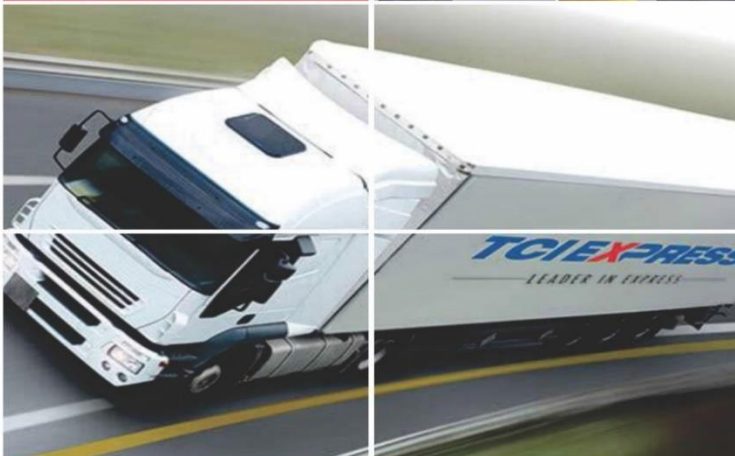


# TCI EXPRESS

LEADER IN EXPRESS

**Investors Presentation**  
**May 2017**



# Mission Statement

**TCI EXPRESS**

LEADER IN EXPRESS

**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*

# Vision and Quality Statement

## 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।



We Are

An Independent Company listed with stock Exchange of India since 15th Dec 2016, having credit rating of A1+ (ICRA) and A+ (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 20 + years of industry expertise



Year of Commencement

1996



Locations Served

40000



Countries Served

202



Containerized Vehicles

4000



Air Gateways

24



Company Branch Setup

550



Workforce

2200 +



Sorting Centres

28

## LISTED ENTITY



## ISO CERTIFIED



## RATED BY



## IATA CERTIFICATE



Business Superbrand Of 2016-17

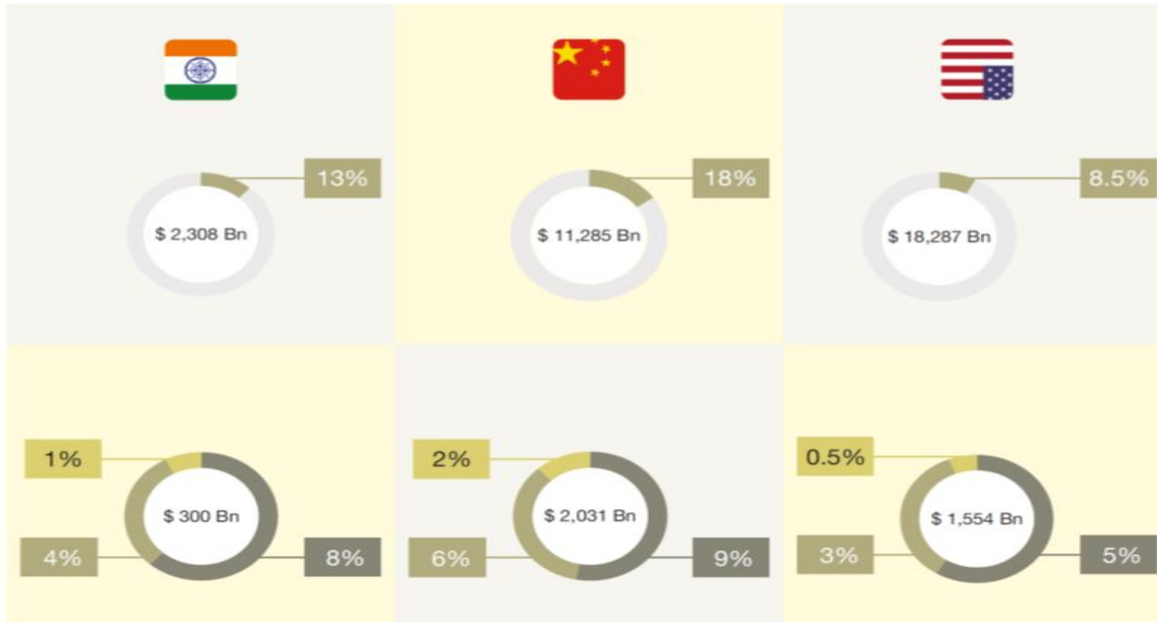


The Economic Times Iconic Brands Of India - 2017

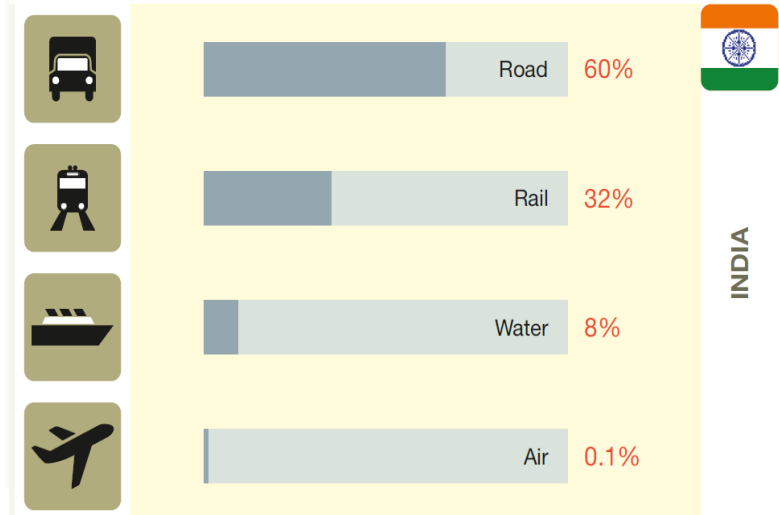
## Express Industry- An Outlook

### LOGISTICS AS A PERCENTAGE OF GDP

2015 nominal GDP at current USD



In Indian, Modal Split is heavily skewed towards Road



Transportation

Admin/Others

Warehousing

**India GDP**  
\$ 2.07 TN

**13%**  
**Logistics Cost**  
(By Value)  
\$ 260 BN

**60%**  
**Road Transport**  
(By Value)  
\$ 156 BN

**5%**  
**TCI EXPRESS Share** (By Value)  
\$ 7.8 BN

**Other Organized**  
~ 5%

**Unorganized**  
90%

# Investment in Road Infra In India

## ✓ 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.

## Govt. Initiatives- Road Express

Number of EFC, SFC, and PIB notes (Sector-wise) examined in Transport Division

sector	EFC notes	SFC notes	PIB notes
Roads	27	08	02
Civil Aviation	-	-	-
Railways	-	-	-
Shipping	02	08	01
<b>Total</b>	<b>29</b>	<b>16</b>	<b>03</b>

- ✓ EFC: Expenditure Finance Committee.
- ✓ PIB: Public Investment Board
- ✓ SFC: State Financial Corporation

### ✓ Details of Salient Policy decisions taken by Transport Sector Ministries :

- Construction of 7000 km state roads under Bharat Mala Project
- Special Accelerated project in North East
- Extension of provision available for BOT projects
- Arunachal Pradesh package for Roads and highways
- Approval of the Traffic for Capacity Augmentation of National Highways from two lanes to four lanes.

