



# NAVIGATING TOMORROW



**Earnings Presentation**  
**FY 2019-20**



**1958**

Year of Establishment



**\$650 Mn**

Group Revenue



**2.5%**

Moving India's GDP



**6,900+**

Employee Strength



**1,400+**

IT Enabled Own Offices



**12,000**

Trucks in Operations

## SBU's and Services



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



**A Single-window 3PL service provider takes care Conceptualization to Implementation**



**Leading player in Coastal Shipping, NVOCC & Project Cargo**

## TCI's Joint Venture/Subsidiaries



JV with CONCOR (49%) to provide end to end multi modal solutions.



JV with Mitsui & Co (51%) for Auto supply chain solutions for Toyota and other Japanese auto companies in India



100% Subsidiary ,offers temperature control Warehousing, Primary & secondary distribution requirements for varied industries from QSR to Retail to Pharma.



100% Subsidiary , undertakes End-to-end transportation and C&F services and country specific Logistics solutions



100% Subsidiary End-to-end transportation and C&F services and country specific Logistics solutions

## Other Group Companies



**Demerged in 2016 , undertakes time sensitive and high value express services by road & air across 40,000 pickup and delivery locations.**



**Demerged in 2011 , undertakes development of the properties of TCI group It also develops large scale Warehouses, Logistics Parks etc**

## Name

## Designation

Mr. D P Agarwal

Chairman & Managing Director

Mr. Vineet Agarwal

Managing Director

Mr. S N Agarwal

Non-executive director

Mr. Ashish Bharat Ram

Non-executive independent director

Mr. Vijay Sankar

Non-executive independent director

Mr. S Madhavan

Non-executive independent director

Ms. Gita Nayyar

Non-executive independent director

Mr. Ravi Uppal *(1)*

Non-executive independent director

Mrs. Urmila Agarwal

Non-executive director

Mr. Chander Agarwal

Non-executive director

1.Apponited w.e.f 28<sup>th</sup> October 2019





## Corporate Social Responsibility

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



## TCI Policies

Company establishes the policies and procedures to ensure full compliances as applicable and to protect interests of all stakeholder. Important policies are: **HSE Policy , Code of Conduct , Sexual Harassment Policy , CSR Policy , Risk Management Policy and Whistle Blower Policy**. Company also falls under top 500 listed entities and implemented certain additional policies on **Dividend Distribution , Material Subsidiaries , Disclosure of Material Information , Preservation of Documents and Records , Nomination and Remuneration**.



## Thought Leadership & Recognition

**Joint Study Reports:** 4th Joint Study Report by TCI & IIM (2019-20), Anthropological Report by TCI & IIHMR (2019-20), Multi-modal index by TCI & ISB (2020-21)

**Awards & Recognition 2019:** Winner Innovation in Sustainability & Corporate Social Responsibility (TCI Safe Safar) from AIMA; Marketing Excellence in Logistics & Supply Chain, Diversified Logistics Company of The Year, Cold Chain Rising Star of the Year etc.

Best Processed Food Cold Chain Solution of the Year – ASSOCHAM

National Safety Award by FICCI

Best Diversified Company – JDA & Kamikaze

**In-house Publication:** Logistic Focus, Enroute ,








## 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**



# Domestic Logistics Market Size

					
<b>Entry Barriers</b>	Low	Medium	High	High	High
<b>Industry Structure</b>	Fragmented	Semi-Organized	Organized	Organized	Organized
<b>Estimated Market Size (Bn USD)</b>	~ 100	~ 10	~ 16	~ 6	~ 1
<b>Estimated CAGR</b>	~10%	~10%	~12%	~18%	~10%
<b>EBDITA Margins %</b>	2-4%	8-11%	3-6%	8-12%	25-35%
<b>TCI's presence</b>	Freight Div.	Freight Div.	TCI CONCOR	TCI SCS & TLI	TCI SW
<b>TCI's Market Position</b>	3 <sup>rd</sup> largest national player	2 <sup>nd</sup> largest national player	4 <sup>th</sup> Largest	Among Top 3	2 <sup>nd</sup> Largest

