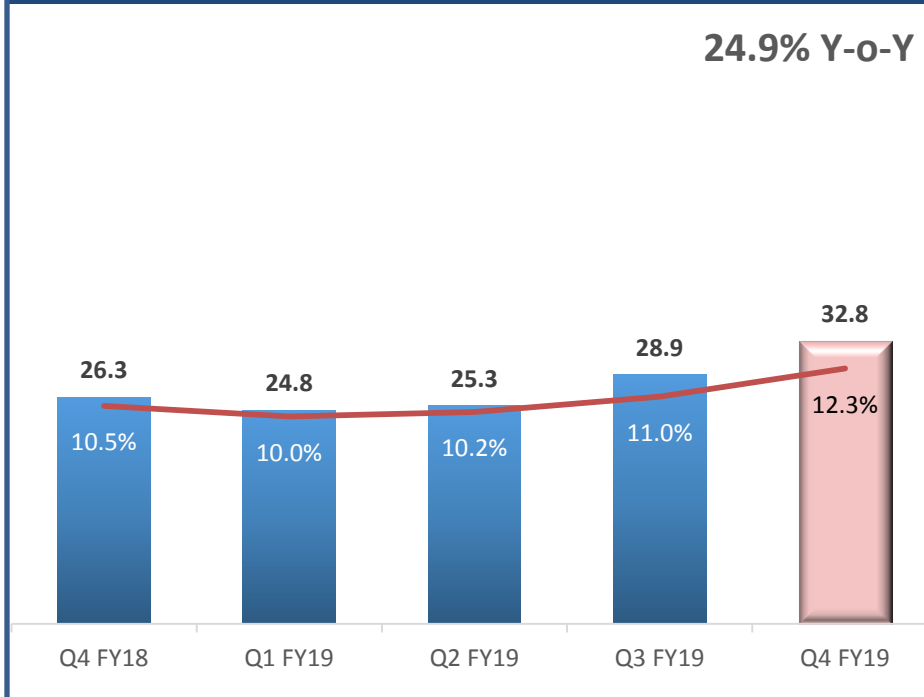
# Financial Performance of last 5 Quarters