Source:



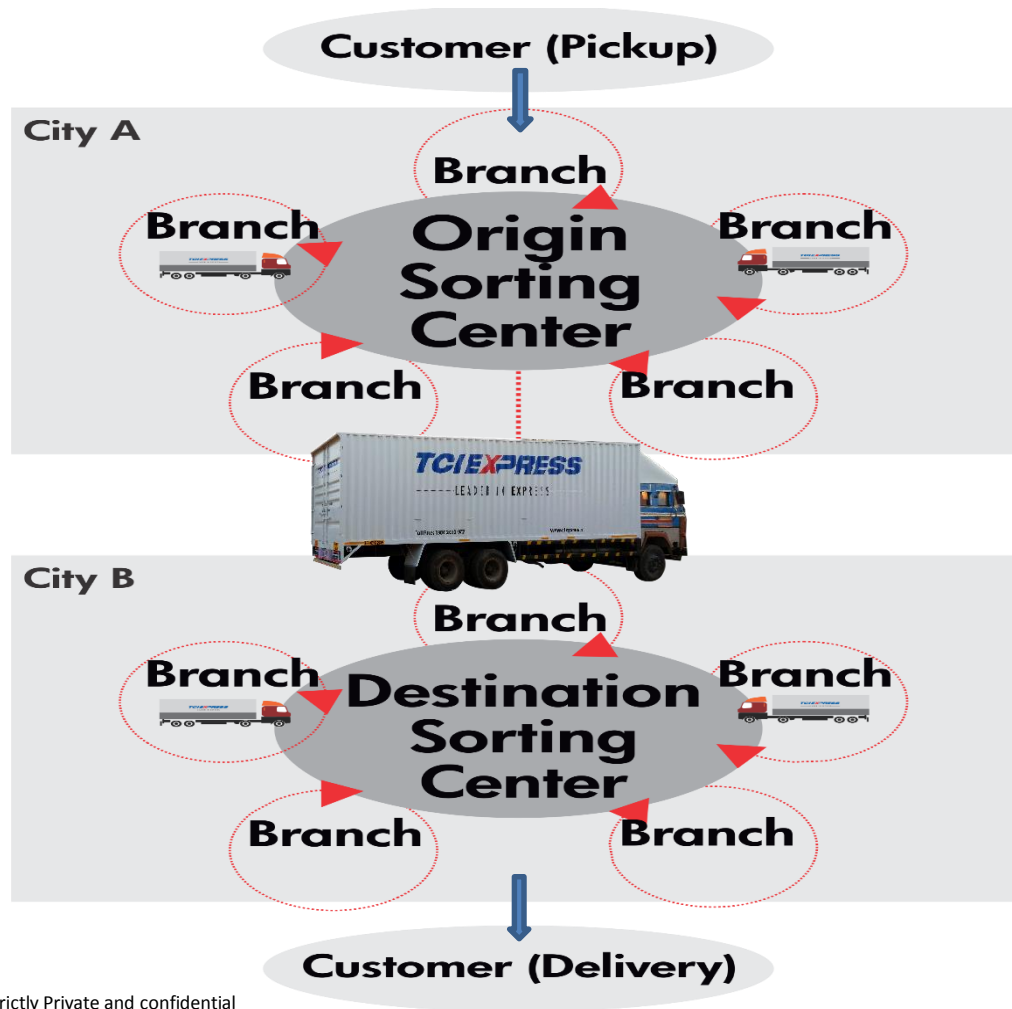


# Premium Vs Conventional Distribution

## Express (Premium)

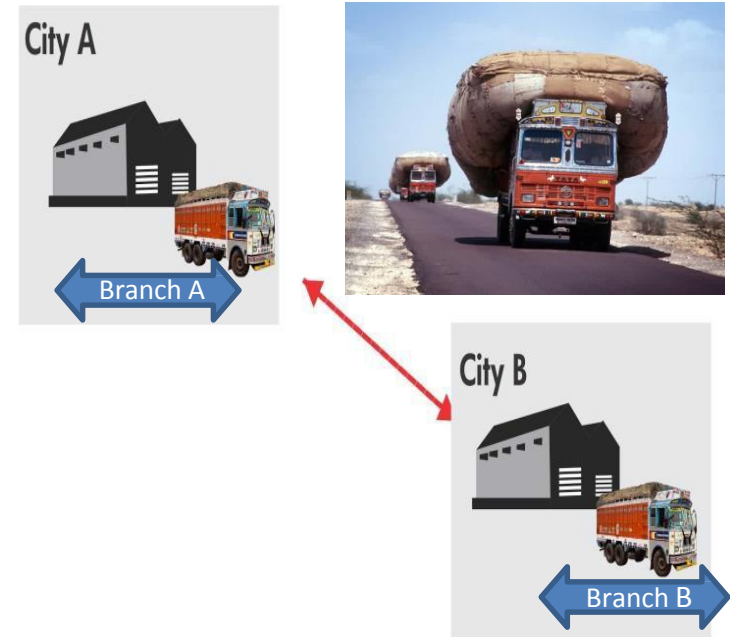
### Hub & Spoke (LTL)

(about 30 - 50kg about one two tons)



## Traditional

### Full-truckload (FTL)



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

## Service Offerings



### B2B

95%



#### Surface Express

- 40000 Pickup & Delivery Locations
- Fully Containerized fleet
- Customized Value added services



#### Domestics Air Express

- Connecting 34 Domestic Airports
- 24hr delivery into Tier 1 Cities
- Multimodal options for small towns
- Time sensitive Distribution.



#### International Air Express

- Servicing 202 countries globally
- 3<sup>rd</sup> Country Billing option.



