



MOVING COMMERCE
TO NEW HORIZONS

Transport Corporation of India Investors Presentation FY 2016-17

Cautionary Statement

Statements in this “Presentation” describing the Company’s objectives, estimates, expectations or predictions may be “forward looking statements” within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company’s operations include global and Indian demand supply conditions, cyclical demand and pricing in the Company’s principal markets, changes in Government regulations, tax regimes, economic developments within India and other factors. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statement, on the basis of any subsequent development, information or events, or otherwise.

Group TCI

SBUs & 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

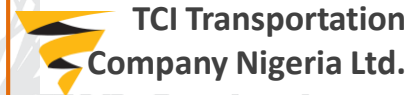
Other Group companies



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



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



A JV between Indorama Eleme Petrochemicals Ltd. and TCI.



Specialized in offering time definite solutions with strength of 2000+ team of professional and 13000+ delivery points.



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

Group TCI

Key Facts

Year of Establishment

1958

Turnover

3000 Cr.

Movement by Value of India GDP

2.5%

Employees Strength

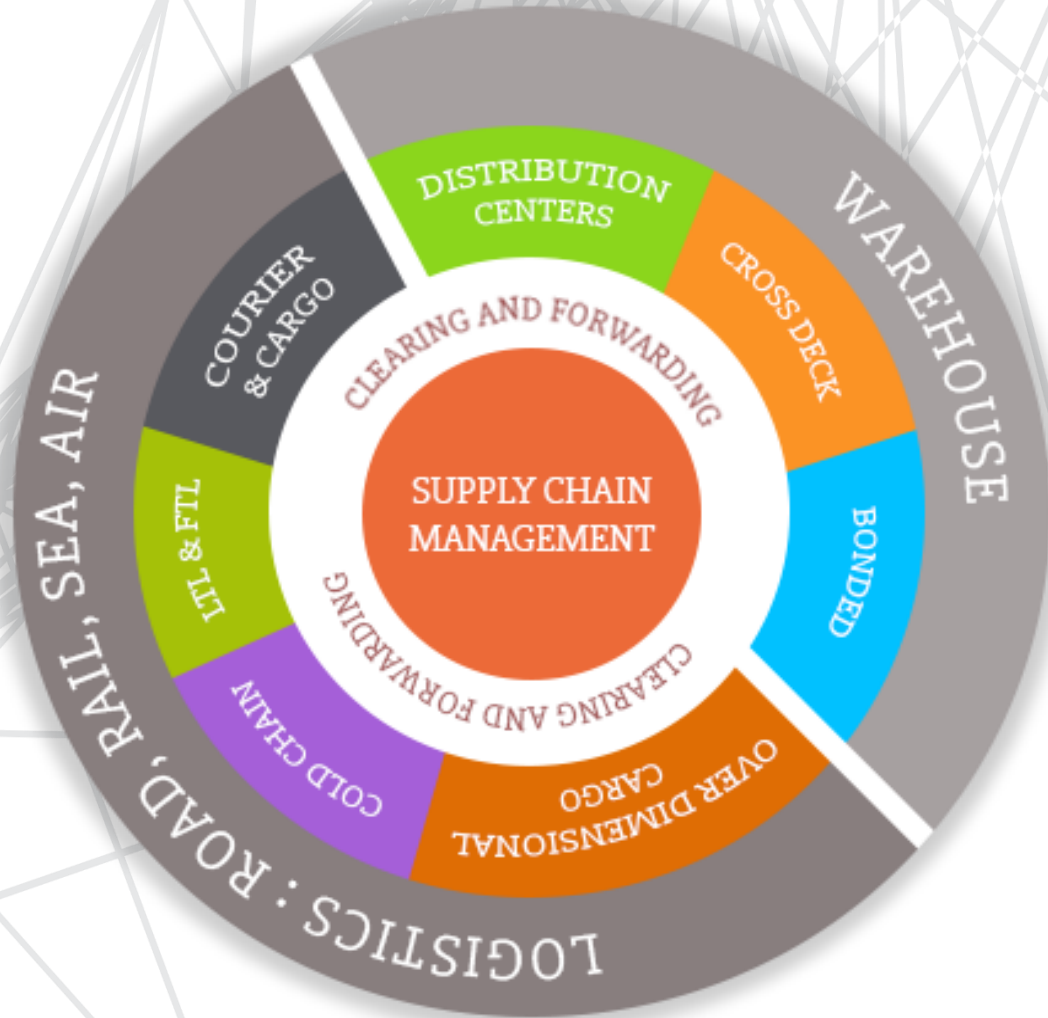
6000

IT enabled Owned Branches

1400

Vehicles/Day Managed on Road

10000



TCI Consolidated

Key Facts

Turnover 1950 Cr.