**TCI EXPRESS**

LEADER IN EXPRESS

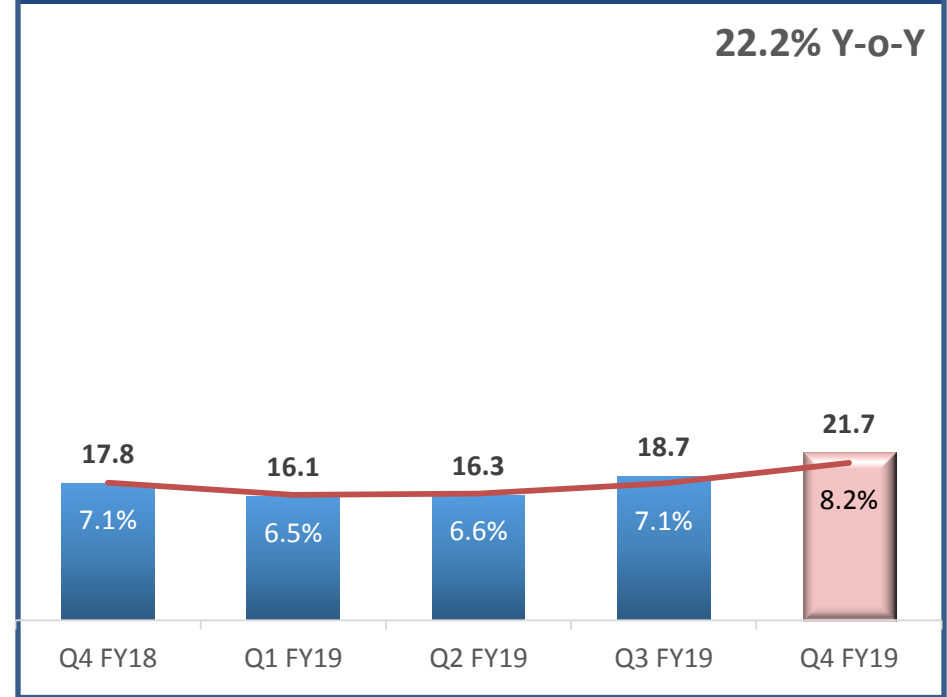
## PBT and Margins

24.9% Y-o-Y



## PAT and Margins

22.2% Y-o-Y



\* All numbers in Crores unless specified

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# Key Balance Sheet Items

| Particulars (in Cr)           | Mar-19         | Sep-18       | Mar-18       |
|-------------------------------|----------------|--------------|--------------|
| Long Term Debt                | 2.3            | 2.5          | 1.7          |
| Short Term Debt               | 6.4            | 38.7         | 38.2         |
| <b>Total Debt</b>             | <b>8.7</b>     | <b>41.1</b>  | <b>39.8</b>  |
| Less: Cash & Cash Equivalents | 17.1           | 18.7         | 12.2         |
| <b>Net Debt / (Net Cash)</b>  | <b>(8.4)</b>   | <b>22.4</b>  | <b>27.6</b>  |
| Total Equity                  | 267.2          | 232.7        | 206.8        |
| <b>Net Debt / Equity</b>      | <b>(0.03x)</b> | <b>0.10x</b> | <b>0.13x</b> |

- Repayment of Debt amounting to Rs 32.9 Cr during FY2019
- Nominal Debt in the books of Rs. 8.7 Cr at the end of March 2019

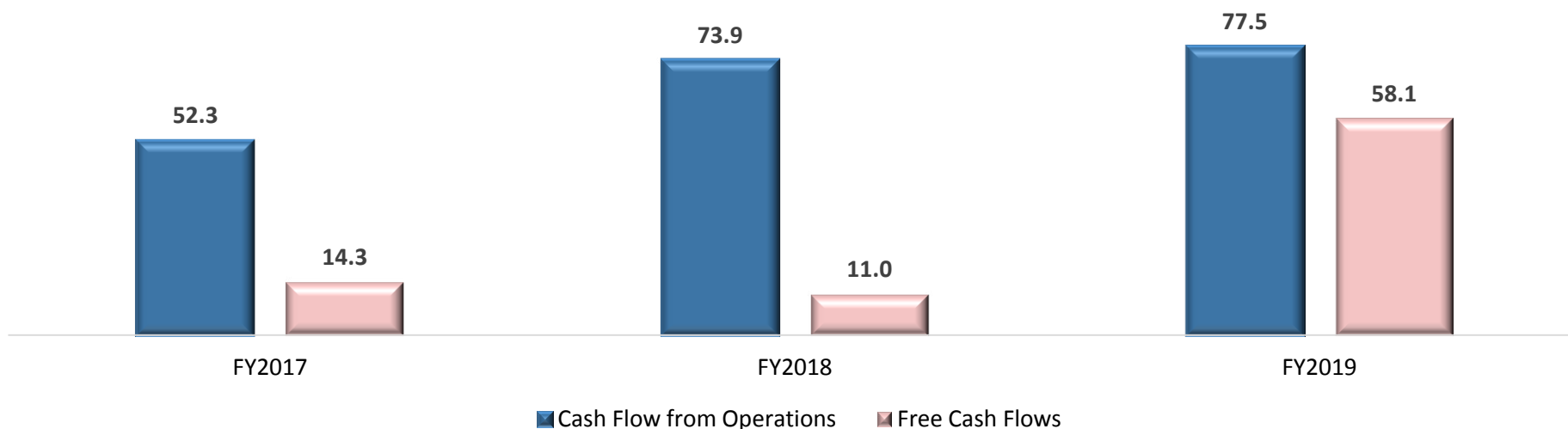
**The company will be debt free by Q1 FY2020**

\* All numbers in Crores unless specified

Strictly Private and confidential



## Continue to Generate Strong Cash Flows



- Track record of consistent generation of cash flows with a focus on enhancing free cash flows
- High EBITDA to cash flow conversion due to lower level of debt and depreciation
- Efficient working capital management with strong cash flow conversion cycle

