

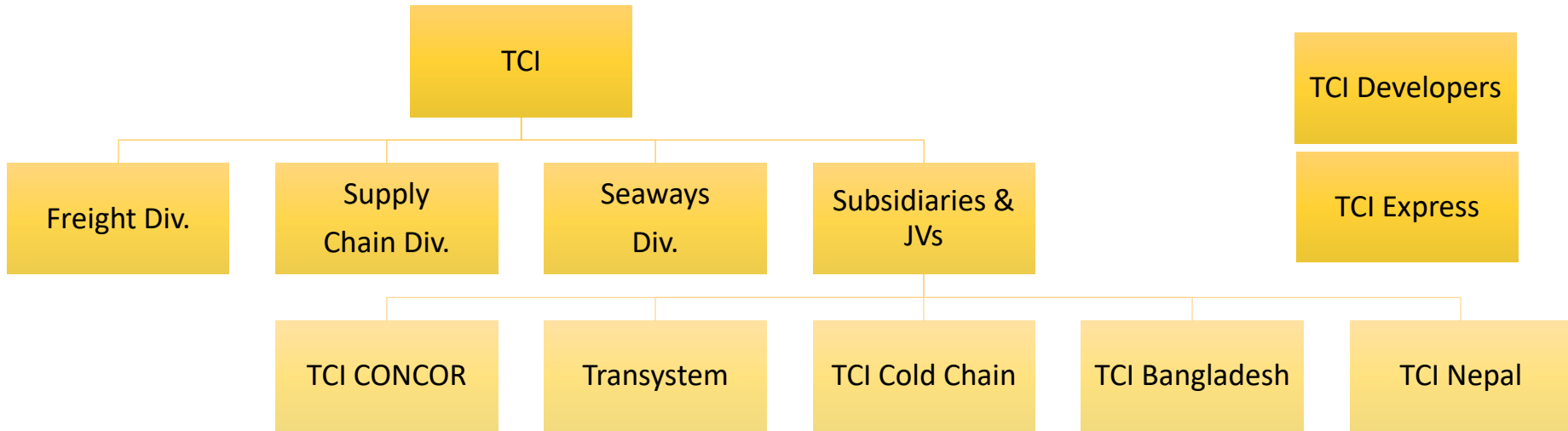


# Everything Logistics™



Earnings Presentation Q2 FY23

# Group Overview



<p><b>6+</b> Decades of Experience</p>	<p><b>\$600+ Mn</b> Revenue</p>	<p><b>2.5%</b> Moving India's GDP by Value</p>	<p><b>7000+</b> Employees Strength</p>	<p><b>1,500+</b> IT Enabled Own Offices</p>	<p><b>12,000+</b> Trucks in Operations</p>
<p><b>650+</b> ISO Containers</p>	<p><b>160</b> Reefer Vehicles + <b>13,000+</b> Cold Pallets positions</p>	<p><b>8,000+</b> GP Containers</p>	<p><b>06</b> Coastal Ships</p>	<p><b>13</b> (Mn sq. ft.) Warehouse Space</p>	<p><b>500</b> (Mn Km) Delivered Distance (per year)</p>



## Consumer Driven

1. Increasing trends in online shopping & digital transactions
2. High Degree of Urbanization
3. Product loyalty diminishing putting pressure on supply chain



## Customer Driven

1. Focus on core area of business: increased outsourcing
2. Rapid pace of technology adoption and automation
3. Demand for larger WH for safety stock
4. Increase in modern handling systems: pallets, conveyors
5. Shift towards alternative modes of transportation: ESG/cost



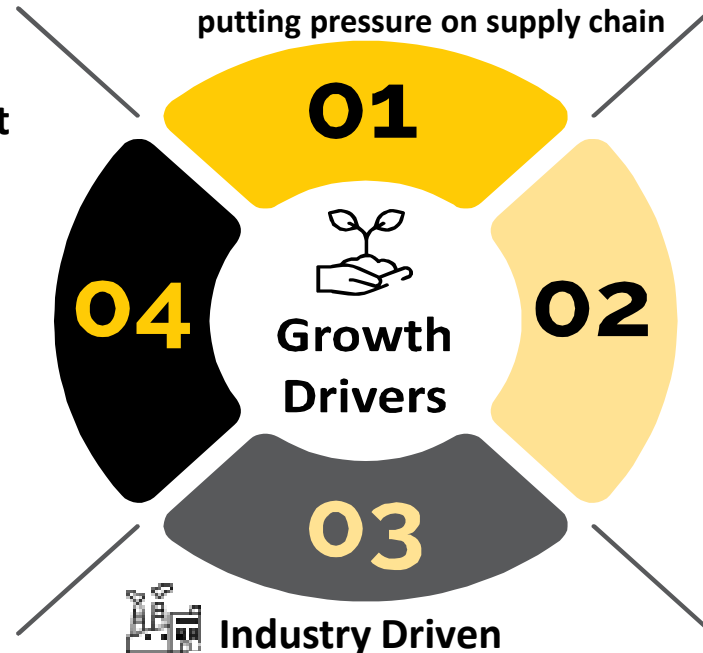
## Industry Driven

1. Logistics industry at USD 160B & very fragmented
2. Rapid changes with evolution of economy
3. National Logistics Policy giving positive direction (Modal mix change, Digitization, Standardization)

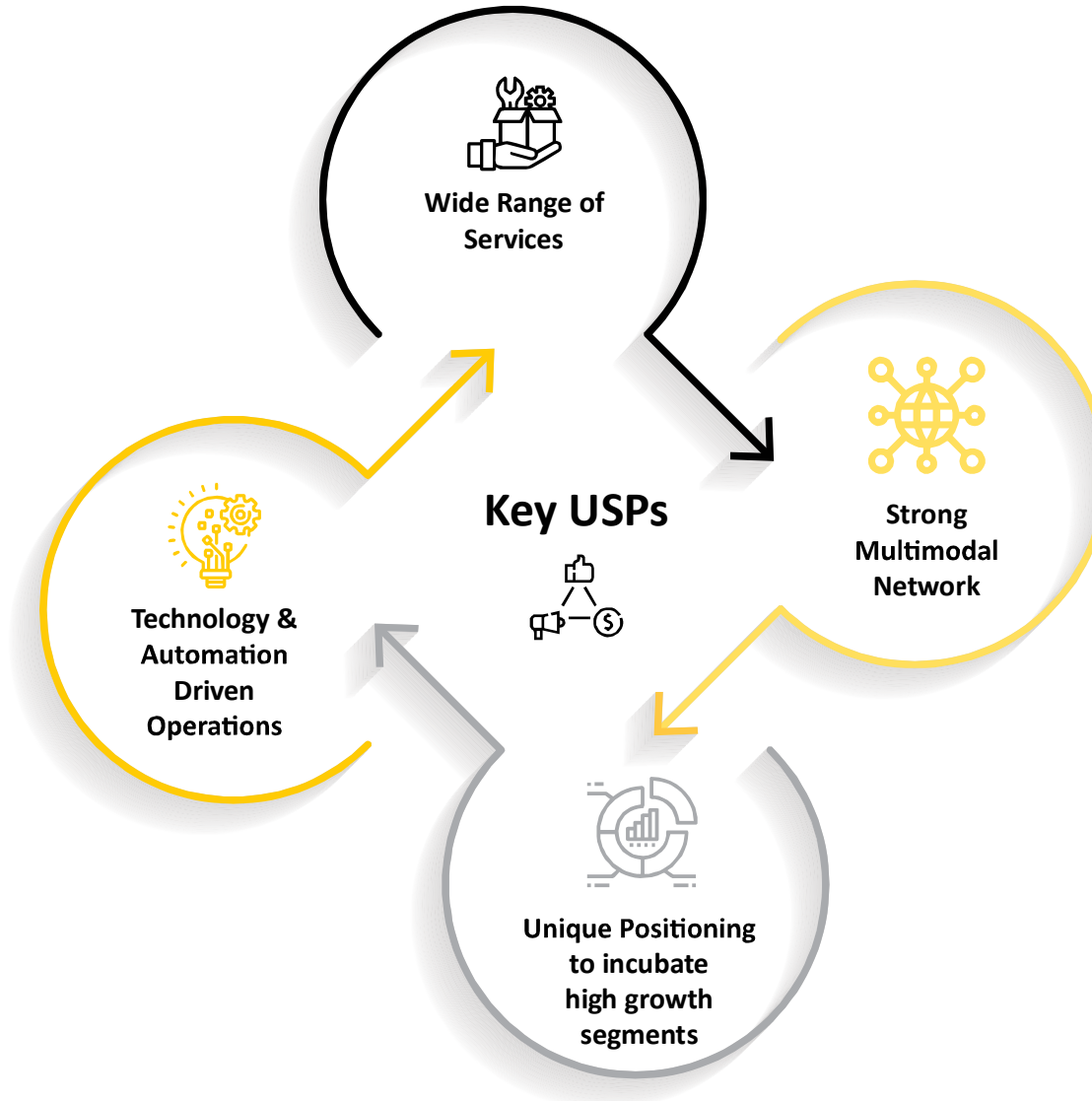


## Regulatory & Government Initiatives

1. Infrastructure push BharatMala, SagarMala, MMLP, DFC
2. Boost to domestic supply chain, PLI, Atmanirbhar Bharat
3. GST, E-way bill and E-invoicing driven governance push and formalization