Employees Strength 3500

IT enabled
Owned Branches 900

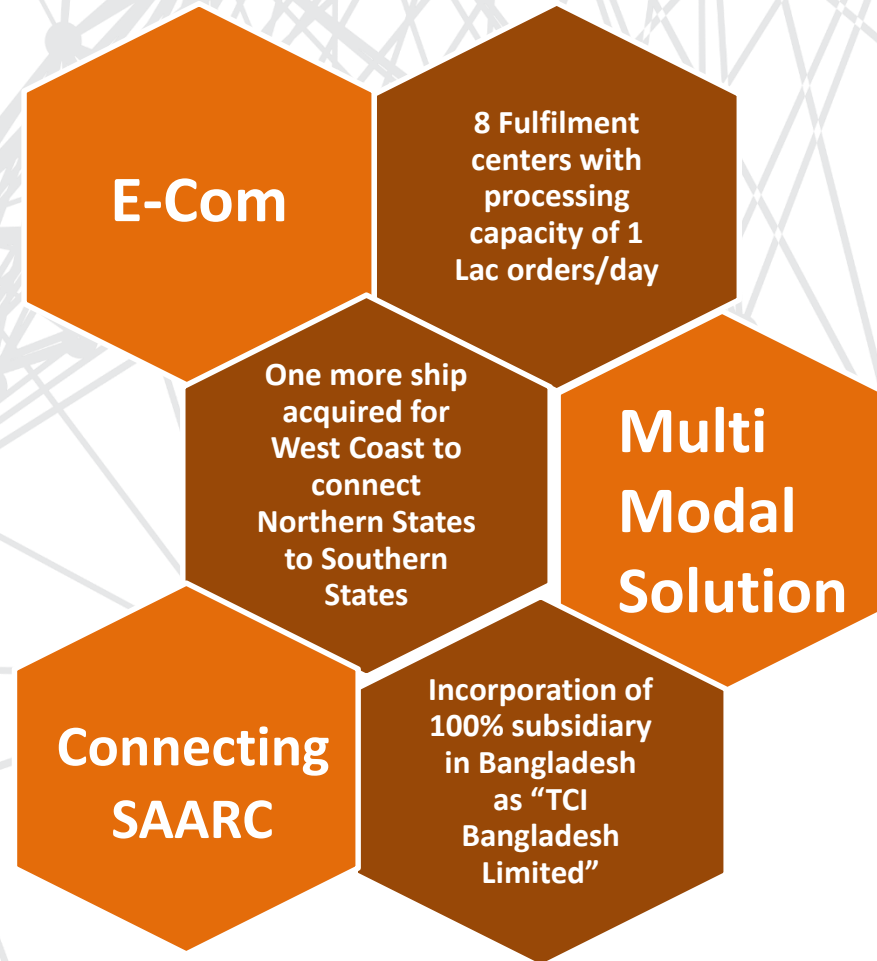
Warehouse Covered
Area managed 10 Mn Sqft

Vehicles/Day
Managed on Road 8500

Owned Vehicles 1500

Cargo Ships 5

New Developments



Board of Directors

Name	Designation
Mr. S M Datta	Chairman (Non-executive independent director)
Mr. D P Agarwal	Vice Chairman & Managing Director
Mr. S N Agarwal	Non-executive director
Mr. O S Reddy	Non-executive independent director
Mr. K S Mehta	Non-executive independent director
Mr. Ashish Bharat Ram	Non-executive independent director
Mr. Vijay Sankar	Non-executive independent director
Mrs. Urmila Agarwal	Non-executive director
Mr. M P Sarawagi	Non-executive director
Mr. Chander Agarwal	Non-executive director
Mr. Vineet Agarwal	Managing Director

Corporate Governance



Corporate Social Responsibility

TCI would be taking CSR initiatives through TCI Foundation, TCI Institute of Logistics & TCI Charities under below activities:



TCI Policies

The company considers its employee as the most important and valuable asset and is committed to provide conducive, healthy and professional work environment. So the Company establishes the policies and procedures to protect the rights of employees as well as the enable social & economic environment within the organization. Certain important policies are:

HSE Policy , Code of Conduct , Sexual Harassment Policy , CSR Policy , Risk Management Policy.



Listing, Rating & Certifications

TCI is listed in two stock exchange i.e. NSE & BSE whereas having Rating & Certifications form the following:
ISO 9001:2008 , CRISIL: AA-/stable for long term , ICRA: A1+ short term , IATA Certificate



Study Report & Publications



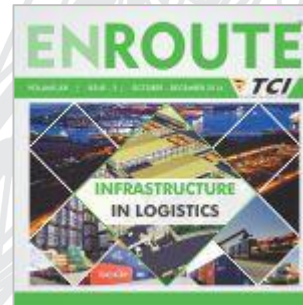
A Joint Study Report by TCI & IIM 2014-15

Transport Corporation of India (TCI), in collaboration with IIM Calcutta, launched the 3rd edition of the joint study report titled "Operational Efficiency of Freight Transportation by Road in India". The report is based on the joint survey of road freight transportation along 28 key routes in India. The aim of the study is to explore new ways to increase the operational efficiency of freight transport by road.



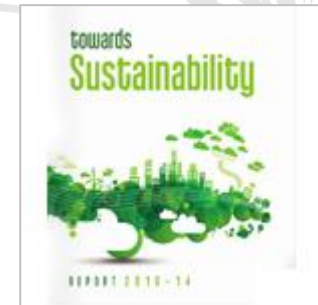
Logistic Focus

Log Focus is a quarterly in house publication of Group TCI and covers a wide spectrum of topics of Logistics and Supply Chain ranging from Case Studies, White Papers and Analysis



Enroute

Enroute is a quarterly in house publication of Group TCI. It has various sections such as Cover Story, Industrial Trends, Food for thought, Health etc that take up current issue pertaining to Logistic Industry & for general Interest.