**Supply Chains are either broken or severely disrupted**

**Road (63% of freight traffic):** Only 35-40% trucks operational, mostly inter state with shortage of drivers and labours, increase in rates

Port congestion with shipping lines cancelling voyages, import dependent products affected

Rail movement at 50-60% with shortage of containers/crews

Warehousing: operations active at ecommerce, FMCG etc

Inventory in pipeline for essentials getting compressed

# COVID-19 : Managing the Impact on Business

**Health and safety measures across all workplaces**

**Operations on with limited work force**

**Digital connect with customer**

**Morale boosting of employees**

**Extending support to partners and other industry players**

**Central Task forces to implement & audit SOP on protocols for work place, product handling & field operations.**

**Quarantine facilities for workforce at operation sites**

**Our people worked tirelessly to ensure continuity of essential supplies**

**Our strong multimodal network played key role in container movements to remote location of supplies like foodgrains, medicines , PPE etc**

**Rapid communication on pipeline cargo & WhatsApp videos on SOPs**

**More than 1 lakh emails & 40,000 calls in 2 months**

**Regular virtual meetings , townhall by senior leadership team with workforce on the ground  
Augmented digital training with a coverage of 2500 employees**

**CMD and MD forgo 3 months salary while no pay-cut of any employee**

**Fooding and lodging facility for migrant labours working in for our operations**

**Raised industry concerns during lockdown via ASSOCHAM and other GOI organized virtual groups**



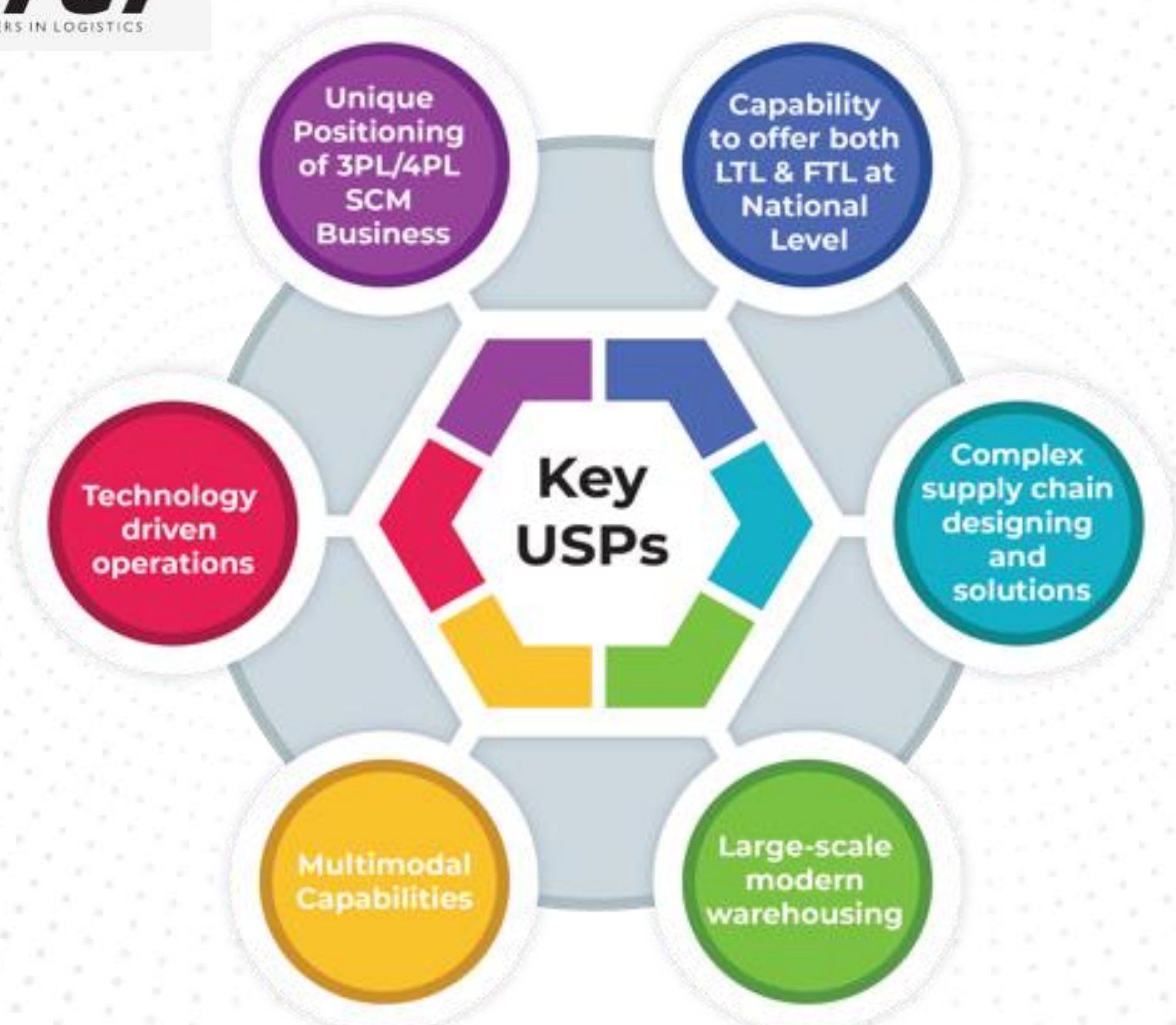
## Short to Medium term drivers

- Specific sector boost: Agriculture, food processing, pharma and chemicals
- Increase demand for warehousing for safety stock with consolidation of locations
- Increase in modern handling systems: pallets, conveyors etc
- Shift towards alternate transport modes

## Long term drivers

- Increasing shift to domestic supply chains & advent of global value chains to India
- Changing consumer trends: ecommerce, omni channel, urbanization
- Infrastructure development & focus on multimodal
- Regulatory reforms & digitization in transactions and operations