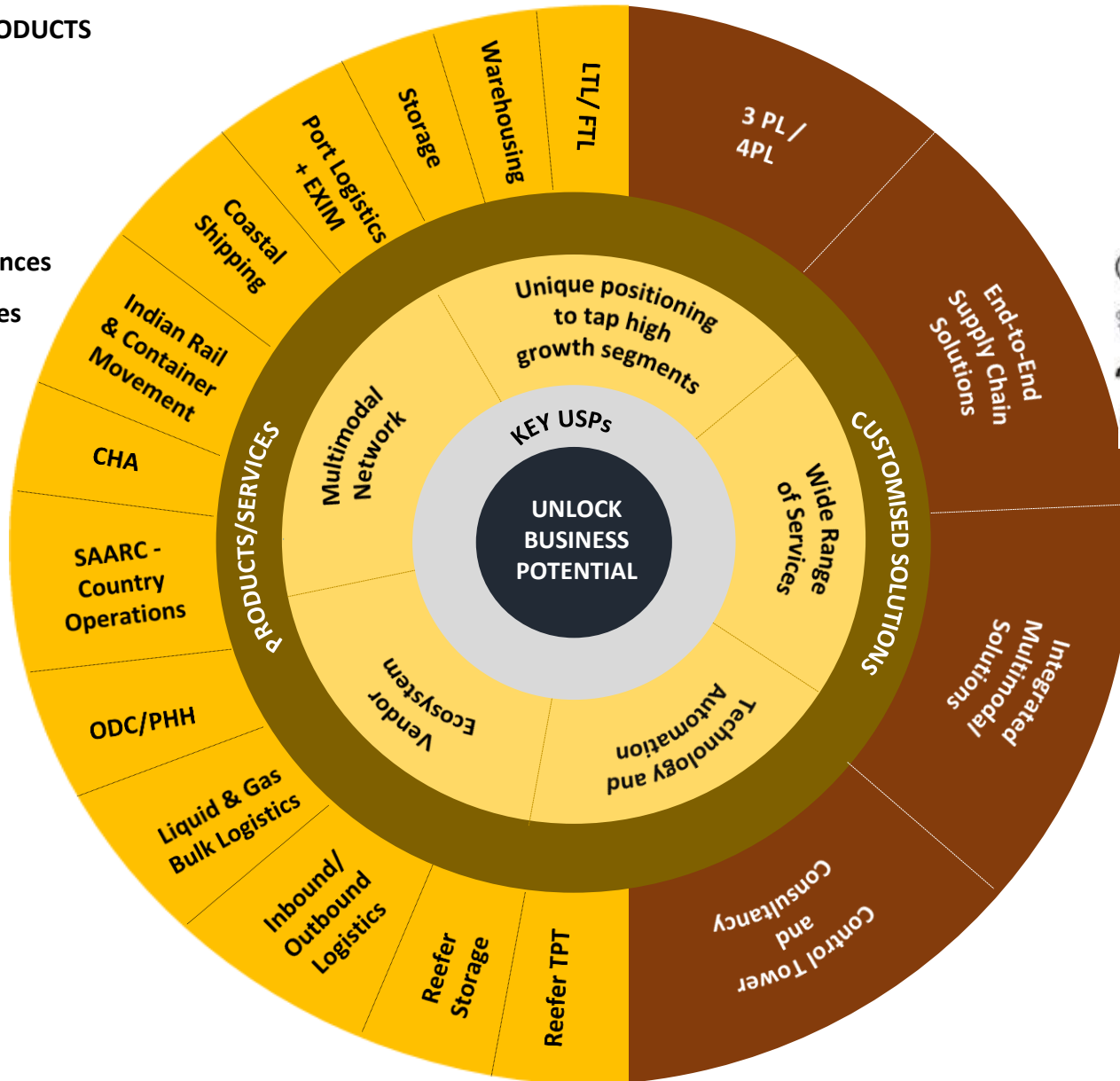
# Company Strategy : Everything Logistics



# Wide Range of Customized Services

## VERTICALS SERVED/ PRODUCTS

- Automobiles
- Retail and CP
- Hi-tech (ICE)
- Healthcare/ Lifesciences
- Energy & Renewables
- Aviation & Defense
- E-Commerce
- Chemicals
- Iron and Steel
- Agri



## BENEFITS FOR CUSTOMERS

- Single Window Solution
- Operational Cost Efficiencies
- Trusted Delivery & Fulfillment
- Economies of Scale

## HORIZONTAL SERVICES

- Cold Chain
- SAARC+ CHA



# Multimodal Network

## Rail



Own Trains : 3 AFTO (Trains)

- High End CBU Logistics
- End-to-End container movement
- Cross Border movement

Full rake movements  
780(H1 2021-22)  
900 (H1 2022-23)

## Coastal



Ship Deployed :6  
DWT : 79,000  
GP containers : 8000+  
ISO TTR – 650+

## Containers management



- Intl/Exim
- Baffle/ISO
- Marine

TEUs handled:  
65300 (H1 2021-22)  
50000 (H1 2022-23)

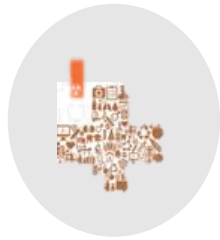
## Yards & Terminals



No. of Yards & Terminals  
managed /Operated

Yards : 55  
Terminals:60

# Unique Positioning to incubate High Growth Segments



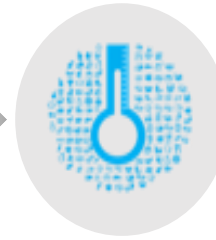
**Chemical + Pharma**



**Agri. ++**



**Renewables**



**Cold Chain**



**SAARC**

## WHY are these high growth segments?

1. Supply chain disruption in China & Europe
2. Chemicals flow into Pharma through APIs.
3. India is preferred manufacturing destinations for chemicals (all MNCs are present here).
4. Maturing SCs

1. 16% of GDP in farm & food sector
2. Consumption linked sector with shorter cycles

1. Global Renewable energy market projected to reach **\$1,977.6 billion** by 2030
2. Boom in "green" energy
3. Increased shift from fossil fuels to renewable energy

1. Growth in the organized food delivery and e-commerce segments.
2. Market maturing to quality vs cost

1. BBIN & CMLV countries.
2. Increasing SC linkages in neighboring countries
3. Look East Policy with Govt investment into projects

## TCI's approach to these high growth segments

1. Multimodal solution for movement of Haz. and Non-Haz. bulk liquid and dry chemicals.
2. Own strategic assets- ISO Tanks, Gas Tankers, Dry Bulk Containers.
3. Responsible Care, ITCO, PESO and Drugs License
4. Chemical & GDP compliant warehouses.

1. Multimodal solutions comprising last mile deliveries.
2. 3PL Solutions, Yard management, OBL, WH
3. Offers hub-spoke solutions.

1. End-to-End multimodal through Rail.
2. Import clearance and Warehousing
3. Last Mile and Storage

1. Dedicated team under JV with Mitsui
2. Quality operations with ` cold & dry solutions
3. 150 +fleet (90 Own), 13000+ Pallet position.

1. Own Subsidiaries in Nepal and Bangladesh.
2. Offices at all major borders and capital cities,
3. End-to-End multimodal through Road and Rail.
4. AEO, IATA, CHA, Courier Licenses.