#### Reverse Express

- Customized Reverse pick ups.
- Effective Return Management



### B2C

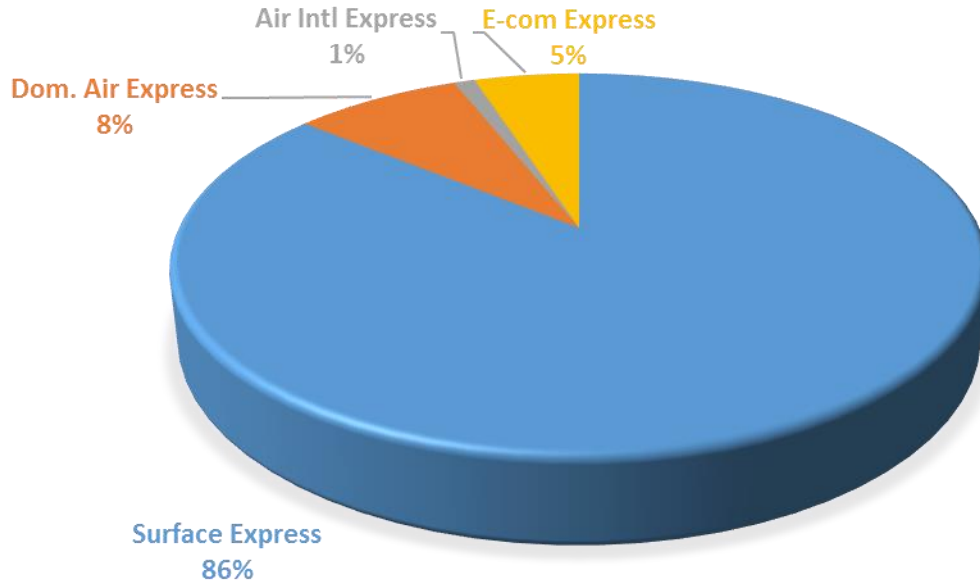
5%



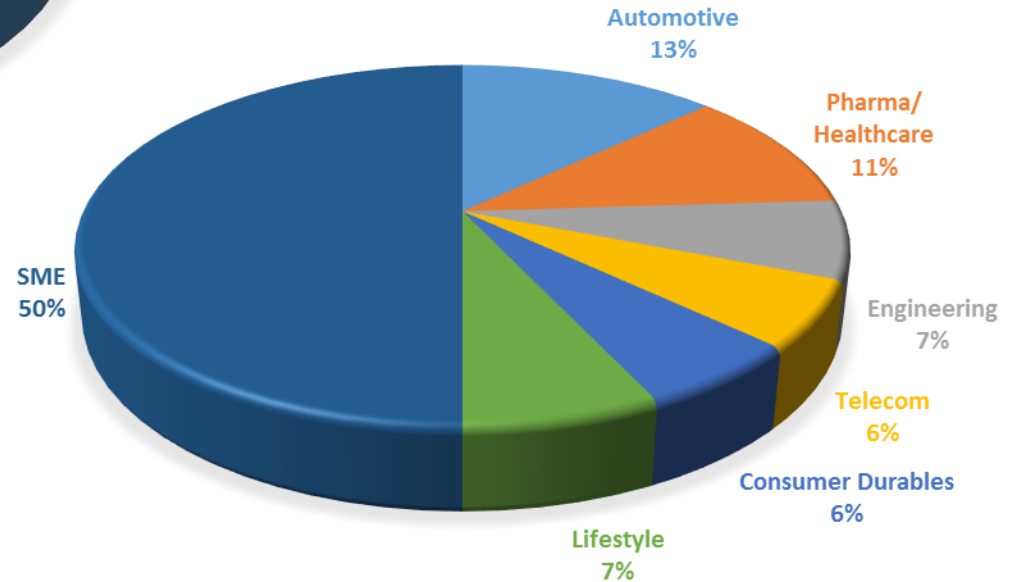
#### E-Commerce Express

- 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.

## PRODUCT MIX



## INDUSTRY VERTICAL



# Value Added Services

**COD**

• Collection on Delivery for B2C

**FOD**

• Freight on delivery for last mile B2B

**TPL**

Third Party Location -Anywhere to anywhere movement with centralized billing

**Fleet Desk Management**

HNTS – Hub Network Transit Schedule –Monitoring through HNTS to ensure connectivity on Express Routes  
DNTS - Delivery Network Transit Schedule –Monitoring through DNTS for connectivity on Feeder & Service Routes

**Key Account Management (KAM)**

Customized solutions as per the customer specification

**Sunday Delivery**

• Sunday/Holiday delivery services

**ODA**

• 200 km and Beyond last Brick & Mortar. Out of Delivery Area

**MIS/ CRT**

• MIS & CRT (Customer Relationship Team (CRT) is involved in Proactive tracking and daily MIS report to customer)

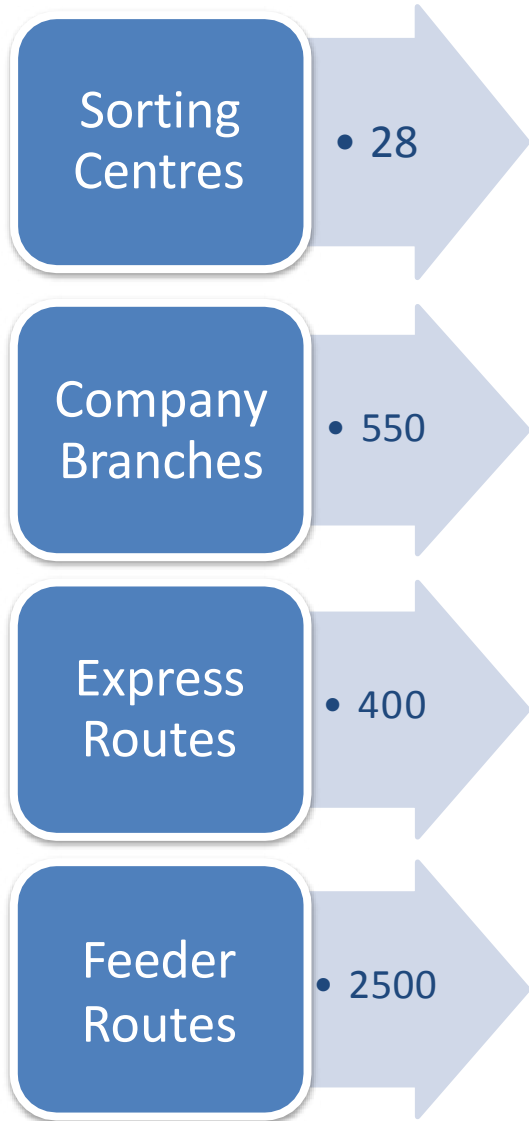
**EPOD**

• (Scanned POD image available on the web on same day of delivery of the shipment)