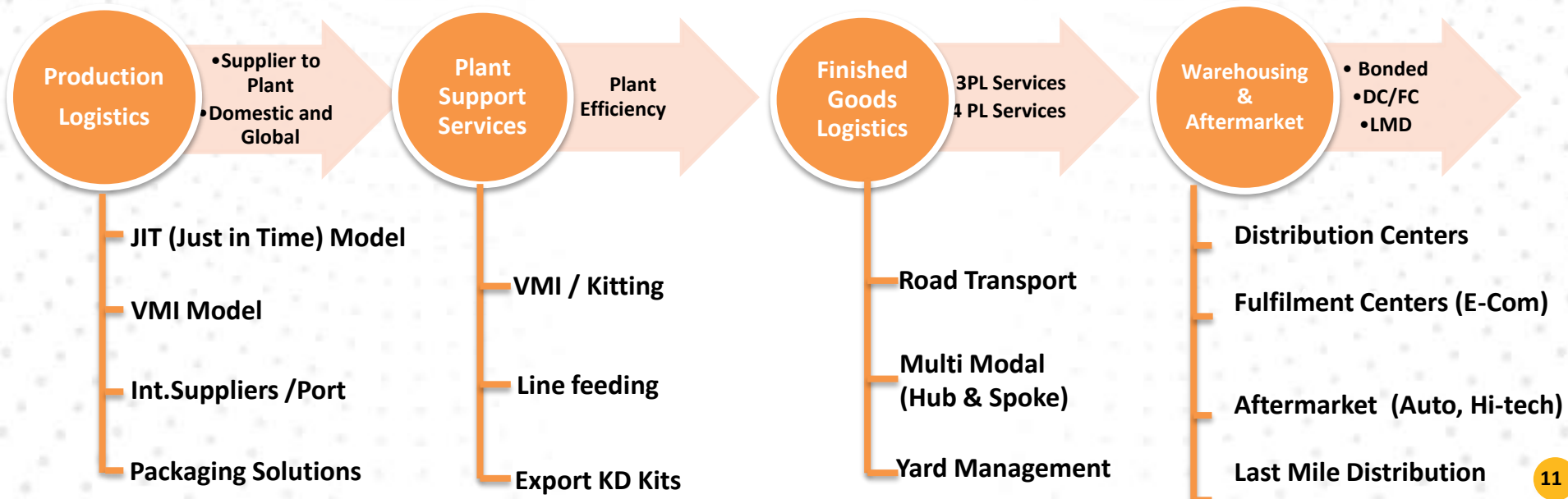
# Key company USPs



# Complex Supply Chain Design & Execution



## Typical Example: Automotive Supply Chain



# Multimodal Transportation

Efficient use of various transportation-mode for seamless movement



**Kandla Port**

**Mangalore Port**



Integration of EWB and all Transport modes

**ICD Khatuwas/Dadri**

**ICD Whitefield**

**Chennai Port**

**Tuticorin Port**

**Port Blair Port**

	Vendors/ Suppliers
	Moveme nt by Road
	Moveme nt by Rail
	Moveme nt by Sea
	Factory/ Delivery



# Unique Positioning of 3PL/4PL SCM Business



SCS Div.'s Moderately Asset Heavy Model

- Optimum controls on operations and hence better KPIs (Key Performance indicators) management.
- High ability to offer customized solutions.
- Long term retention possible as creates customer confidence.

Competitors' Asset Light Model

- Less control of operations as fully market dependant.
- Price dependant.

- Optimum as moderate ownership of assets enable us to control outside market

- Less visibility and control as completely under the influence of outside market.

- Better as able to control pricing and some operating cash flow advantage.
- Moderate ROCE .

- Low as supplier dependant. Also susceptible to cartels.
- Higher ROCE



# Large-scale Modern Warehousing

Auto

Retail & CP

Hi-tech

Chemicals

Healthcare

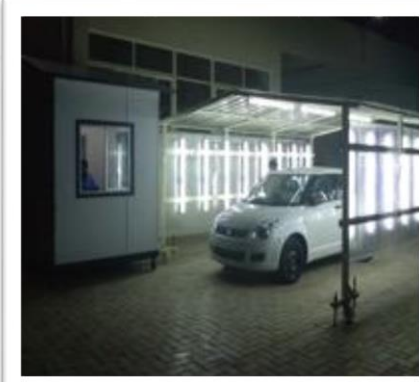
Cold Chain

E Commerce

Yards

Warehousing

Cross dock operations



TCI covers 12 million sq. feet of warehousing space – owned/ long leased/ customer owned

# Largest player having both LTL and FTL capabilities at National Level

## Hub Centers



Presence across India with IT enabled 25 Hub centers and 700+ Branch network



Centralized Vehicle tracking through GEO Fencing System, and customer service by quick response team.