# Technology Driven Operations

## SECURITY & BUSINESS CONTINUITY

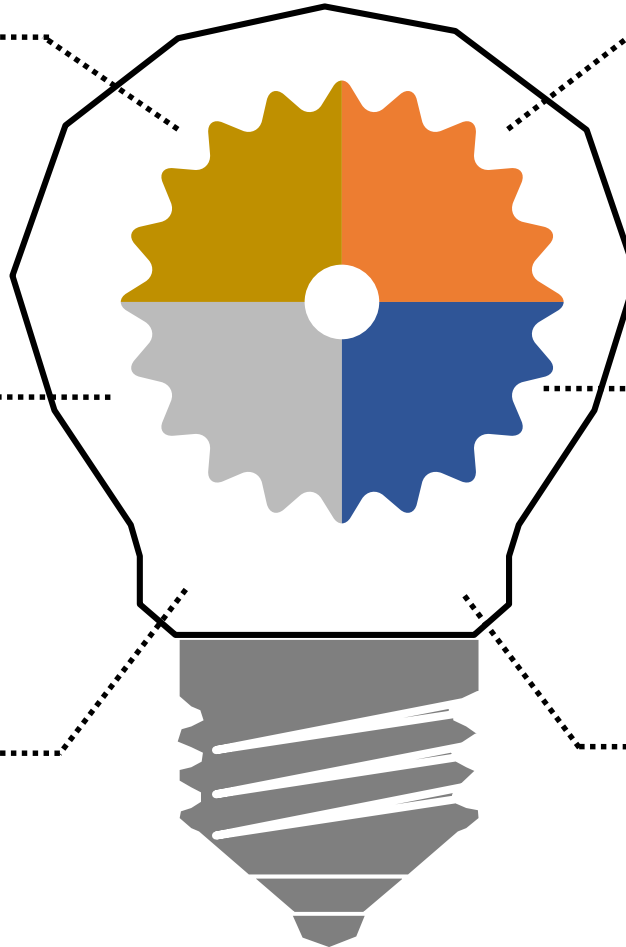
- Endpoint Detection and Response
- Advance Threat Protection
- Network & Web Application Firewall
- SSL, Security Protocols & Policies
- High Availability Disaster Recovery
- Secure code Repository

## CONFIGURATION & INTEGRATION

- GPS & GIS Services
- Location & Route Geofencing
- API's
- IOT Devices – RFID, Temperature Sensors, Barcode, Scanner

## IT INFRASTRUCTURE & DATABASE

- Cloud Computing Services and Servers
- Data warehousing
- Communication Tools
- WhatsApp Business
- Version Control and Repository System



## VALUE BASED RELATIONSHIP

- Customer Relationship Management
- Supplier Relationship Management
- Order Management System

## DECISION SUPPORT SYSTEMS

- Logistic Control Tower
- Business Intelligence Tool
- Route Planning & Optimization
- Security Operation Center

## CORE BUSINESS OPERATIONS

- Enterprise Resource Planning
- Fleet & Tyre Management System
- Workforce Management System
- Procurement Management System
- GST, E-way, E-Invoice



# Digital Control Tower for Large Heavy Electrical Goods Company for FTL and LTL services at 25+ locations

PROBLEM

Manual Order Processing/ CN Creation

SOLUTION

- BOT solution
- Automation

BENEFITS

- Optimization
- High Accuracy

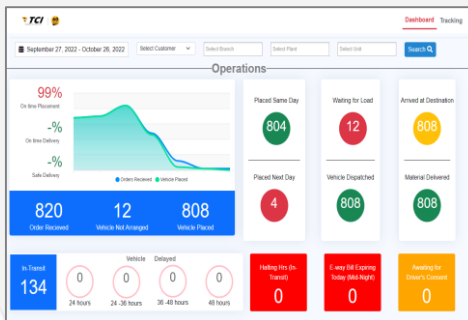
LIVE FEEDS



Limited Operations Transparency & Visibility

- Digital Control Tower with real time KPI's, Bill, POD

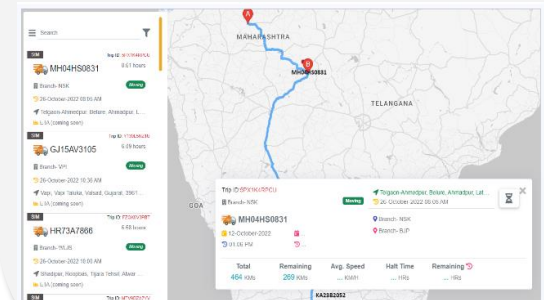
- Exception Alerts
- Faster Decision Making
- High Accuracy



Limited Monitoring of load movement

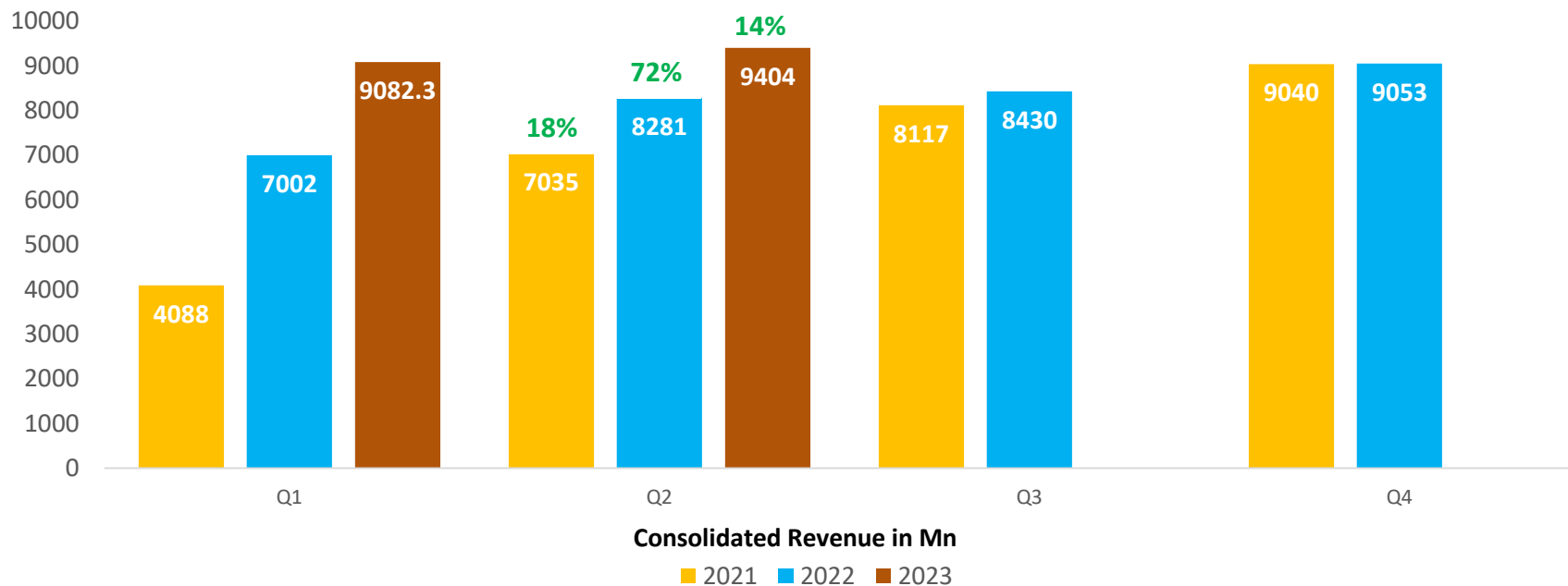
- Live Location feed
- Algo's of ETA, Delay , idle time geofencing

- Live Location
- Load Planning
- Improve TAT
- High Performance



# Key Highlights

- Highest quarter ever with consistent performance and adherence to core business fundamentals
- Rising demand in almost all sectors enables all business segments to grow despite inflationary pressure
- Market liquidity position tighter however company net borrowing remains at zero.



# TCI Freight Division: Industry nature and trends

<b>~40 Bn USD</b> Less than Truck Load (LTL) segment size	<b>160 Bn USD</b> Indian Logistics Market
<b>~ 6%</b> Freight Market Growth (CAGR)	<b>40+</b> Truck variants
<b>12 Mn+</b> Trucks under operations	<b>6:5</b> LCGV to HCGV



## Key Industry trends:

- Need for FTL & LTL from customers
- Anywhere to anywhere model
- End to end visibility
- In-transit small storage facilities to grow
- Packaging support for high value goods, fragile items specially in LTL segment

# TCI Freight Division: Core competencies and capabilities

- One of India's premier organized freight services provider with pan India presence & to SAARC
- 700 IT Enabled Owned offices, 25 Strategic Hubs
- Truck under Operation : 4500+ :Owned : 120

- On demand use of Foldable Large Containers (FLCs) to safeguard goods.
- Single window Key Account Management (KAM) solutions for managing information flow and tracking.