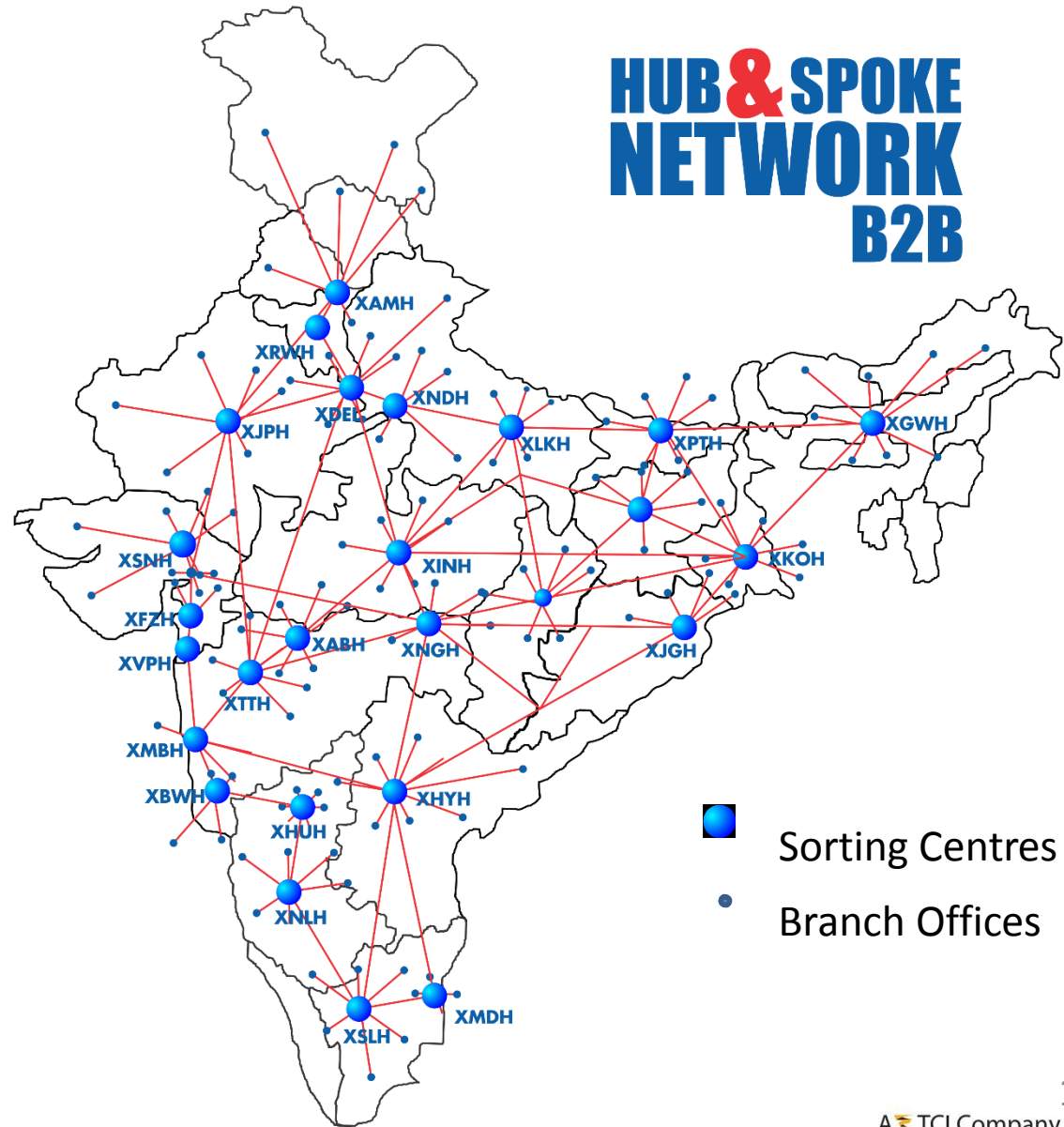
**DACC**

• DACC (Delivery against consignee copy)