On demand use of Foldable large container (FLC) to safeguard goods



Mobile App controlled loading, unloading and dispatch of goods

## KEY DIFFERENTIATOR



**SINGLE WINDOW LTL &**



**TRACKING & TRACING**



**KEY ACCOUNT MANAGEMENT**



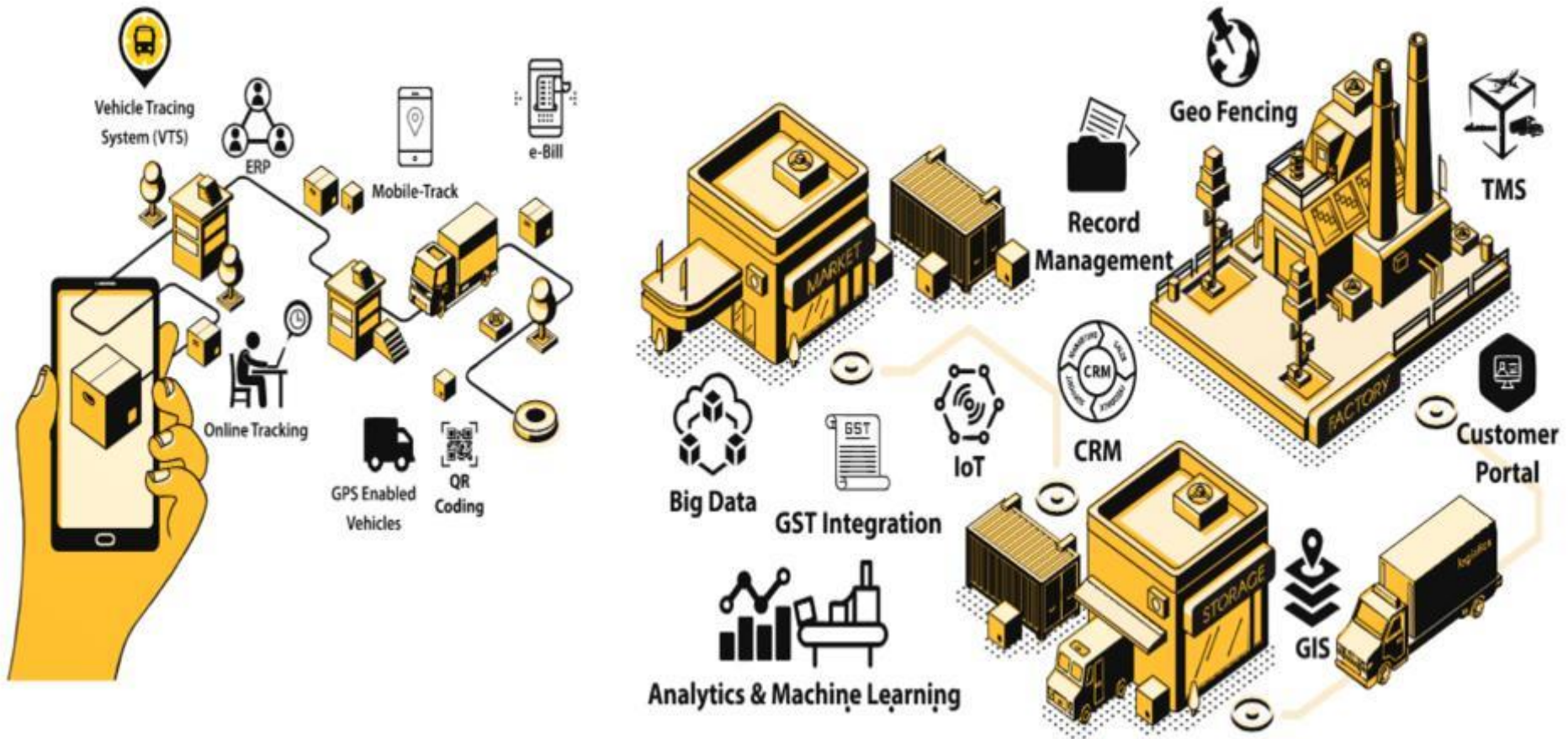
**MIS & ANALYTICS**



**DEDICATED SKILLED WORK FORCE**

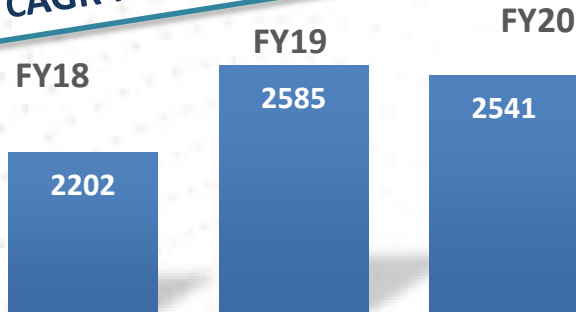


# Technology Driven operations



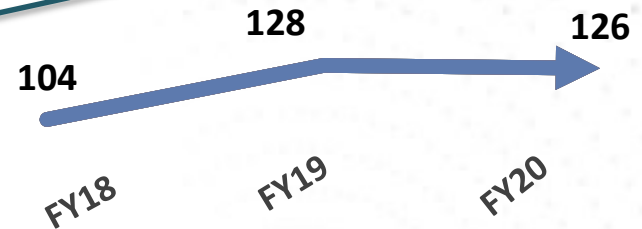