## Services

- Provides full truck load (FTL), less than truck load (LTL)
- Customized Solutions
- ODC and Project Heavy Haul



## IT Capabilities

- Mobile App controlled loading, unloading and dispatch of goods.
- Centralized vehicle tracking through geofenced system and customer service by quick response team.



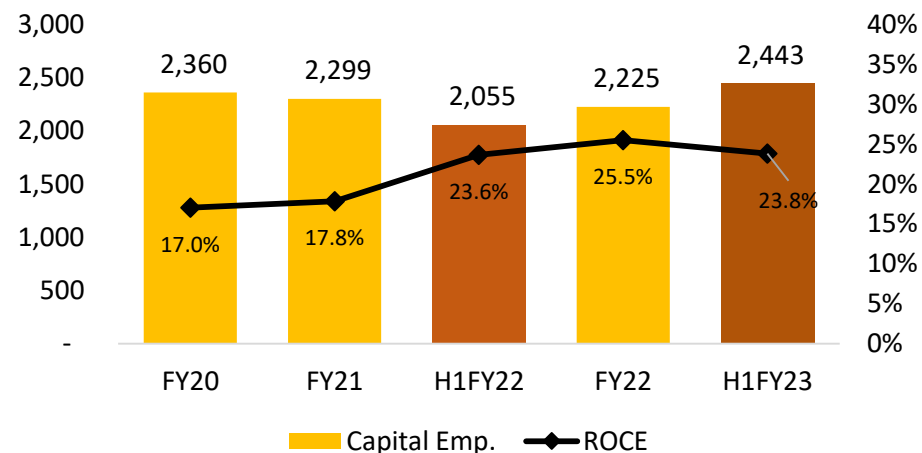
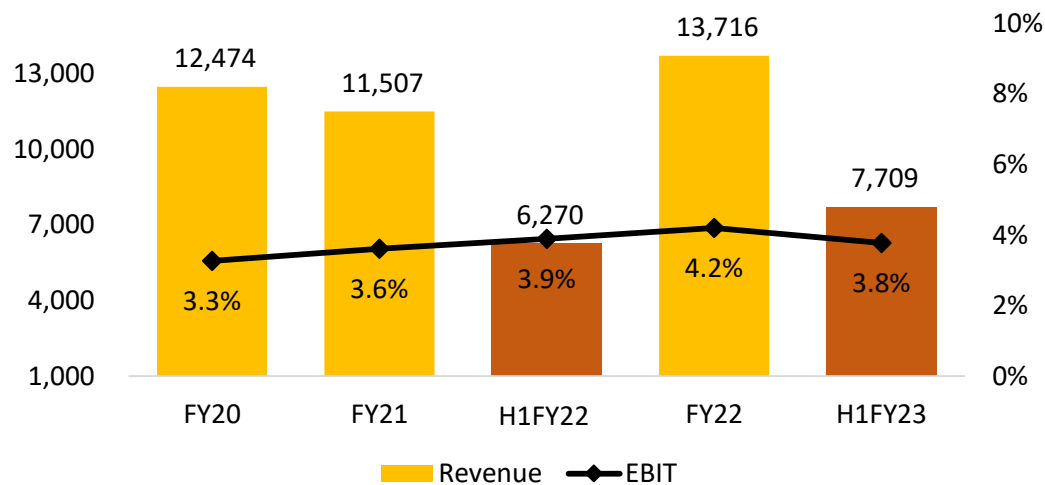
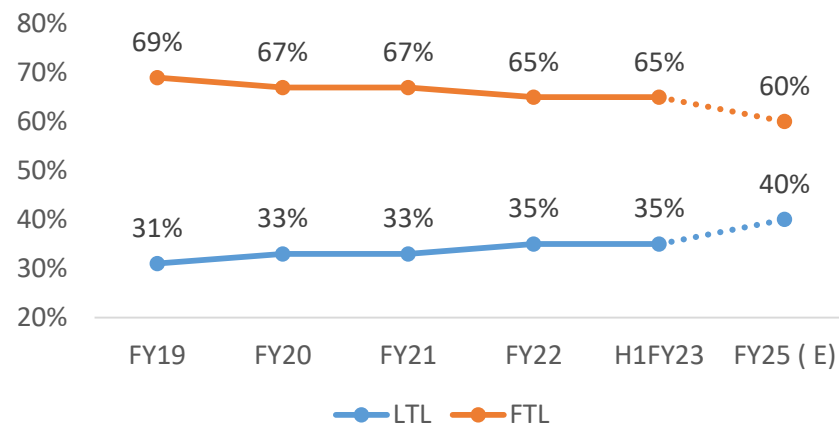
# TCI Freight Division: Key Operational Highlights



Figures in Mn

Particulars	Q2 FY23	Q2 FY22	Gr%	FY22	FY 21
<b>Revenue</b>	3944	3393	16.3%	13716	11507
<b>EBDITA</b>	168	150	11.7%	620	472
<b>% to Revenue</b>	4.3%	4.4%		4.5%	4.1%
<b>EBIT</b>	158	140	12.9%	577	416
<b>% to Revenue</b>	4.0%	4.1%		4.2%	3.6%

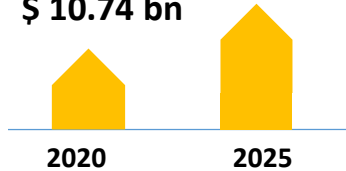
- Growth momentum amidst festive seasons and high volumes from large customers
- Freight rates have been stable across major routes





# TCI Supply Chain Division: Industry nature and trends

3PL Incremental Growth  
\$ 10.74 bn



**7.87%**  
3PL Estimated CAGR  
(2021-2025)

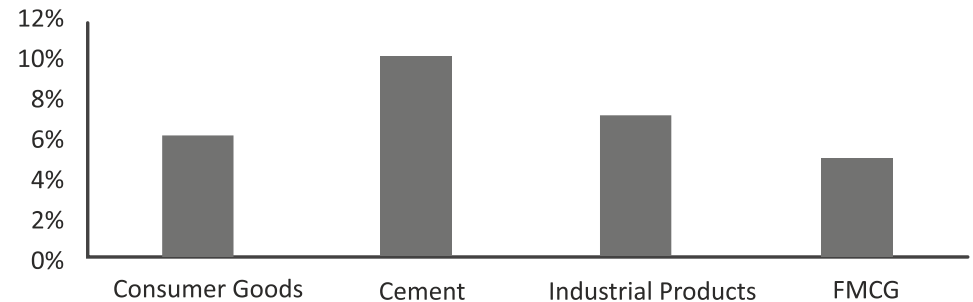
**8%**  
3PL - Acceleration of  
Market Growth (CAGR)

**Organized**  
Market

**14.86%**  
Compound Annual  
Growth Rate of  
Warehousing Market  
(2021-2025)

**2086 Bn**  
Estimated Market Value  
of Warehouse Industry  
( By 2025)

Typical Logistics and Warehouse Cost (as a % of Sales)



Source: Deloitte analysis

### Key Industry trends to drive Supply Chain and Warehousing:

- Third-party logistics to gain momentum
- Reorganization of warehouses
- Increased use of warehouse automation
- Increase in Cold storage
- Increased use of Technology

# TCI Supply Chain Division: Core competencies and capabilities

WH/ DC	E-fulfillment centers	Yards	Cross-docking	Multimodal	3PL, 4PL	IBL, OBL	Control Tower
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- ✓ Integrated Logistics & Supply Chain Solutions – from **conceptualization to execution**
- ✓ Vehicles under Operation : 4000 + Owned : 960
- ✓ Yards managed : 55
- ✓ IBL Pickup per day: 5000+
- ✓ 100+ trains operated per month
- ✓ Managing diverse logistics operations for mobility sector (passenger, industrial, Agri)