2nd Sustainability Report

TCI has released its second CSR cum Sustainability Report for the year 2010-14 base on Triple Bottom Line of Profit-People-Planet. TCI is the first Indian Logistics Company to come out with such a report.

Awards & Recognition



Cold Chain Rising Star of the Year
(Presented by KamiKaze B2B
Media, 2016)

Best Warehouse Management
(Presented by Indian Chamber of
Commerce, 2016)



CSR Leadership Certificate for Concern
for Health (Presented by ABP News
Channel, 2016)

Asia Retail Congress Award For
Effective Retail Through Supply
Chain, 2016



Manufacturing Supply Chain Service
Provider of the Year (Overall) (Presented
by KamiKaze B2B Media, 2016)

Ranked 37th by World HRD Congress in the
category "Dream Companies to Work For"
(Presented by World HRD Congress, 2016)



Award for Retail Excellence for Effective
Retail Through Supply Chain To TCI SCS
(Presented By Asia Retail Congress)

Logistics Growth Drivers

GST

- Rationalizing the impact of taxes on Production, Distribution and Inventory management
- Consolidation of warehouses and moving towards Hub-and-spoke model
- Multi modal movement between Hubs
- Shift of business from unorganized to organized sector

Logistics Infrastructure Development

- Creation of additional dedicated road, rail as well as costal capacity,
- Will reduce unit cost of Transportation by speeding up freight train operations.
- Increased bulk multi modal movement for improved productivity & efficiency
- Will result in development of logistic Warehouses in the vicinity of Freight Corridor.

Increased outsourcing of Logistics

- Growth in trend towards outsourcing of logistics in non traditional industries.
- Larger scope of outsourcing e.g. order processing, packaging, kitting etc. will go up

E-commerce driven growth in consumption

- With increased per capita disposable income, consumption driven sectors will grow.
- Sectors like Food services, e-commerce, consumable durables etc. will get a boost and distribution will become more omni channel.

GST

- Rationalizing the impact of taxes on Production, Distribution and Inventory management
- Consolidation of warehouses and moving towards Hub-and-spoke model
- Multi modal movement between Hubs
- Shift of business from unorganized to organized sector

Transportation

- Larger Warehouses and borderless movement of goods would leads to increased transportation lot sizes, multimodal movement
- Lesser border checks/paper work would lead to faster movement of trucks. Transit times and cost may shrink by 20-30%

Warehouse

- Network to be determined based on the ambit of Additional Tax.
- Network optimization efforts to commence
- Consolidation of warehousing to commence.
- Emergence of hub and Spoke model
- Larger sizes of warehouses (hubs)
- Warehouses closer to manufacturing and/ or consumption areas.

Logistics Infrastructure Development

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- Will reduce unit cost of Transportation by speeding up freight train operations.
- Increased bulk multi modal movement for improved productivity & efficiency
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OCEAN NECKLACE

THE GOVERNMENT HAS UNVEILED 'SAGAR MALA', A PLAN TO DEVELOP PORTS, TRANSPORT THROUGH WATERWAYS AND PROMOTE SHIPPING. A LOOK

KEY COMPONENTS

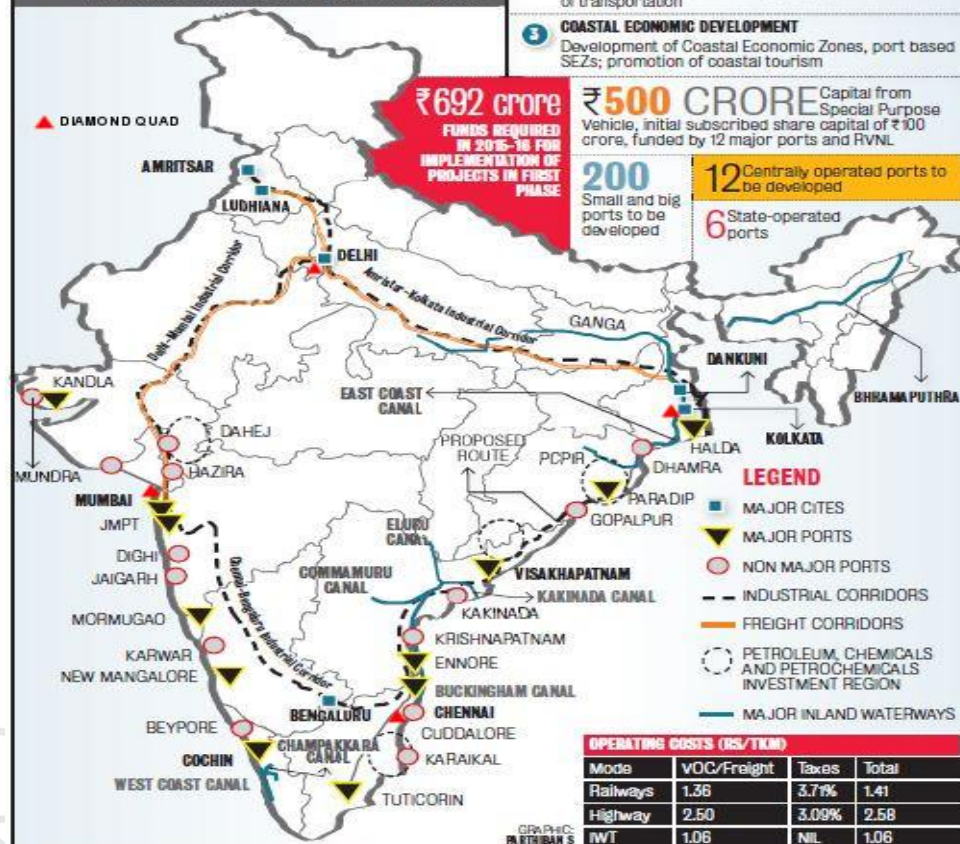
- 1 PORT MODERNISATION**
Infra upgrade for major and minor ports
- 2 EFFICIENT EVACUATION SYSTEMS**
Develop efficient rail, road and coastal / IWT networks to hinterland and promote shipping as preferred mode of transportation
- 3 COASTAL ECONOMIC DEVELOPMENT**
Development of Coastal Economic Zones, port based SEZs; promotion of coastal tourism