Figures in Cr.

CAGR for last 5 Year : 10.4%

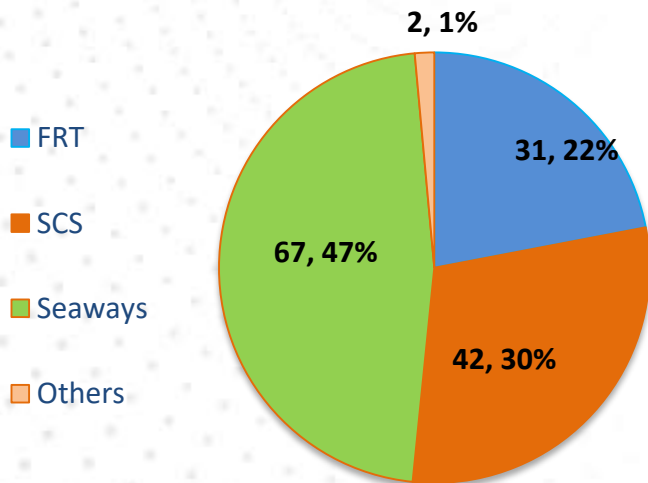


**Revenue Growth**  
-1.7% (FY20)

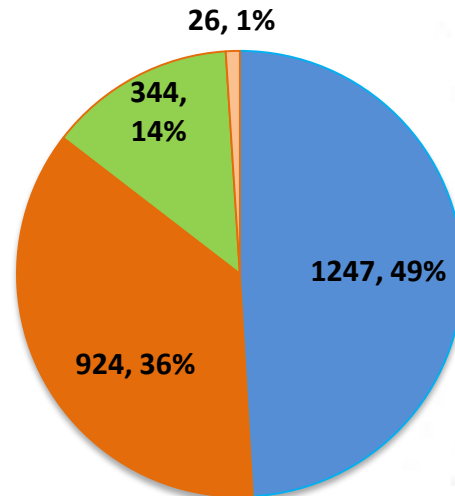
CAGR for last 5 Year: 21.3%



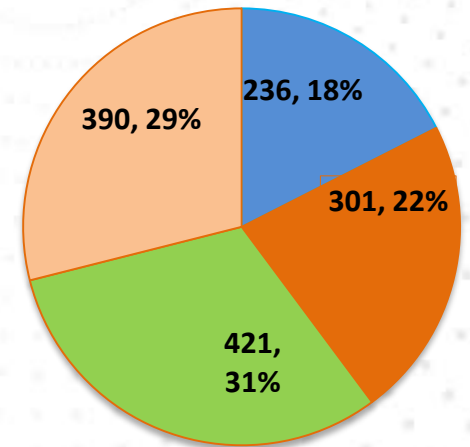
**PAT Growth**  
-1.15% (FY20)



**PBT Mix**







**Revenue Mix**



**Capital Employed Mix**

# Division-wise Stand-alone Financial Performance

Figures in Mn.