- Healthcare
- Chemical
- Hi-tech
- Retail & CP
- Auto

## Strong Distribution Network Optimization capabilities



# TCI Supply Chain Division: Key Operational Highlights



Figures in Mn

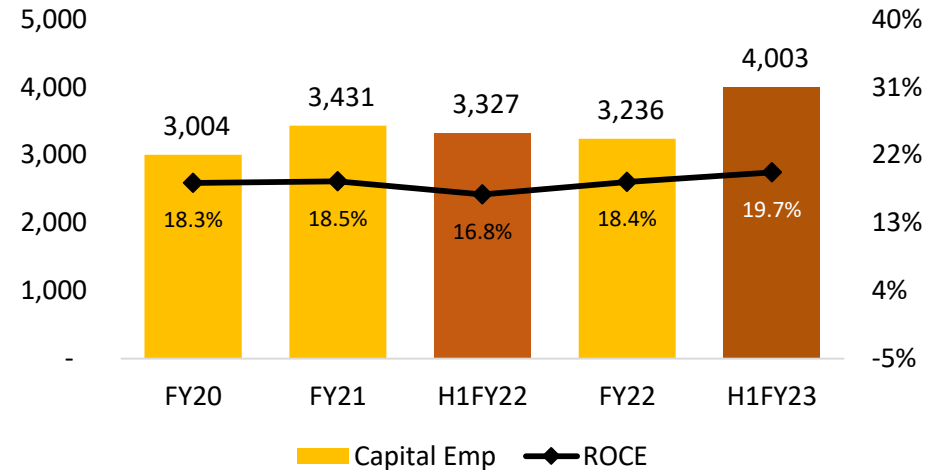
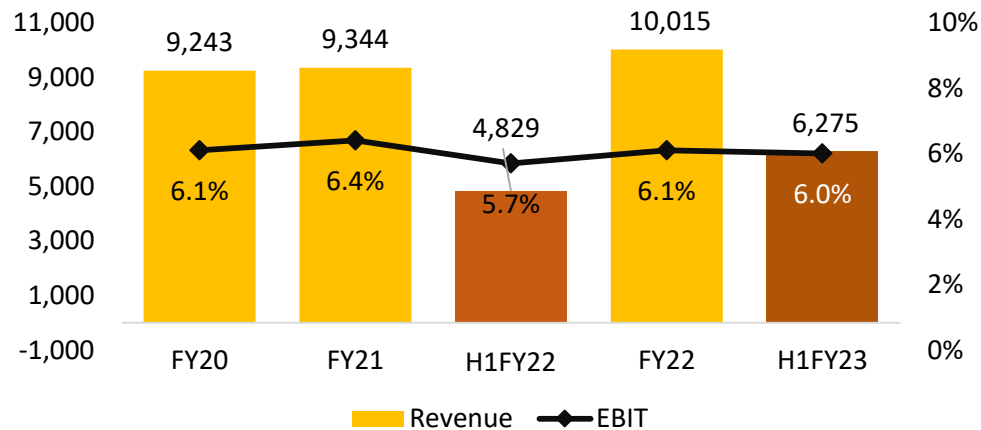
Particulars	Q2 FY23	Q2 FY22	Gr%	FY 22	FY 21
Revenue	3418	2691	27.0%	10015	9344
EBDITA	324	281	15.2%	1069	998
% to Revenue	9.5%	10.4%		10.7%	10.7%
EBIT	221	161	37.4%	614	596
% to Revenue	6.5%	6.0%		6.1%	6.4%

- Highest ever quarter in revenues , amidst retention and expansion of clients
- Headwinds of general inflation on consumer demand
- Margin stable with controlled cost structure.

### Storage Area under Management

Warehouse "A" Grade	13 Mn Sqft (FY22)	130 Cubic Ft ( FY22)
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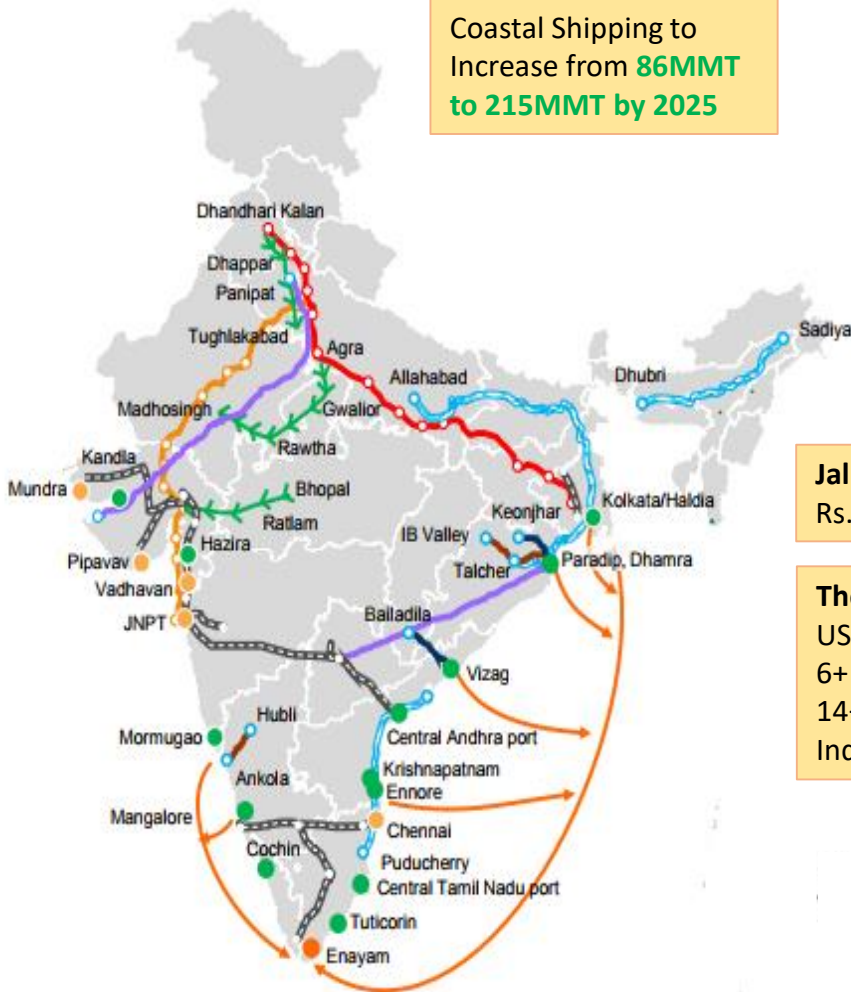
Yard Area under management 250 Acre



# TCI Seaways: Industry nature and trends

## Trends to Drive Forward

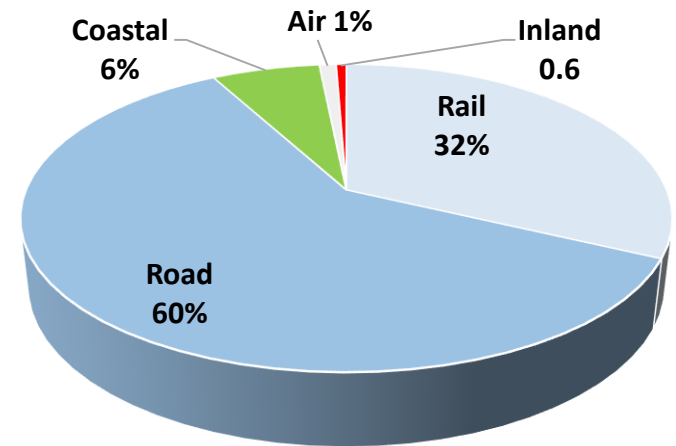
Coastal Shipping to Increase from **86MMT** to **215MMT** by 2025



**Jal Marg Vikas Project:**  
Rs. 5369 crore

**The Sagarmala Project**  
US\$120 billion Investment  
6+ Mega Ports  
14+ Coastal Economic Zones  
Industrial Zones near Ports