# Express Network



## HUB & SPOKE NETWORK B2B



# New Age Sorting Centers

# TCI EXPRESS

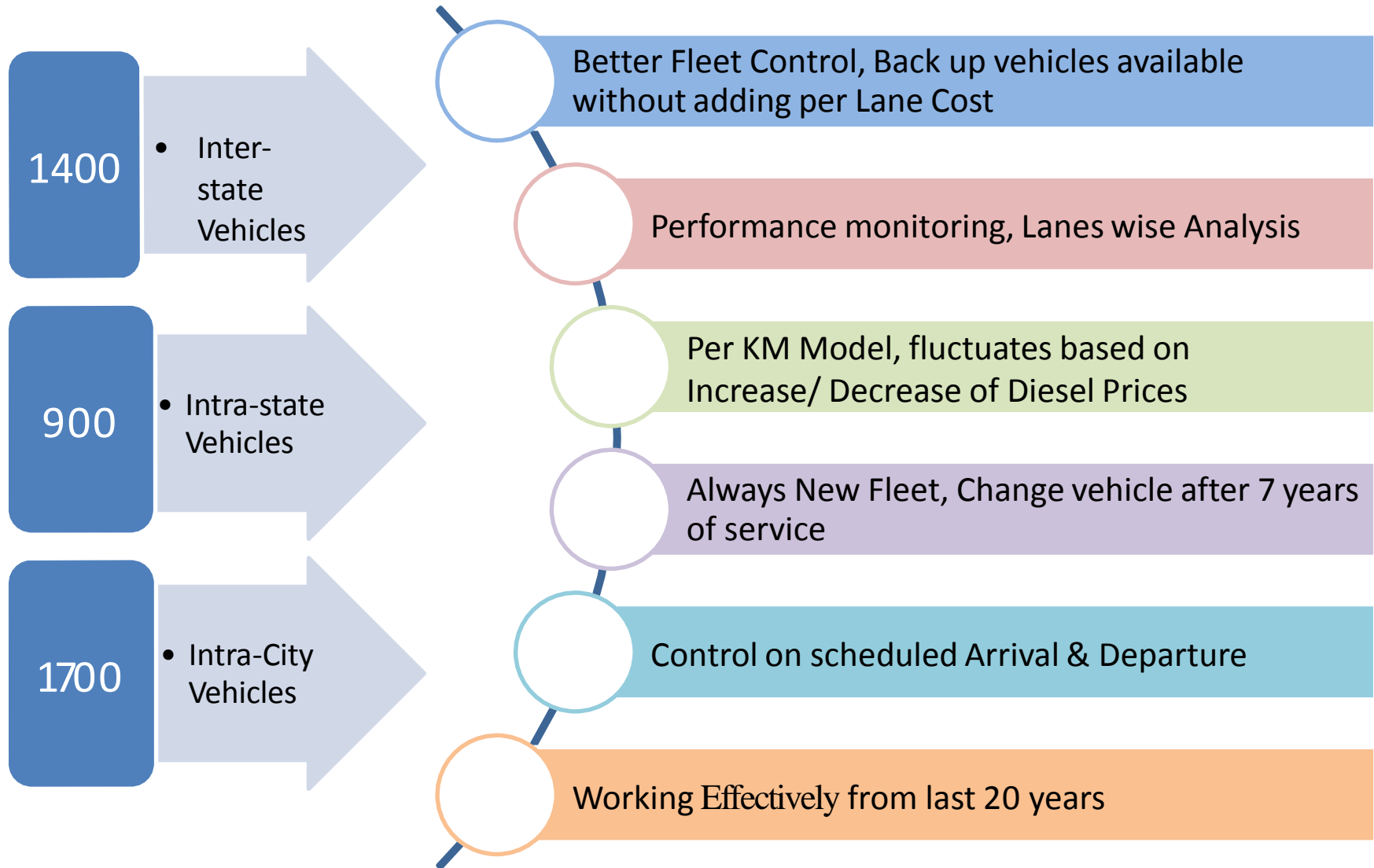
LEADER IN EXPRESS



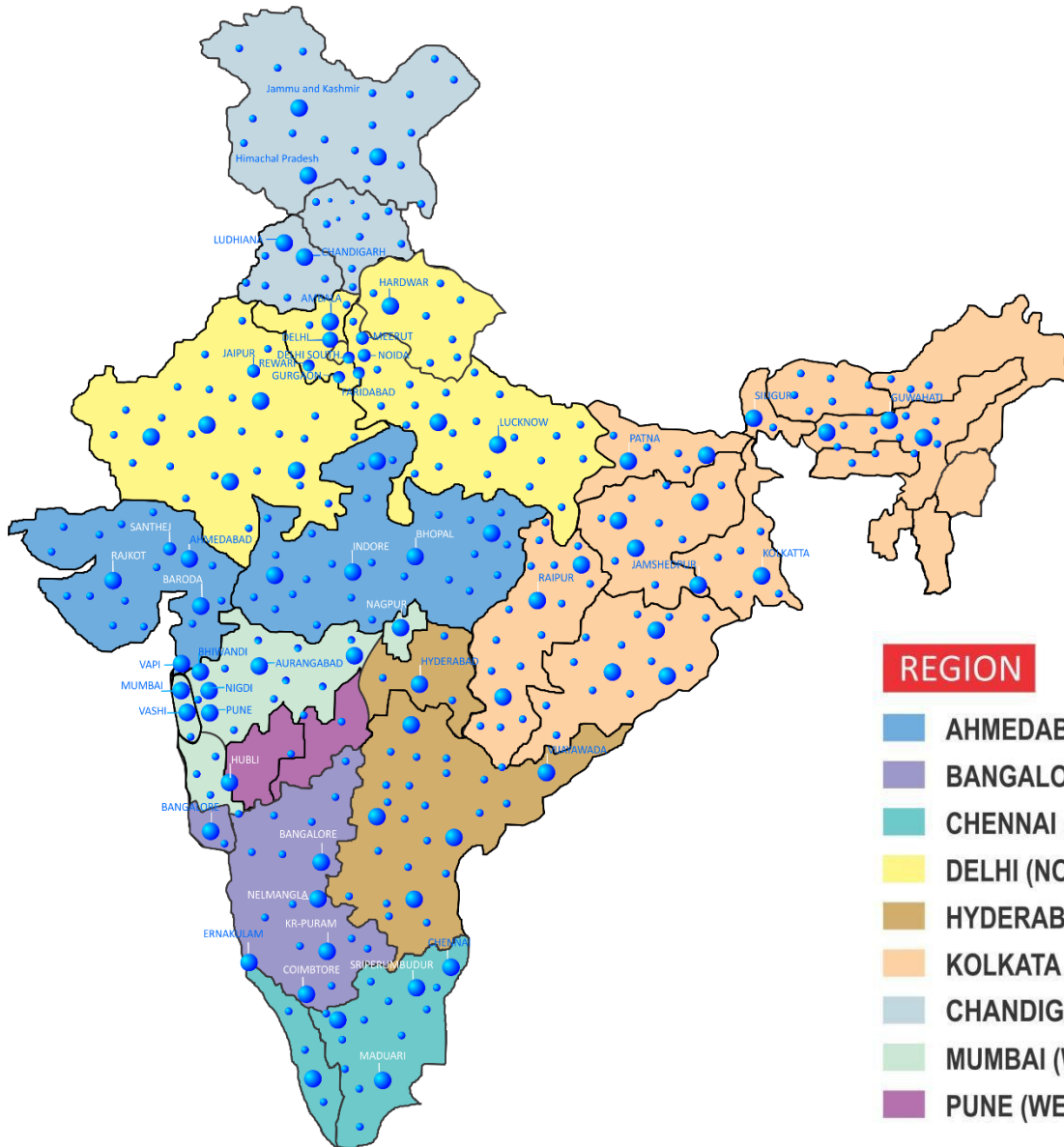
Strictly Private and confidential

A TCI Company

# VENDOR MANAGEMENT (FLEET)

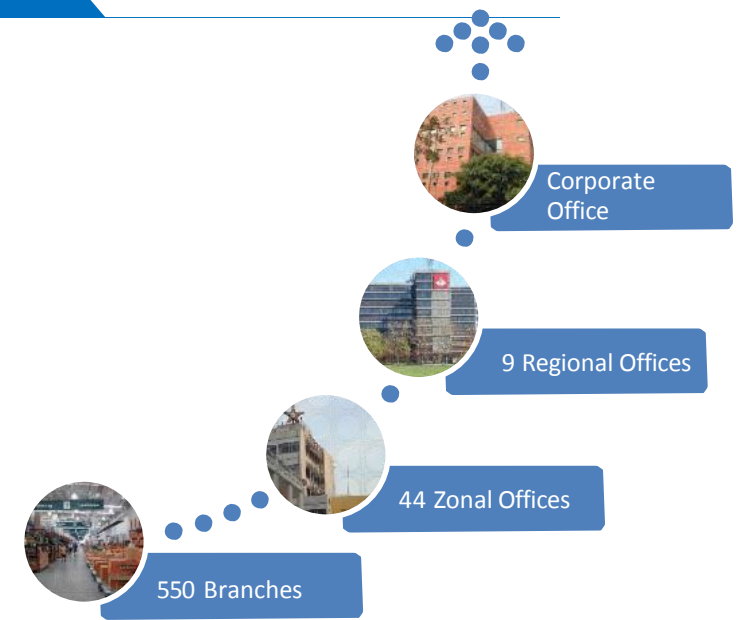


# Organization Setup



- REGION**
- AHMEDABAD (WEST)
  - BANGALORE (SOUTH)
  - CHENNAI (SOUTH)
  - DELHI (NORTH)
  - HYDERABAD (SOUTH)
  - KOLKATA (EAST)
  - CHANDIGARH (NORTH)
  - MUMBAI (WEST)
  - PUNE (WEST)