	 <b>TCI Freight</b>	 <b>TCI Easy Drive</b>	 <b>TCI Seaways</b>	 <b>TCI</b> # Corp. & Others	<b>Total</b> (2019-20)	<b>Total</b> (2018-19)	<b>Total</b> (2017-18)
<b>Revenue</b>	12474	9242	3443	258	25416	25851	22023
<b>% Growth</b>	3.1%	-8.9%	3.5%	-9.0%	-1.7%	17.4%	20.9%
<b>EBIDTA</b>	486	908	1088	135	2617	2711	2328
<b>% of Revenue</b>	3.9%	9.8%	31.6%	52.5%	10.3%	10.5%	10.6%
<b>EBIT</b>	407.1	560.5	753.2	120.3	1841.2	1958.6	1654.8
<b>% Growth over LY</b>	6.1%	-21.1%	2.5%	-7.3%	-6.0%	18.4%	42.5%
<b>Capital Employed</b>	2360	3007	4210	3900	13476	12862	11409
<b>ROCE %</b>	17.0%	18.3%	19.2%	NA	14.0%	16.1%	15.4%

# Corp. &amp; Others consist of unallocated assets, investments and energy division.



## Key Operational Highlights



**3,500 (120)**

Trucks & Trailers in operation (owned)



**700**

IT Enabled Owned Offices

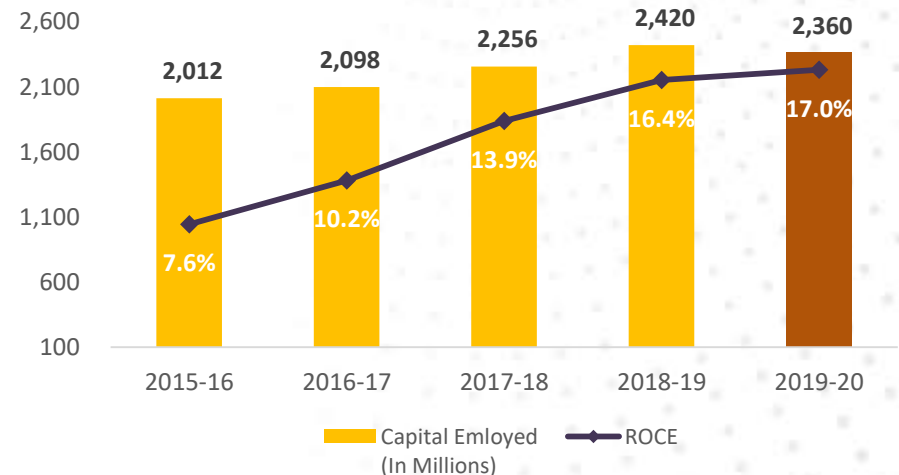
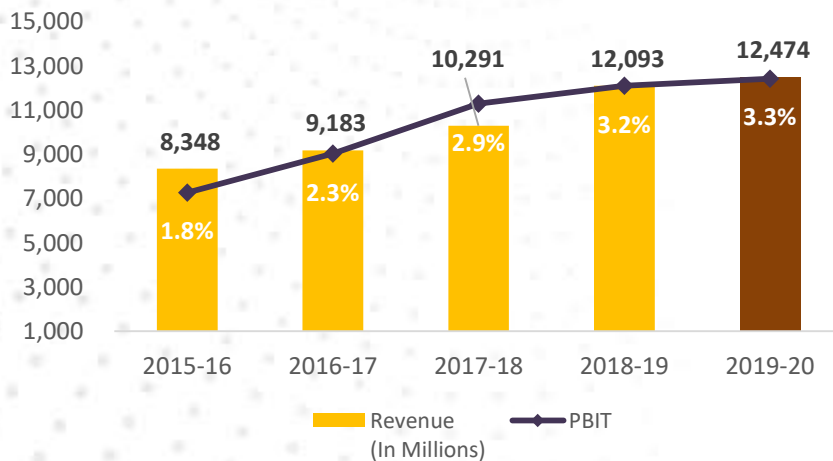