## Waterways : 6% of transportation modal mix

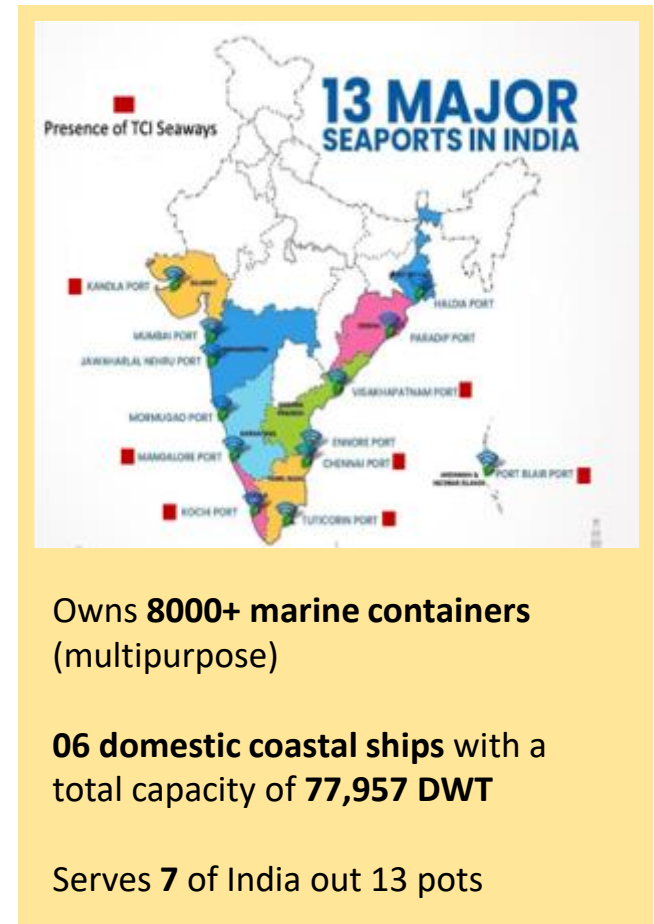


- Manufacturing at the Coastal Area will increase
- More SEZs and Warehousing Zone near ports
- Multimodal Logistics Park to Come up
- Inland Waterways Projects
- BBIN and BIMSTEC connectivity

# TCI Seaways Division: Core competencies and capabilities

## Reach & Services

- One of the leading multimodal coastal players having presence along the **Western, Eastern & Southern ports of India**
- Expertise in coastal shipping services, container & bulk cargo movements, and transportation services
- First-mile and last-mile connectivity via rail & road
- Multi-modal solutions with reduced carbon footprint (Green logistics)





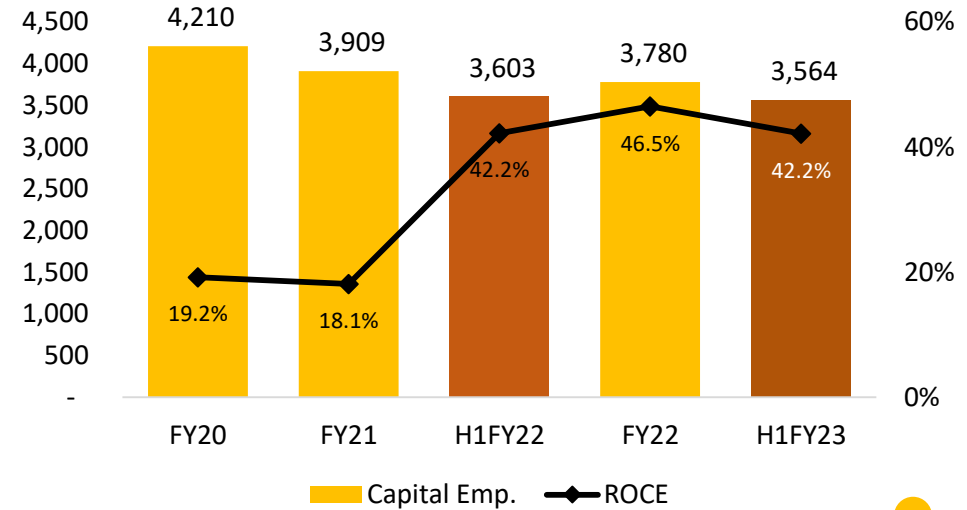
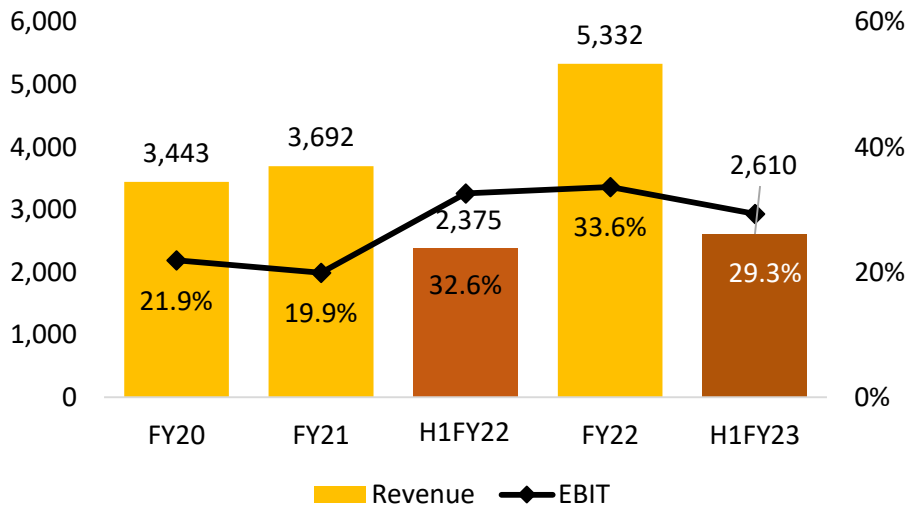
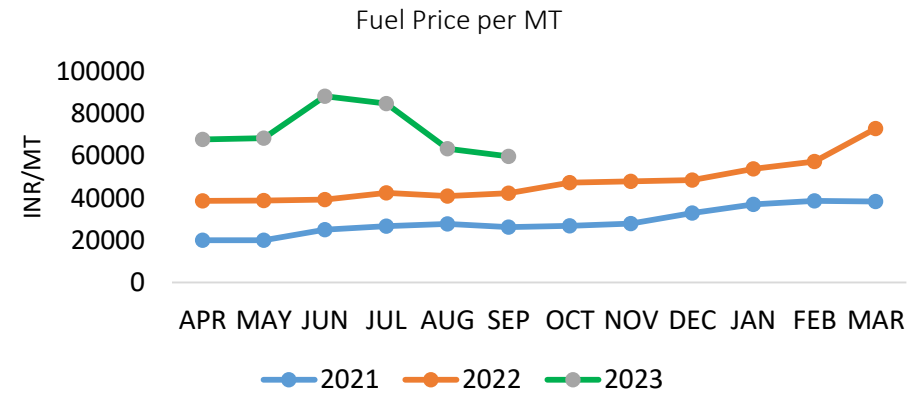
# TCI Seaways Division: Key Operational Highlights












Figures in Mn

Particulars	Q2FY23	Q2FY22	Gr%	FY22	FY 21
Revenue	1157	1279	-9.5%	5332	3692
EBDITA	481	589	-18.4%	2363	1150
% to Revenue	41.5%	46.1%		44.3%	31.1%
EBIT	304	480	-36.6%	1790	735
% to Revenue	26.3%	37.5%		33.6%	19.9%

- Slow demand amid Monsoon, Dry-docking & lower international volumes during the quarter
- EBIT Margins had impact of depreciation



# TCI's Joint Ventures

H1FY23 (FY22)	 Multimodal Logistics Solutions		
 Revenue	1510 (3010)	316 (587)	3174 (4670)
 Y-o-Y Growth	1.7% (-7.1%)	13.5% (62.3%)	76.3% (29.7%)
 PAT	25.45 (55.90)	12.48 (27.60)	456 (540)
 Capital Employed	457 (419)	341 (336)	3370 (2911)
 Strategic Partner's Share	49%	20%	51%
 <b>Key Operational Highlights</b>	Operates on asset-light model Building upon its capabilities of integrated multimodal logistics solutions Chemicals, Food Grains, Metals etc	Cold chain services to cater temperature control Warehousing, Primary & secondary distribution requirements.	Focused on automotive logistics of Japanese clients