- Zonal Offices
- Branch offices





# Key Technological Implementation

## 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

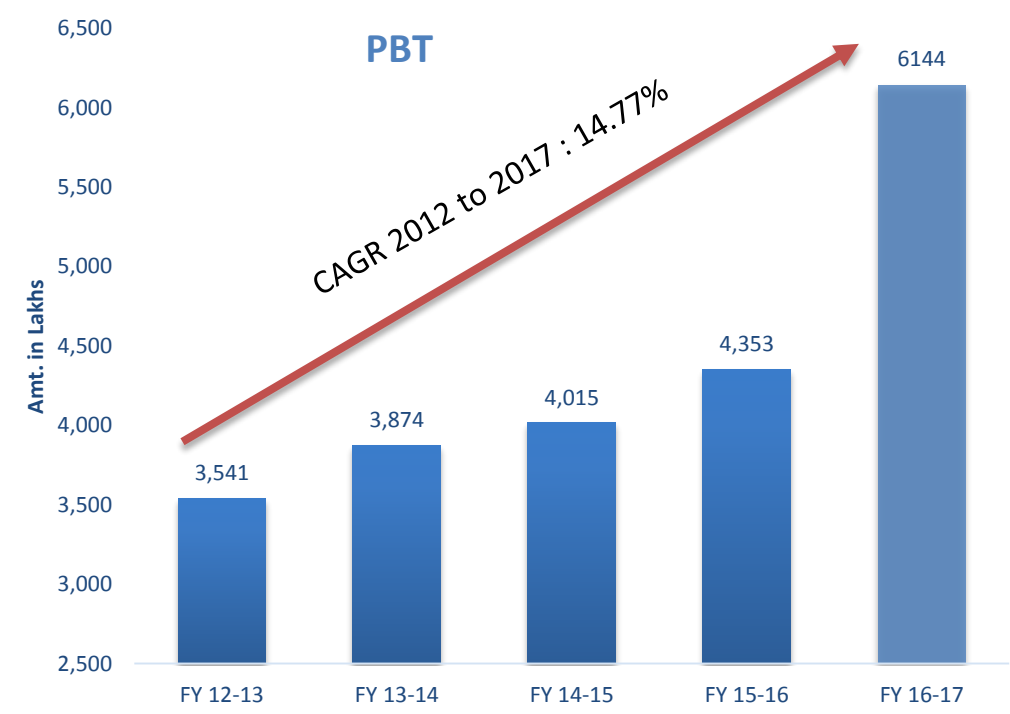
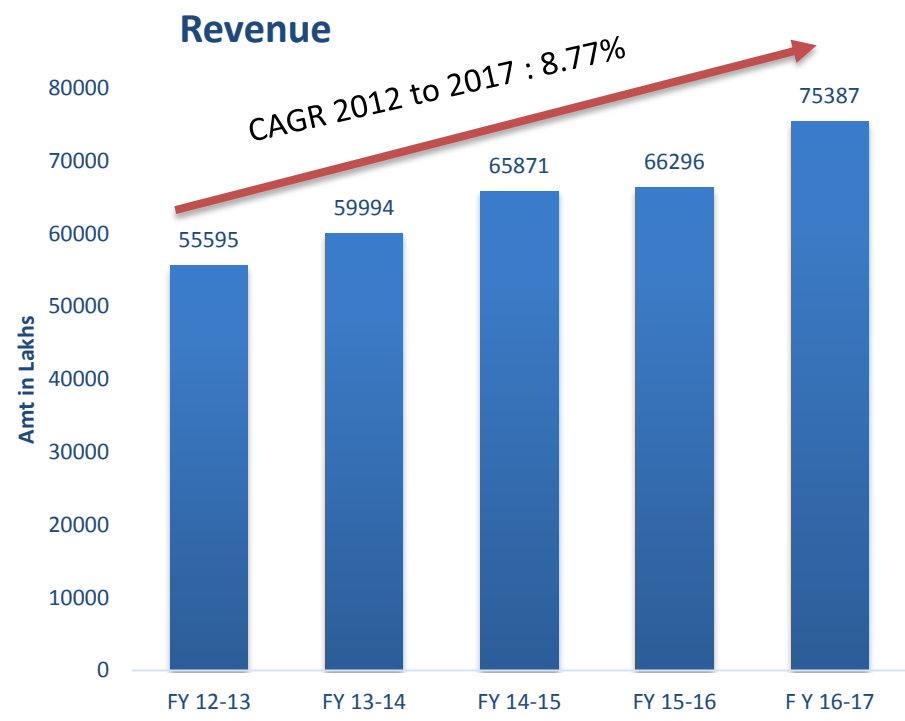


- Mobile App for Pickup and Delivery Update at Customer point
- Instant POD Uploading.
- Customer Pickup Request
- Services and Business Locations Enquiry.
- Freight Calculator