₹692 crore
FUNDS REQUIRED BY 2015-16 FOR IMPLEMENTATION OF PROJECTS IN FIRST PHASE

₹500 CRORE Capital from Special Purpose Vehicle, initial subscribed share capital of ₹100 crore, funded by 12 major ports and RVNL

200
Small and big ports to be developed

12 Centrally operated ports to be developed
6 State-operated ports



Sagar Mala

Sagar Mala envisages port led development of the country that would look towards transforming the existing Ports into modern world class Ports and integrate the development of the Ports, and provide a boost to multimodal logistics

Bharat Mala

This will connect eastern and western India through 7,000 Km of National Highways. It will allow goods to move comfortably across the country and help reduce the cost of passenger and freight travel. The project will improve road connectivity not just in coastal and border areas, but also provide seamless connectivity along the borders with Nepal, Bangladesh, China, Pakistan and Bhutan, which is crucial for strategic reasons.

Dedicated Freight Corridors

DFC will give boost to share of railways in carrying domestic freight and strengthening the prospects of multi-modal transportation in India.

Increased outsourcing of Logistics

- Growth in trend towards outsourcing of logistics in non traditional industries
- Larger scope of outsourcing e.g. order processing, packaging, kitting etc. will go up

Impact of Outsourcing on logistic sector

- **Transit Time Reduction** : Acceleration of loading and unloading processes, better co-ordination of roads transport shipments by railway.
- **Price Reduction** : Rebate on rail price because of larger transport volume and Economics of scales effects on warehousing at the terminal.
- **Shortening of Tracking delay** : Own tracking system and better integration with the logistic management system.
- **Frequency** : Improved Frequency with additional shipments.
- **Reliability** : Flexible transport mode choice.

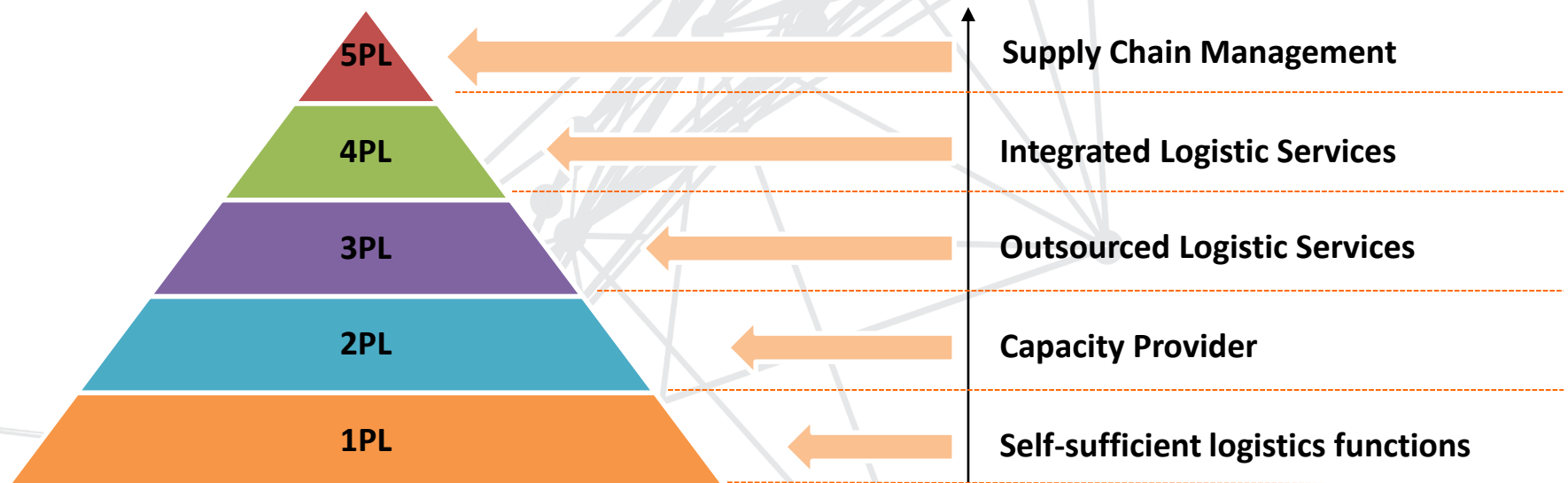
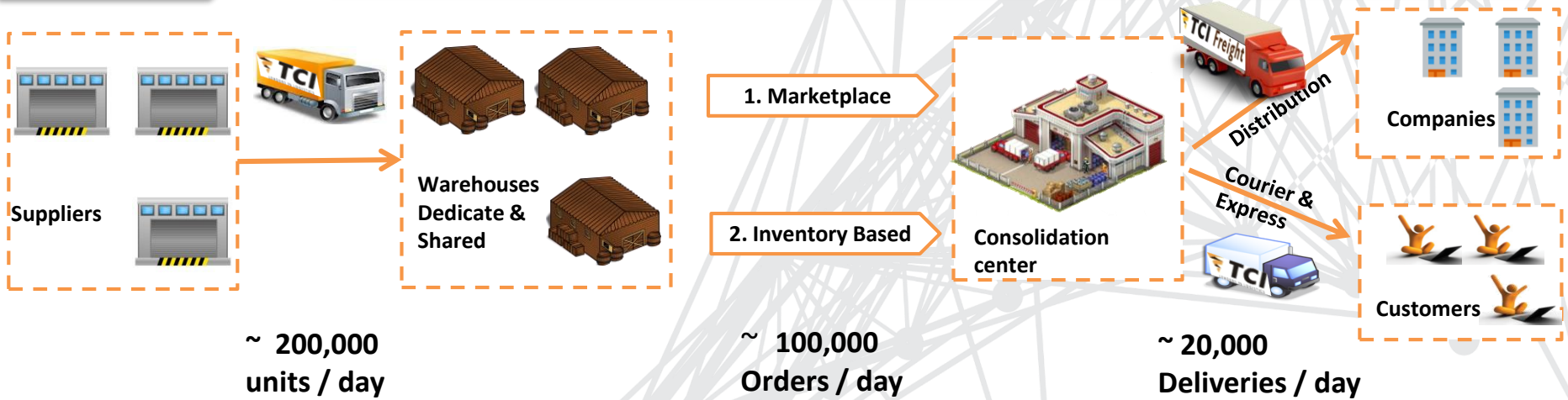