# Financial Highlights

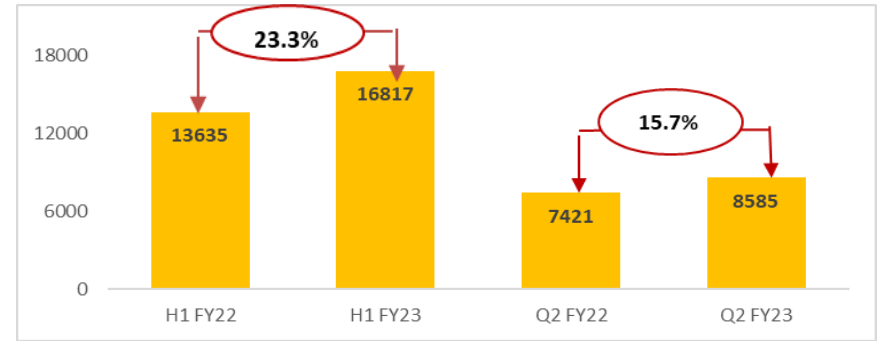
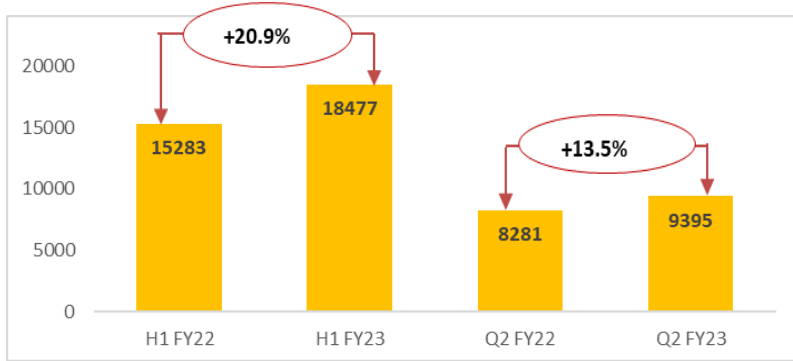


## CONSOLIDATED

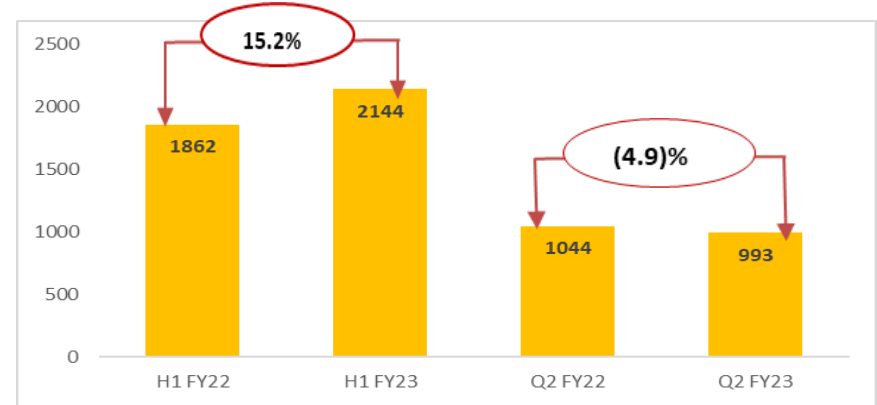
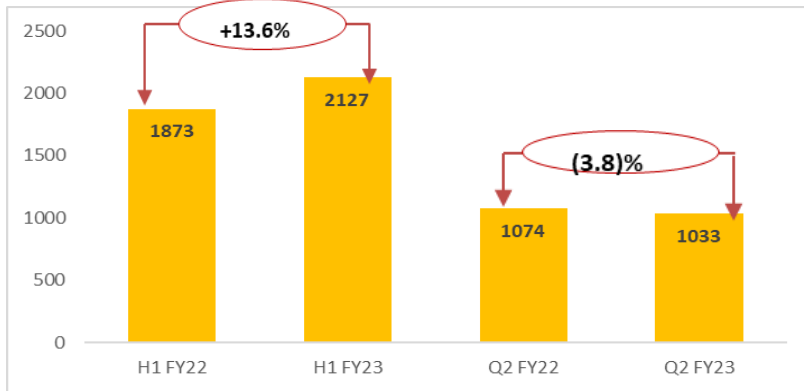
Figures in Mn

## STANDALONE

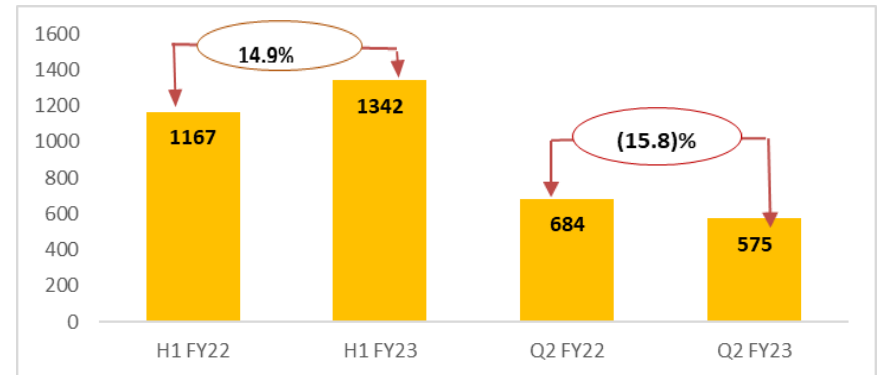
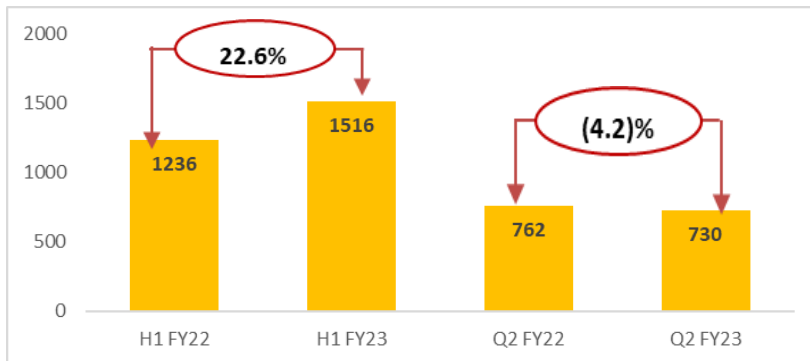
Revenue



EBDITA



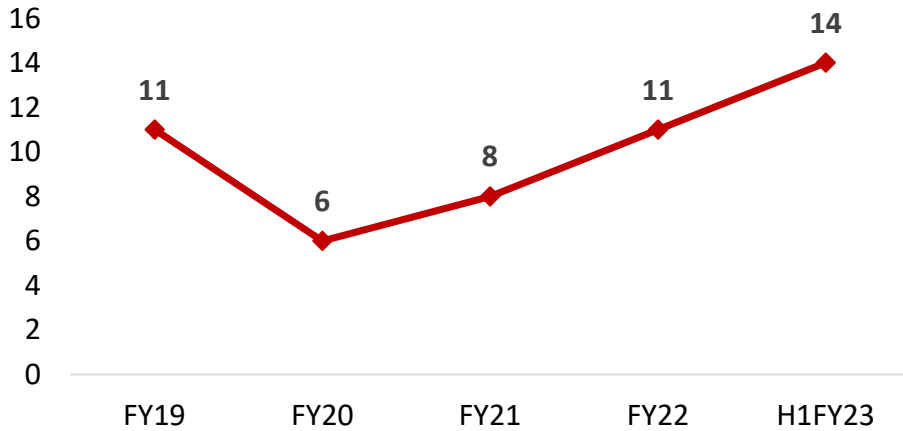
PAT



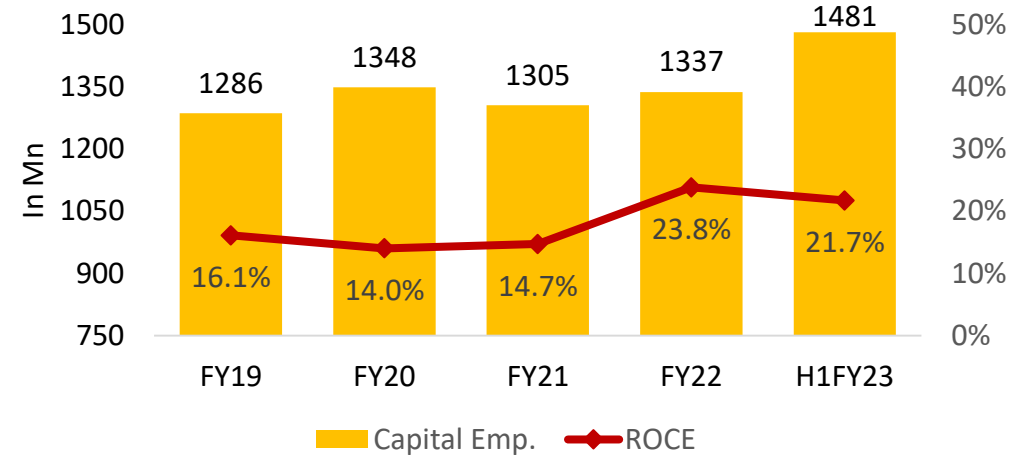
# Consistent performance: Key financial Indicators