\* All numbers in Crores unless specified

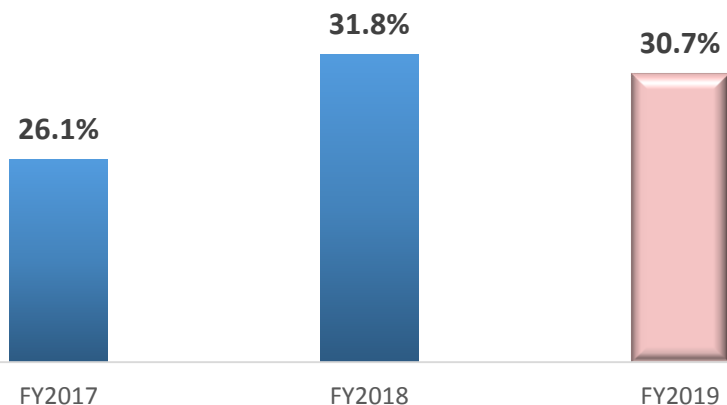
Strictly Private and confidential

# Key Metrics of last 5 Quarters

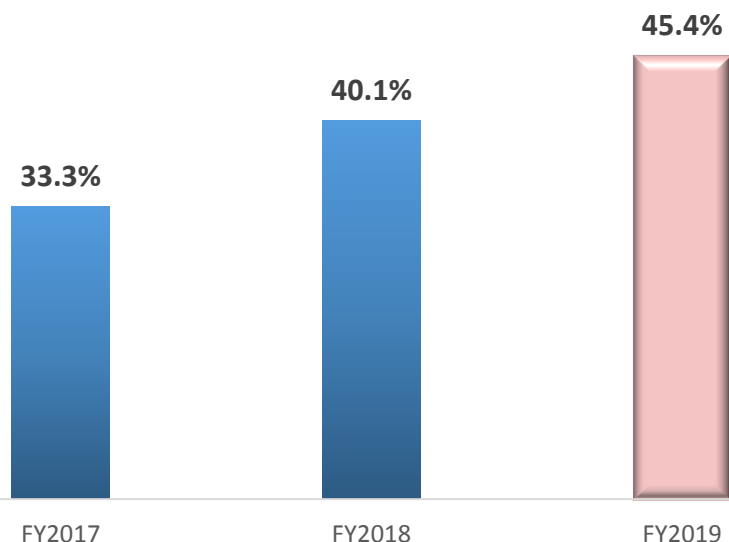
**TCIEXPRESS**

— LEADER IN EXPRESS —

## Return on Equity (%)



## Return on Capital Employed (%)



\* All numbers in Crores unless specified

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# Financial Performance

| Particulars (in Cr)    | Q4     |        | Y-o-Y      | Q3     |            | Full Year |        | Y-o-Y      |
|------------------------|--------|--------|------------|--------|------------|-----------|--------|------------|
|                        | FY2019 | FY2018 | Growth (%) | FY2019 | Growth (%) | FY2019    | FY2018 | Growth (%) |
| Income from Operations | 265.9  | 249.3  | 6.6%       | 263.2  | 1.0%       | 1,023.8   | 885.1  | 15.7%      |
| EBITDA                 | 33.8   | 28.4   | 18.9%      | 31.0   | 9.1%       | 119.0     | 90.7   | 31.3%      |
| Margin (%)             | 12.7%  | 11.4%  |            | 11.8%  |            | 11.6%     | 10.2%  |            |
| EBIT                   | 32.1   | 26.9   | 19.5%      | 29.3   | 9.6%       | 112.5     | 85.4   | 31.6%      |
| Margin (%)             | 12.1%  | 10.8%  |            | 11.1%  |            | 11.0%     | 9.7%   |            |
| PBT                    | 32.8   | 26.3   | 24.9%      | 28.9   | 13.6%      | 111.9     | 83.8   | 33.6%      |
| Margin (%)             | 12.3%  | 10.5%  |            | 11.0%  |            | 10.9%     | 9.5%   |            |
| PAT                    | 21.7   | 17.8   | 22.2%      | 18.7   | 16.2%      | 72.8      | 58.4   | 24.7%      |
| Margin (%)             | 8.2%   | 7.1%   |            | 7.1%   |            | 7.1%      | 6.6%   |            |
| EPS                    | 5.68   | 4.65   | 22.2%      | 4.89   | 16.2%      | 19.02     | 15.25  | 24.7%      |