Exhibit 1 :Five Levels of Logistics Outsourcing

E-commerce driven growth in consumption

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- Sectors like Food services, e-commerce, consumable durables etc. will get a boost and distribution will become more omni channel.



TCI
LEADERS IN LOGISTICS
Group Companies & Divisions

TCI Supply Chain Solutions

TCI
LEADERS IN LOGISTICS
Group Companies & Divisions

1. At Supplier

- i Supplier Coordination
- ii Scheduling
- iii Route optimization

2. Inventory / Marketplace / Cross Dock- FC

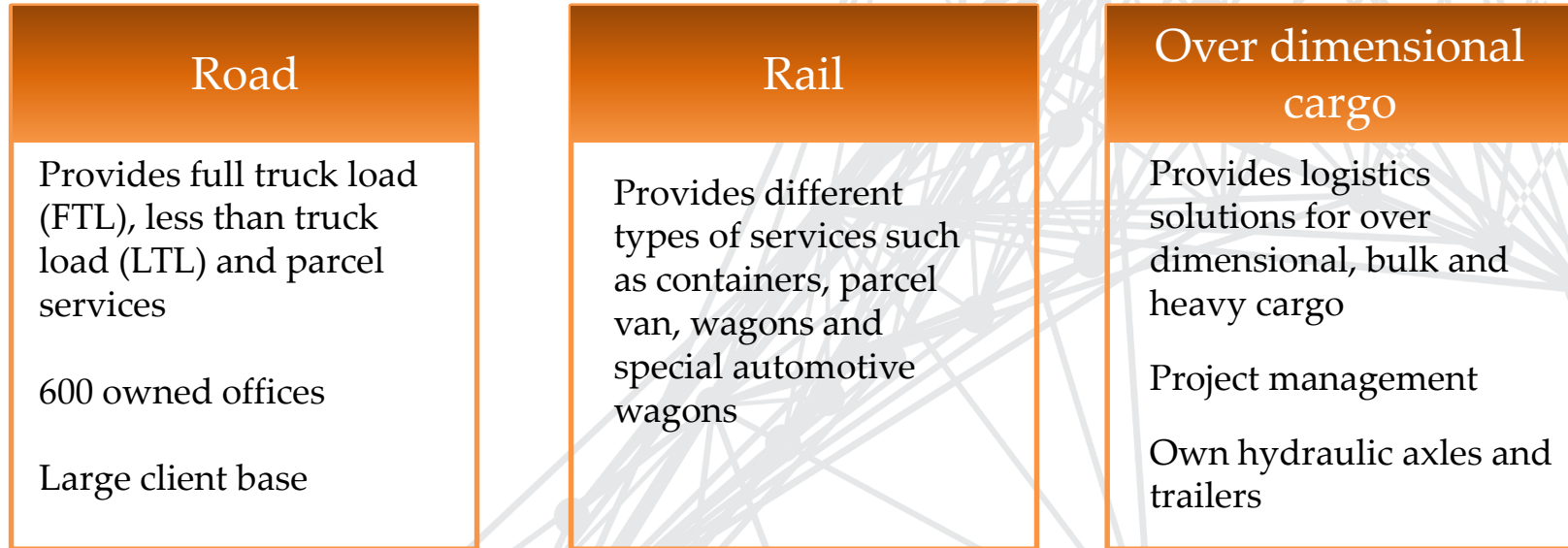
- i Receipts and Bar Coding
- ii Quality Check and Put away
- iii Order processing on SLA
- iv Sortation and Ship+ CUBISCAN
- v Return Shipment Management