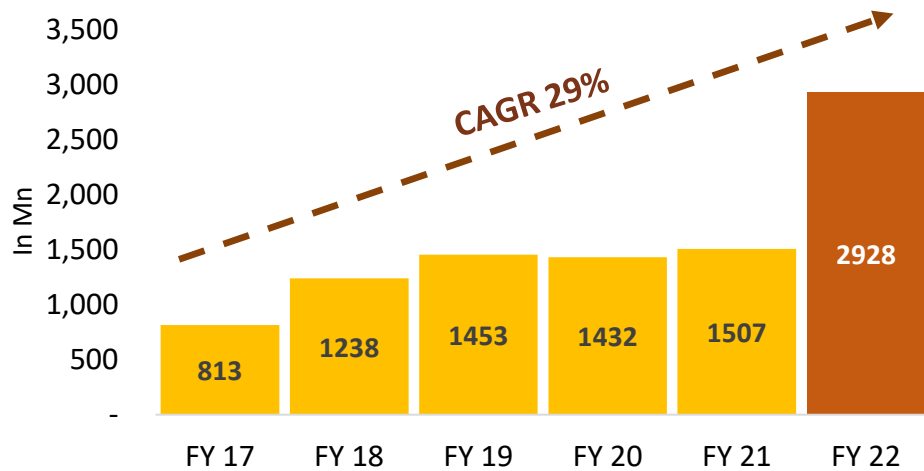
### EV/EBIDTA



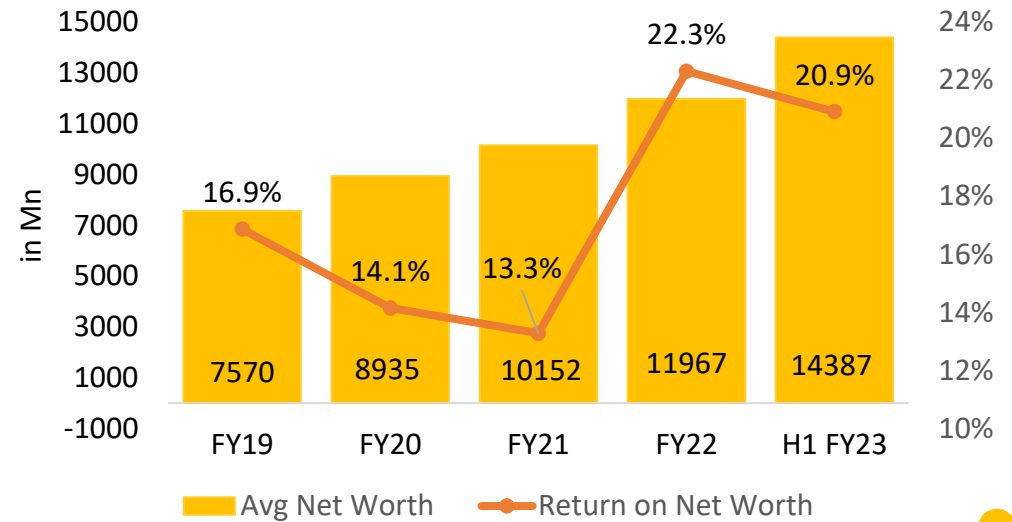
### Return on Capital Employed



### Consolidated Profit After Tax



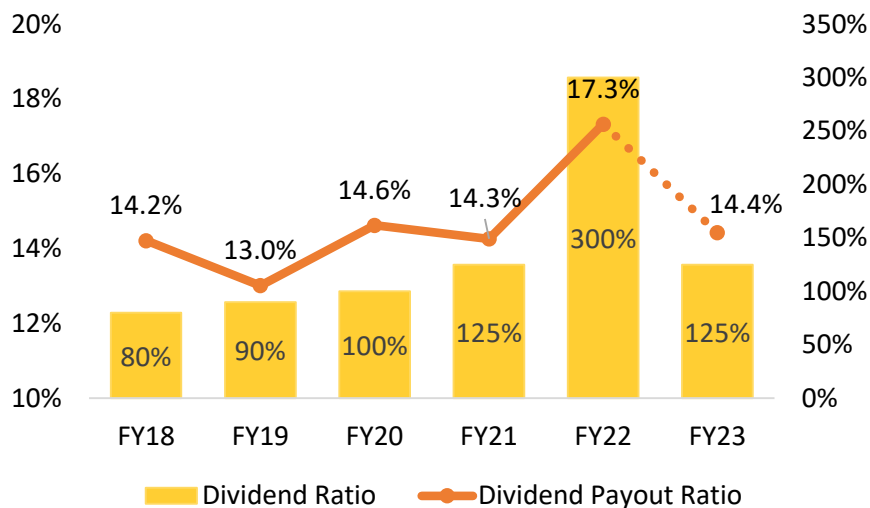
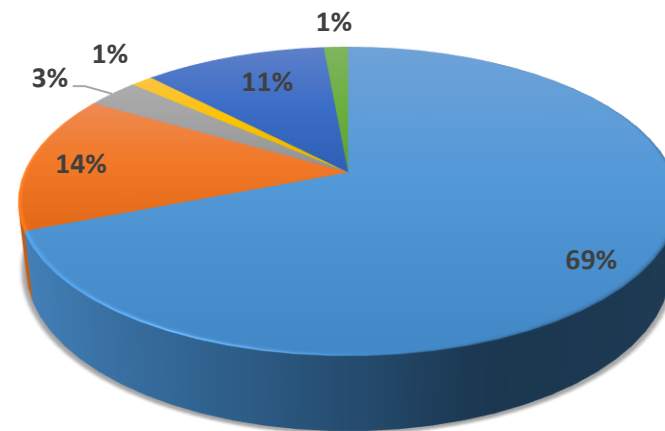
### Return on Net Worth



# Market Summary

Particulars	UOM	30 <sup>th</sup> Sep 22
Market Cap	Rs Mn.	59,432
Debt	Rs Mn.	573
Enterprise Value	Rs Mn.	59,306
P/E	Nos	22
EV/EBITDA	Nos	14
52 Week High	Rs/share	858.60
52 Week Low	Rs/share	527.00

## Shareholding Pattern as on 30<sup>th</sup> Sep 2022



- PROMOTORS
- INDIAN PUBLIC
- FOREIGN HOLDINGS
- BODY CORPORATE
- MUTUAL FUND
- OTHERS

- CRISIL Long term Rating : AA ( Positive)
- ICRA Short Term Rating CP : A1+
- Stock returned CAGR of 37% in last 20 years
- Stock coverage : 11 : Buy Rating :11



# Corporate Governance: Social Responsibility

## E

### Environmental पर्यावरण

- **Eco-friendly** workplaces , Solar Panel use at warehouses.
- Multimodal Solutions: push towards **green logistics via Rail & Coastal**
- 210 Mn invested to improve environmental impact
- Produced 16 Mn renewal energy units Vs consumed 6.5 Mn non-renewal energy units
- TCI successfully completed **8000 trips via CNG vehicles**



## S

### Social सामाजिक

- **Road safety and health initiatives** across 8 states impacted more than 1 Mn people
- Education and empowerment impacted 10000 lives so far
- Artificial limb center served 22695 beneficiary so far
- Urmila Sports Academy trained players for National and International sports events



## G

### Governance शासन

- Strong and diverse Board
- Voluntarily adopted BRSR in FY22 itself
- Long performance-linked remuneration system
- Comprehensive Enterprise risk management and Business continuity plan



# Future Outlook

- Demand momentum to continue in coming quarter though in slower pace than expected.
- Revenue and Profit growth of 10%-15%
- Aggressive capex plan to capture next cycle of growth

Figures In Mn.

	Actual (FY07 to FY22)	FY 23 Budget	FY 23 6M Actual
Hub Centers & Small warehouses	5163	700	93
Ships	3210	900	0
Containers	1339	600	56
Trucks & Rakes	4755	650	356
Others (W/H Equip, Wind Energy, IT etc.	1130	301	94
<b>Total</b>	<b>15597</b>	<b>3151</b>	<b>599</b>

# Thank You!



Everything **Logistics**



**Best Warehouse Service Provider**



**Best Cold Chain / Refrigerated Service Provider**



**Transport Corporation of India Limited**

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