Notes:

1. EBITDA and EBIT excludes other income
2. Margins are calculated on Income from Operations

\* All numbers in Crores unless specified

# Capital Expenditure Plan

**TCI EXPRESS**

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|   | Fixed Assets as on<br>31 <sup>st</sup> Mar, 2018 | Addition (Net)<br>during FY 2019 | Fixed Assets as on<br>31 <sup>st</sup> Mar, 2019 | Proposed CAPEX<br>for FY2020 |
|---|--|----------------------------------|--|------------------------------|
| Sorting Centres - Land and Construction | 137.6  | 8.8                              | 146.4  | 55                           |
| Cars                                    | 4.3  | 1.8                              | 6.0  | 3                            |
| Plant & Machinery                       | 8.3  | (0.5)                            | 7.9  | 15                           |
| IT (Hardware & Software) Equip.         | 4.3  | 0.1                              | 4.4  | 2.2                          |
| Office Equip.                           | 2.9  | 0.3                              | 3.2  | 1.6                          |
| Furniture & Fixtures                    | 4.6  | 0.7                              | 5.3  | 2.6                          |
| Capital WIP                             | 0.03   | 1.3                              | 1.4  | 0.7                          |
| <b>Total</b>                            | <b>162.0</b>                                     | <b>12.4</b>                      | <b>174.4</b>                                     | <b>80</b>                    |