3. At Customer place

- i Doorstep delivery
- ii FOD
- iii Reverse logistics

TCI Freight Division

- One of India's premier organized freight services provider with pan India presence
- Single window Key Account Management (KAM) solutions for managing information flow and tracking.
- Started new service for SAARC region to provide door to door service
- Around 2800 trucks and trailers, both owned and leased, provide freight movement services on a daily basis



51% equity stake



49% equity stake



- ❑ Integration of rail and road cargo movement.
- ❑ Provides end to end multi modal solutions.
- ❑ Establishing synergy between two rail and road giants.
- ❑ Significantly reduces turnaround time

TCI Supply Chain Division

- Provides inbound/outbound logistics and supply chain solutions from conceptualization designing network to implementation

Key Industry verticals	Range of services
Auto	OEM Solutions, Line feeding ,Spares part distribution, Reverse Logistics, Multi-Modal Movement ,Warehousing, Yard Management
FMCG ,Retail and E-commerce	Warehousing ,Packaging & Value Added Service, Last mile Distribution, and E-fulfillment centers
Hi-Tech	Supplier Management, Primary Movement, CFA management, Spares management ,Warehousing ,Multi-Modal movement ,Reverse Logistics
Chemical	Warehousing ,Packaging & Value Added Services, Bulk Tankers, Hazmat Logistics,ISO Tanktainers movement ,Dry bulk movement in Container liner ,Gas bulk movement
Healthcare Cold Chain	Project movement during harvesting season ,Outbound Transportation ,Specialized DC for Retail ,warehousing



49% equity stake



Mitsui & Co. Ltd



51% equity stake



☐ Lead logistics partner for Toyota Kirloskar Motors Ltd. and for other Japanese auto companies in India

☐ Complete logistics solutions from inbound to outbound transportation across India and abroad

TCI Seaways Division

- One of India's premier organized freight services provider with pan India presence
- Provides coastal shipping services for transporting container and bulk cargo along the Western & Eastern coast of India
- Align and help multi-modal solutions

Ships Owned

05 domestic ships with capacity of 3500 – 10600 DWT, including Project Ships equipped with own cranes

(Total capacity of 37,360 DWT)

Coastal Shipping Services

Scheduled services on both coasts:

-Mundra to Cochin

-Chennai/Vizag to Andamans

Other Services

Chartering of Vessels





Stevedoring & MTO License

NVOCC with own & leased containers

One new ship of 14000 DWT was acquired in Q-4 to operate on the West Coast

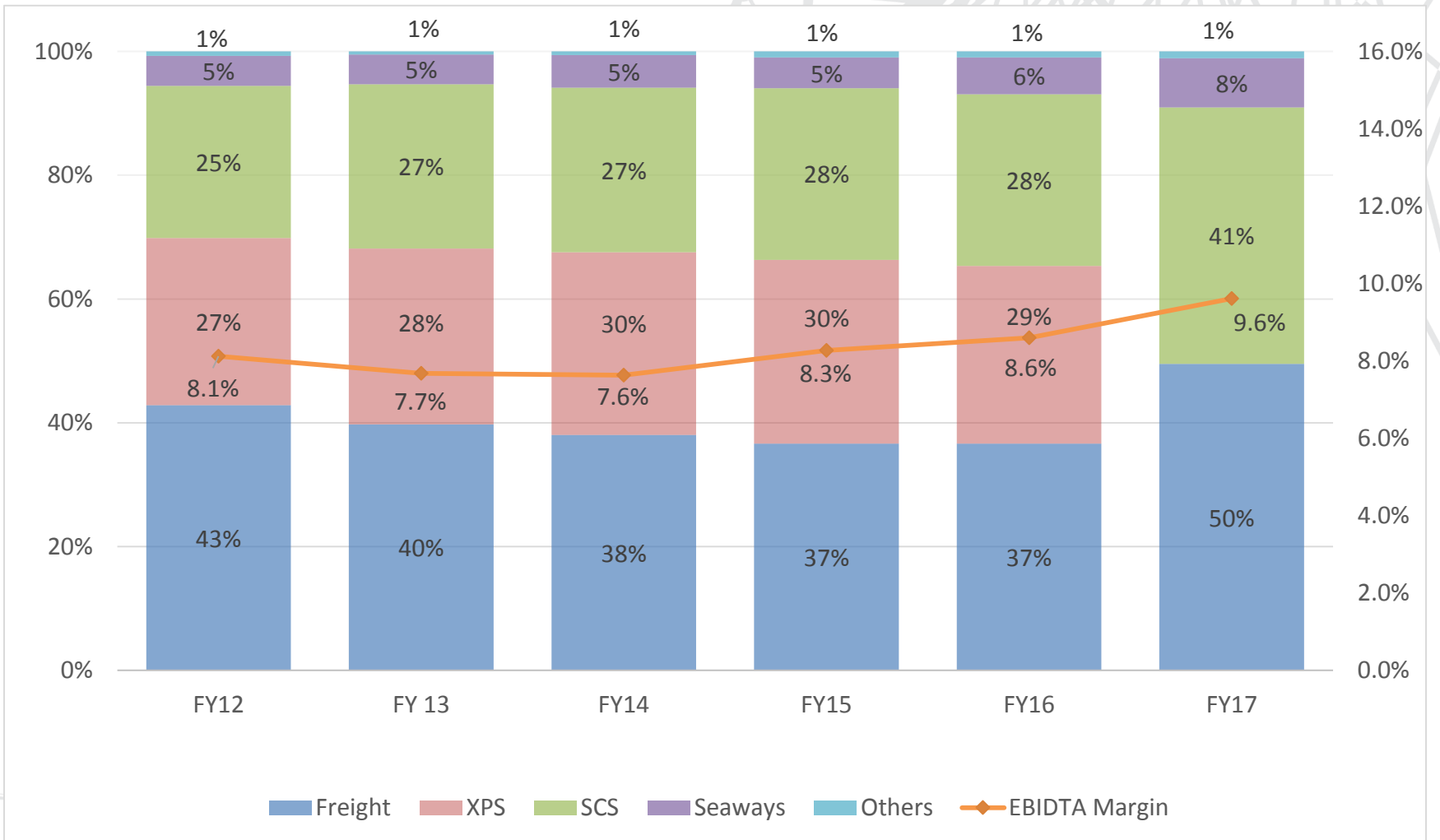
Performance FY 2016-17 : Stand-alone

Figures are in Crs

	 TCI Freight	 TCI Supply Chain Solutions	 TCI Seaways	 TCI LEADERS IN LOGISTICS Energy and Corp.	Total (2016-17)	Total ** (2015-16)
Revenue	918.3	736.0	147.9	19.4	1821.9	1614.03
% Growth	9.6%	16.8%	14.8%	10.5%	12.8%	4.1%
EBIDTA	31.3	77.9	50.7	14.1	174.0	148.4
% of Revenue	3.4%	10.6%	34.3%	74.2%	9.6%	9.2%
EBIT	21.3	44.7	38.2	12.0	116.2	97.6
% Growth over LY	30.0%	17.4%	25.8%	-6.3%	19.0%	11.3%
Capital Employed	209.5	276.2	220.4	329.3	1035.4	888.0
ROCE %	10.3%	17.7%	20.2%	3.8%	12.1%	11.5%

** Excluding XPS Undertaking

Divisional Revenue Mix



Capital Expenditure in last 10 years

Figures are in Crs

	Total Actual (FY 2006-07 to 2014-15)	2016-17	2017-18 Proposed
Land & Building	355.9	17.9	50.0
Wind power	9.0	0.0	0.0
Ships	123.7	40.7	0.0
Containers	32.1	24.5	17.0
Trucks & Cars	305.2	27.6	35.3
Others (Equip., IT etc.)	81.0	14.4	27.7
Total	906.9	125.1	130.0

Estimates of sources of finance for the Capex in FY 2017-18

Rs. In Crores	Debt	Equity	Free Cash Flows	Total	Debt Equity Ratio
FY 2017-18	67	0	63	130	0.69

Standalone & Consolidated Results

Figures in Crs **Income Statement**

Balance Sheet

Particulars (Rs in Cr.)	2015-16	2016-17	2016-17 (CONSOL)	Particulars (Rs in Cr.)	2015-16	2016-17	2016-17 (CONSOL)
Freight	1415.71	1629.50	1765.37	1. Non current Assets			
Other Sales & Services	185.30	177.35	177.35	Property, plant and equipment	520.55	522.73	531.90
Other Income	13.00	15.11	12.15	Capital work-in-progress	12.32	56.81	56.81
Total Income	1614.03	1821.96	1954.87	Intangible assets	0.99	0.68	0.68
Revenue growth %	4.11%	12.88%	12.68%	Investments	26.56	29.78	89.92
Operating expenses	1282.41	1454.06	1582.12	Long term loans and advances	6.42	11.43	11.43
Other expenses	183.27	192.72	199.88	Other non current assets	35.93	65.94	65.94
Total Expenses	1465.68	1646.78	1782.00	2. Current Assets			
EBITDA	148.35	175.18	172.87	Inventories	1.76	2.51	2.52
EBITDA Margin %	9.20%	9.61%	8.84%	Trade Receivables	303.30	331.65	357.00
Interest Expense	22.96	28.61	28.78	Cash & cash equivalents	10.40	18.41	18.99
Depreciation	50.71	57.81	59.20	Loans and advances	7.06	10.72	15.61
Exceptional Item	0.00	0.00	0.00	Other current assets	44.50	81.11	81.12
PBT	74.68	88.75	84.89	TOTAL	969.79	1131.77	1231.92
Share in Net Profit (loss) of JV	0.00	0.00	15.46	1. Shareholders Funds			
PBT Margin %	4.62%	4.87%	5.13%	Share Capital	15.21	15.32	15.32
Taxes	15.12	18.49	19.10	Reserves & Surplus	502.90	565.58	638.09
PAT	59.56	70.26	81.25	2. Non Current Liabilities			
PAT Margin %	3.69%	3.85%	4.16%	Long term Borrowings	95.76	140.39	142.91
				Deferred tax Liabilities (net)	31.88	39.17	39.47
				Other long term liabilities	0.00	2.27	2.27
				3. Current Liabilities			
				Short term borrowings	204.28	225.58	236.36
				Trade payables	51.64	73.33	84.69
				Other current liabilities	61.78	64.89	66.76
				Short term provisions	6.34	5.24	6.05
				TOTAL	969.79	1131.77	1231.92

Note : Figures are restated to extent of IND AS. Above results excludes TCI Express Figures.