# Shipment Process Flow- Using Technology



## Key Metrics of last 5 Years



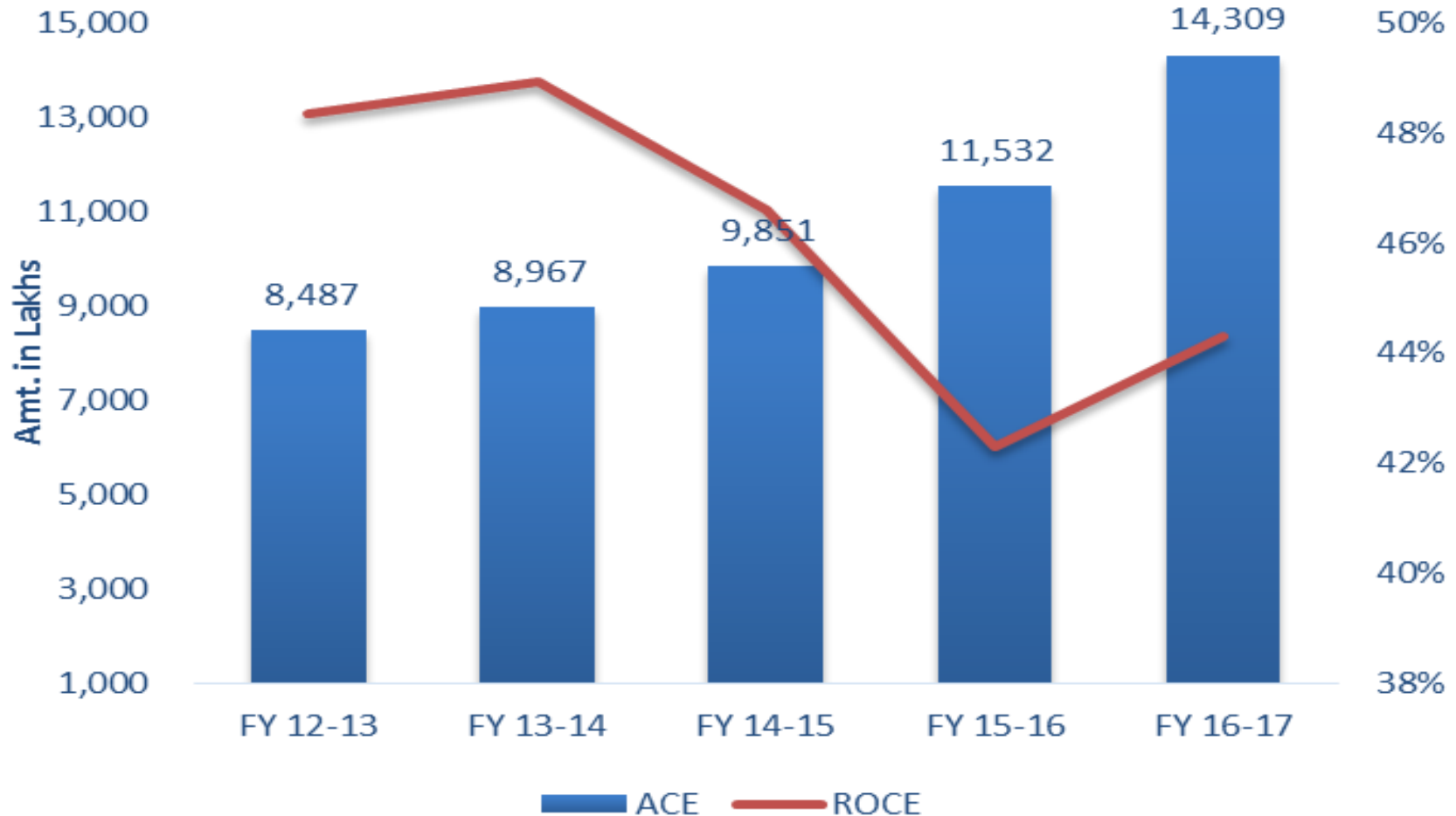
# Key Balance Sheet Items

Figs In Lacs

Particulars	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
<b>Net Worth</b>	8,564	9,346	10,197	11,543	12,298	16000
<b>Non-Current Liabilities</b>	230	53	32	30	294	346
<b>Current Liabilities</b>	1,538	2,268	2,215	2,857	7,258	8894
<b>Total</b>	<b>10,332</b>	<b>11,667</b>	<b>12,444</b>	<b>14,430</b>	<b>19,850</b>	<b>25,240</b>
<b>Fixed Assets</b>	2,190	1,945	1,695	1,460	7,282	10628
<b>Non-Current Assets</b>	21	339	278	335	284	412
<b>Current Assets</b>	8,121	9,383	10,471	12,635	12,284	14200
<b>Total</b>	<b>10,332</b>	<b>11,667</b>	<b>12,444</b>	<b>14,430</b>	<b>19,850</b>	<b>25,240</b>

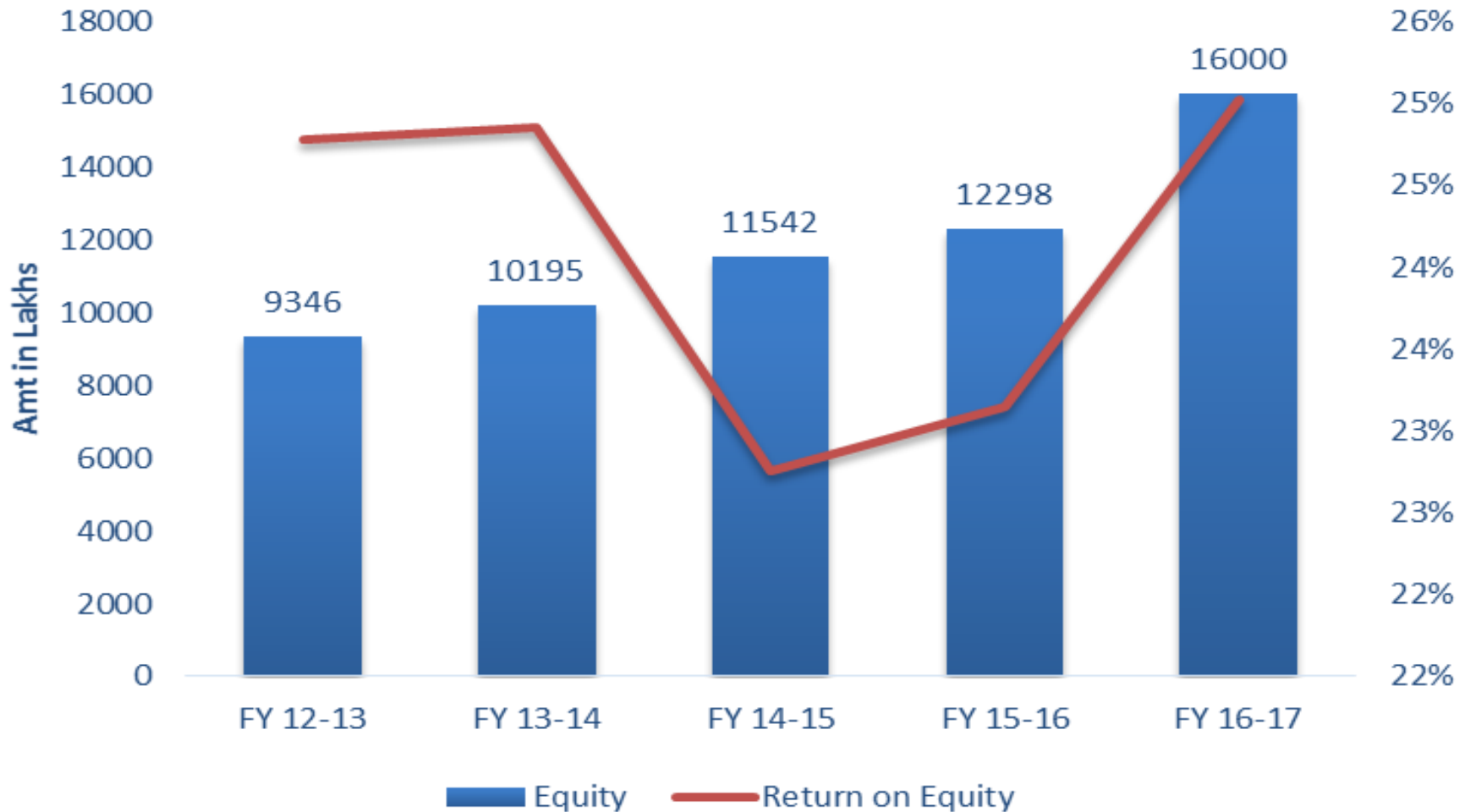
# Return on Capital Employed

## ROCE



# Return on Equity

## ROE



# Financial Position: FY 17

**TCI EXPRESS**

LEADER IN EXPRESS

Figs In Lacs

Particulars	Q4 ( FY16-17)	Q4 ( FY15-16)	FY 16-17	FY 15-16
Revenue	20282	17670	75387	66319
Other Income	40	1	137	15
Total Income	20322	17671	75524	66334
Revenue growth %	15.00	2.42	13.85	0.65
Operating expenses	15251	13602	57632	50763
Other expenses	3128	2580	11129	10114
Total Expenses	18379	16184	68761	60877
EBITDA	1943	1487	6763	5457
EBITDA Margin %	9.51	8.27	8.96	8.23
EBITDA growth %	30.70	6.96	23.93	7.7
Interest Expense	39	156	187	525
Depreciation	124	155	431	579
PBT	1780	1176	6145	4353
PBT Margin %	8.7	6.54	8.14	6.57
Taxes	545	393	2073	1526
PAT	1224	783	4071	2827
PAT Margin %	6.03	4.1	5.39	4.26
PAT growth %	56.41	1.65	44.00	7.7

Particulars	As on 31st Mar 17	As on 31st Mar 16
<b>1. Shareholders Funds</b>		
Share Capital	766	761
Reserves & Surplus	15235	11537
<b>2. Non Current Liabilities</b>		
Long term Borrowings	52	58
Deferred tax Liabilities (net)	294	235
Other long term liabilities & Provisions	0	0
<b>3. Current Liabilities</b>		
Short term borrowings	3053	3975
Trade payables	3780	2316
Other current liabilities	881	769
Short term provisions	1179	199
<b>TOTAL</b>	<b>25240</b>	<b>19850</b>
<b>1. Non current Assets</b>		
Fixed Assets	10628	7282
Non current Investments	0	0
Long term loans and advances	412	284
<b>2. Current Assets</b>		
Inventories	0	0
Trade Receivables	11492	10539
Cash & cash equivalents	878	1091
Short term loans and advances	1830	654
Other current assets	0	0
<b>TOTAL</b>	<b>25240</b>	<b>19850</b>