\* All numbers in Crores unless specified

Strictly Private and confidential

A TCI Company

# Our Esteemed Clientele – Vertical wise

50 %

50 %

## Automobile



## Pharma



## Electrical / Energy



## Retails



## Telecom & Engineering



## e Com





# Board of Directors

**TCI EXPRESS**

— LEADER IN EXPRESS —



**D.P. Agarwal**  
Chairman & Director



**Chander Agarwal**  
Managing Director



**Phool Chand Sharma**  
Whole Time Director & CEO



**Vineet Agarwal**  
Director



**Murali Krishna Chevuturi**  
Director



**Prashant Jain**  
Director



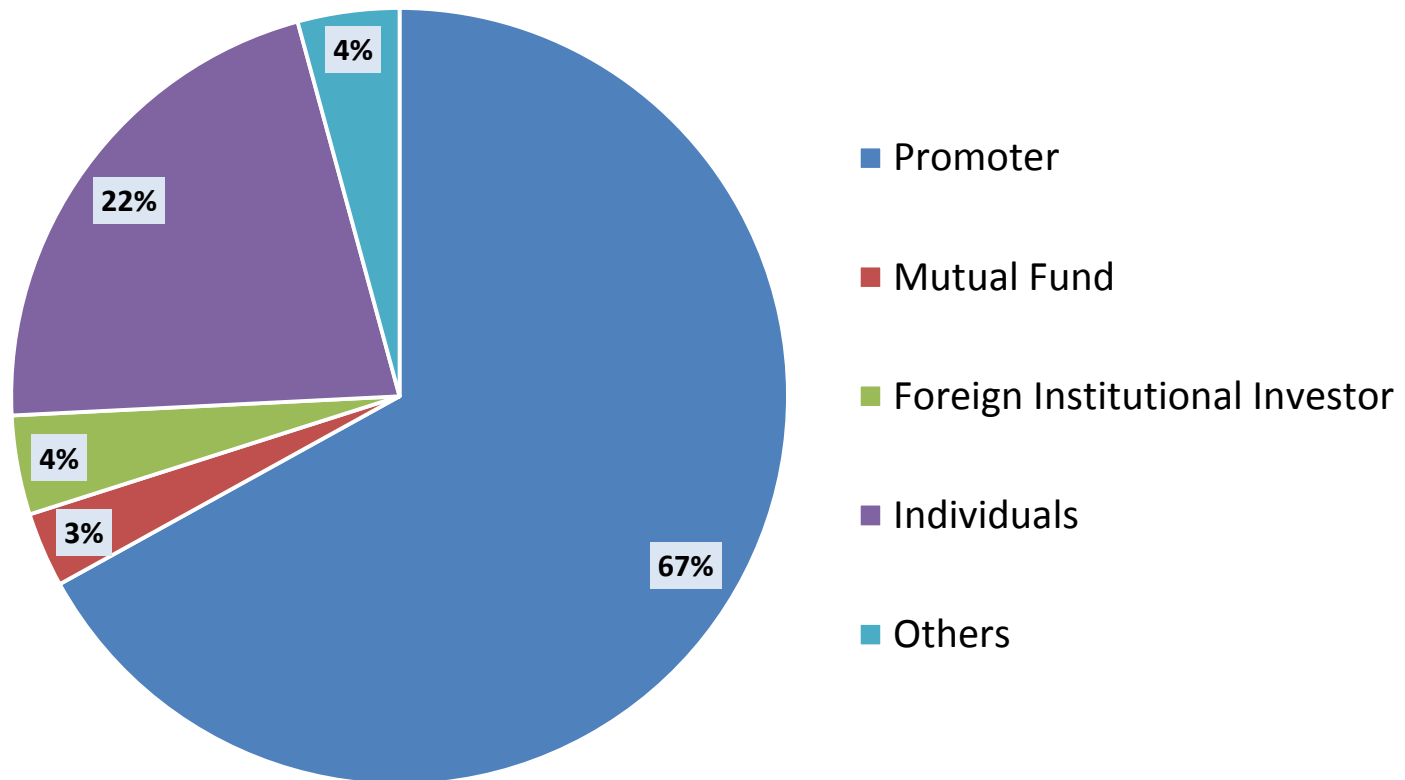
**Ashok Kumar Ladha**  
Director



**Taruna Singhi**  
Director



## Shareholding Pattern as on 31st March 2019



## SBU's and services

### **TCI Freight**

FTL/FCL, LTL & Over-dimensional cargo services through road, rail & sea.

### **TCI Supply Chain Solutions**

A Single-window solutions enabler from conceptualization to implementation.

### **TCI Seaways**

Leading player in Coastal Shipping, NVOCC & Project Cargo.

### **TCI Foundation**

Engaged in areas of education, women and child health, disability alleviation and rural sports growth.

## Other Group Companies

### **TCI CONCOR** Multimodal Logistics Solutions

JV with CONCOR to provide end to end multi modal solutions.

### **TCI Developers Ltd.**

TDL undertakes development of the commercial properties of TCI. It also develops large scale Warehouses, Logistics Parks etc.

### **Transystem**

JV with Mitsui & Co for Auto logistics (Toyota India project)

### **TCI Transportation Company Nigeria Ltd.**

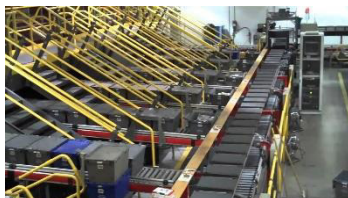
A JV between Indorama Eleme Petrochemicals Ltd. and TCI Global



## Revenue Growth

Negligible impact expected on Express due to economic slowdown

- ☐ Highly diversified client base and well spread across industry verticals
- ☐ Continuous expansion in Metro and Tier I Cities through new branch offices



## Capital Expenditure

Planned CapEx of Rs. 400 crores in next 5 years

- ☐ Investment in sorting centres
- ☐ Automation and enhancing technological capabilities



## TCI Express Offering

- ☐ Expand value added services
- ☐ Continuous focus on volume growth through B2B client acquisition
- ☐ Expand air international business

- ❑ TCI Express revenue has grown at CAGR of 16.8% in last 3 years
- ❑ Asset light model continues to drive strong cash flows
- ❑ Consistently paying dividend for last 3 years and generating high return on capital employed
- ❑ Strong balance sheet and flexible capital structure
- ❑ Continued focus on technological advancement to reduce turnaround time
- ❑ During the year added 60 new branch offices in the Metro and Tier I cities to penetrate deeper and add more SME customers
- ❑ Express industry is expected to grow at a CAGR of 12-13% in next 3 to 4 years and TCI Express is well positioned to capitalize on the growing market opportunities



# The Beginning