Financial Performance

Owing to Top ratings AA- , A1+ from Credit Agencies, good financial discipline and high creditworthiness, TCI's average interest cost is below 9%

Debt – Equity Ratio



Earnings per Share (in Rs)



	UOM	2014-15	2015-16	2016-17
Debt Service Coverage Ratio #	Times	1.92	2.21	2.34
Return on Capital Employed #	%	11.6	11.5	12.1

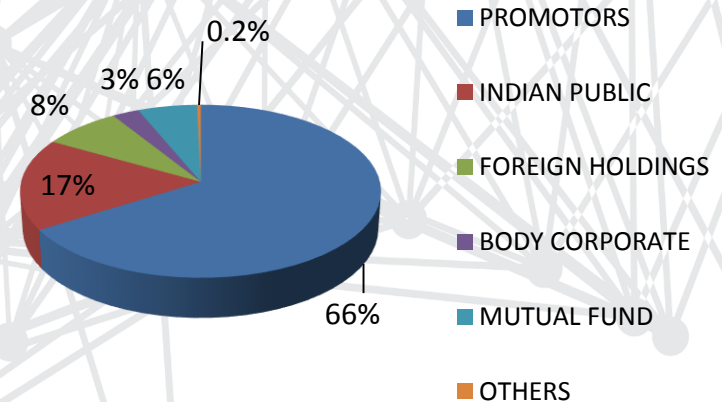
Re-stated after Excluding XPS undertaking

Market Summary

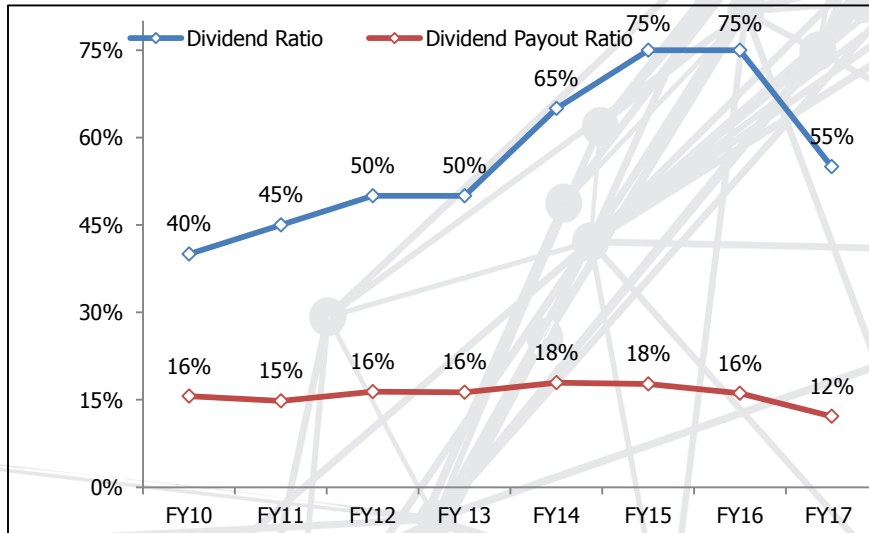
Market Summary (Rs In Crore)

Market Cap as on 31 st March`17	1788.0
Debt	406.0
Enterprise Value	2176.0
P/E	22.0
EV/EBITDA	7.8
52 Week High	388.0
52 Week Low	143.0

Shareholding Pattern as on 31st March 2017



Consistent Dividend track trend



Stock Performance

2001	Initial Investment	18000/- invested in 1000 Equity shares
2006	Share Split	Share Split 5 share of 2/- each for 1 share of 10/-
2011	Demerger of Real Estate Div	Swap ratio one share in TCI developers for 20 shares in TCI
2016	Demerger of XPS Div	Swap Ratio one share in TCI Express for 2 shares in TCI

Dividend Rs 72,825 Market Value of Investment Rs. 22,52,813
Investment given 48% CAGR return by MAR'2017

Future Outlook

Growth Drivers

- Warehousing
- Consumption driven sector like FMCG, Retail , Auto etc.
- E-Commerce
- Digital Transformation

Cost Drivers

- Economies of scale
- Operational efficiency key to maintain cost control
- Receivables management
- Technology adoption

Macro Drivers

- Economic reforms, Implementation of GST and infrastructure
- Investment: Logistics sector to be in higher trajectory.
- Ambitious Capex and expansion plans in current fiscal



THANK YOU



The image features a network diagram in the top-left corner with a blue background. The diagram consists of white lines connecting various nodes, with a few nodes highlighted in green, yellow, and white. The main background is white with a faint, light-gray network diagram. The text 'THANK YOU' is centered in a bold, blue, sans-serif font. To the right of the text is a stylized logo composed of several overlapping, curved shapes in yellow and black, resembling a ribbon or a stylized letter 'S'.