Strictly Private and confidential

# Capital Expenditure Plan

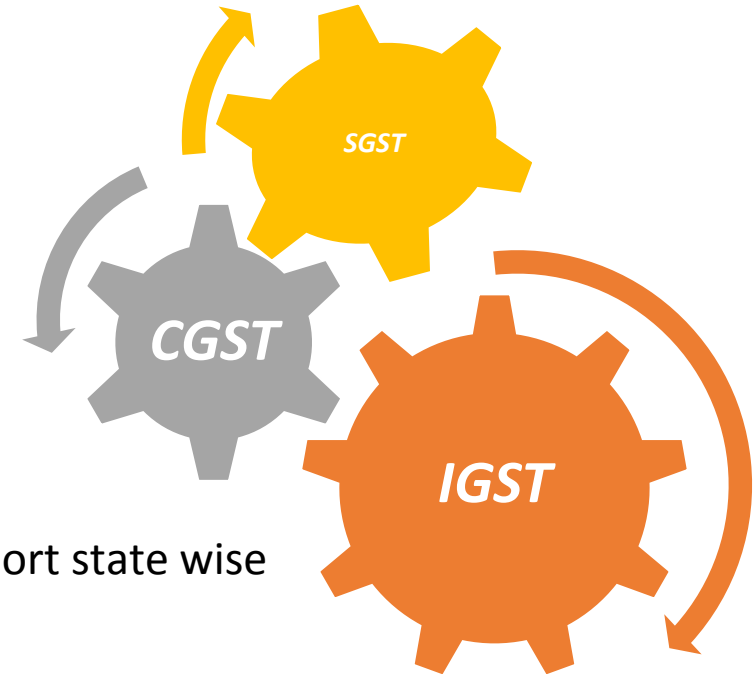
	Assets as on 31 <sup>st</sup> March, 2016	Addition During FY2016-17	Total Fixed Assets as on 31 <sup>st</sup> March, 2017	Proposed CAPEX For FY2017-18
Sorting Centers- Land & Construction	5917	3270	9187	5000
Cars	214	85	299	100
Plant & Machinery	539	169	708	200
IT (Hardware & Software) Equip.	400	102	502	200
Office Equip.	144	155	299	300
Furniture & Fixtures	231	142	373	200
Total	7448	3928	11376	6000



# Live on GST

- ✓ Applied for all 29 States
- ✓ ARN received for 3 states, Awaiting from the Rest

S.No	States	Provisional ID	ARN
1	HARYANA	06AADCT0663J1ZC	AA0603170089158
2	DELHI	07AADCT0663J1ZA	AA0703170039961
3	TELANGANA	36AADCT0663J1Z9	AA360317002543K



- ✓ Geographically realigned our Branches and Controlling to support state wise operations and accounting.
- ✓ IT Ready for creating State wise Statement of revenue, expenses, Taxes and Cen-vat credits.
- ✓ Ready with New accounting / operational processes.
- ✓ Alignment with Customers for understanding their GST Needs.

## Impact on Macro economic changes In India

### 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- 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**

- **Diesel Price Fluctuation:** Diesel price fluctuation is the most uncertain cost of operation and has been sporadic in last 4 years.
- **Delay in Inter State Check Posts:**
  - Multiple taxes and clearances
- **Lack of infrastructure** has remained a concern for Express Industry, be it Cargo terminals at Airports or Road conditions.
- **Unorganized local players** has always been a threat to the Industry.



- To mitigate the impact we have added **DFS(Diesel fuel surcharge)** in our Contracts both with Vendors and Customers.
- Implementation of **GST** is expected to streamline the processes and reduce a lot of these delays.
- However Govt. Of India has taken multiple initiatives so as reduce the gaps.
- Post GST we might see some consolidation to happen.

## How we See It



# Our Esteemed Clientele – Vertical wise

50

50

Automobile

Pharma

Electrical /  
Energy

Retails

Telecom &  
Engineering

E com

E com



S  
M  
E  
S

*Welcome all Board Members of*

## TCI EXPRESS LIMITED



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



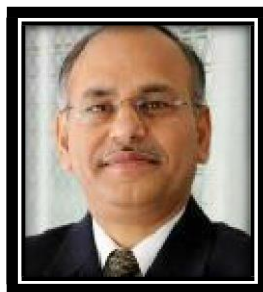
**Mr. Chander Agarwal**  
Managing Director



**Mr. Vineet Agarwal**  
Director



**Ms. Taruna Singhi**  
Director



**Mr. Phool Chand Sharma**  
Whole Time Director



**Mr. Ashok Kumar Ladha**  
Director

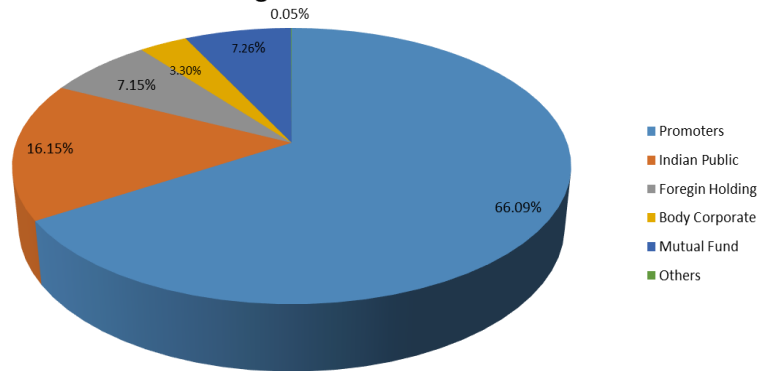


**Mr. Murali Krishna Chevuturi**  
Director



**Mr. Prashant Jain**  
Director

Shareholding Pattern as on 31<sup>st</sup> March 2017



The Board of Directors, in its meeting held on May 23, 2017, have recommended a final dividend of 40% ( Re 0.80 per equity share of Rs 2 each), subject to the approval of shareholders in ensuing Annual General Meeting. The Board of Directors has declared interim dividend of 40% (Re 0.80 per equity share of Rs 2 each ) in the meeting held on January 31, 2017. Total dividend i.e. interim dividend for the year is 80% Rs 1.60 per equity share )

## Transport Corporation of India Limited



### SBUs and services



FTL/FCL, LTL & Over-dimensional cargo services through Road, Rail & Sea.



A Single-window solutions enabler from Conceptualization to Implementation



Leading player in Coastal Shipping, NVOCC & Project Cargo



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

## Other group companies



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



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



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



# The Beginning