**25**

Strategic Hubs

- Lower single digit growth for the year amid weaker economic environment and COVID-19 impact on high activity March-20 Month
- EBIT margins stood at 3.3% with our continued focus on value added services and LTL ( less than truck load) which is ~1/3<sup>rd</sup> of total revenues
- ROCE is on improving trend with better capital management and margins

## Financial Performance at glance



## Key Operational Highlights



**12 Mn. Sqft.**

Warehousing Area Managed



**4,000 (1020)**

Fleet in operations (Owned)

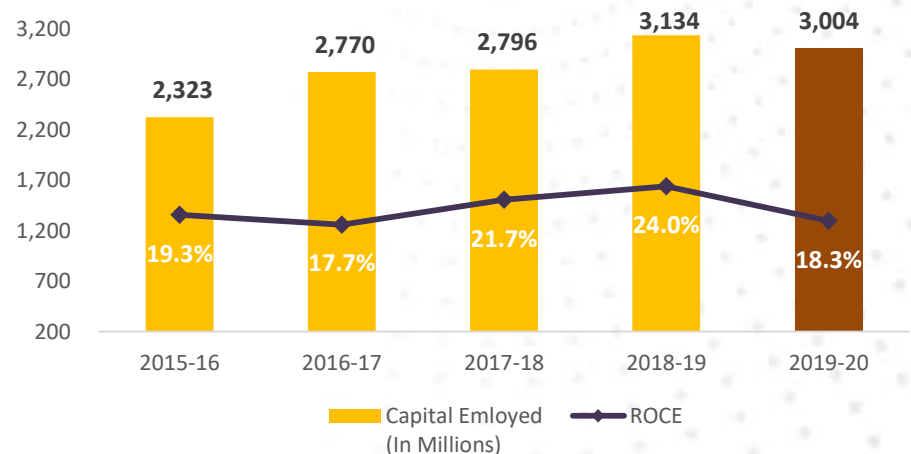
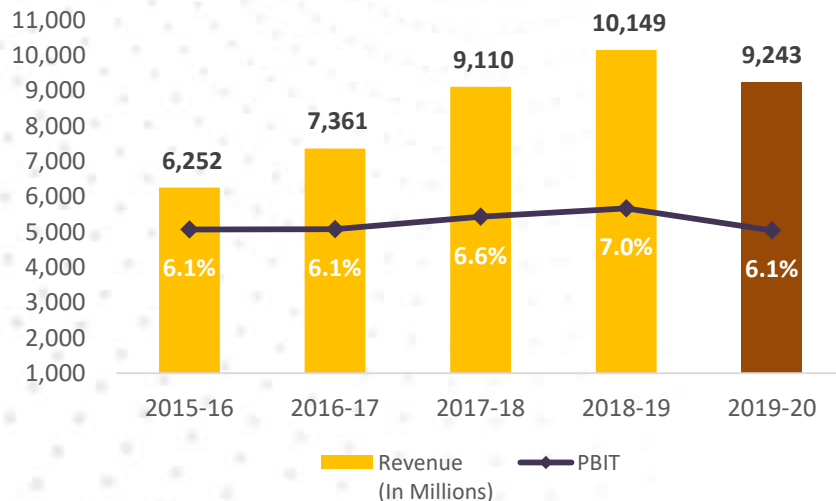


**5,000+**

IBL Pickup per day

- Spiraling downward trends in automotive sector adversely impacted revenues. The division grew by ~ 17% on an average in last two years so some impact of high base numbers during the year.
- FY19 numbers were inclusive of Cold Chain business which was hived-off w.e.f 1<sup>st</sup> Jan 19 and had ~2% impact in growth
- Margins and ROCE have dipped amid lower revenues

## Financial Performance at glance



## Key Operational Highlights



7

Cargo Ships



7,650 (6350)

Containers in operations (Owned)

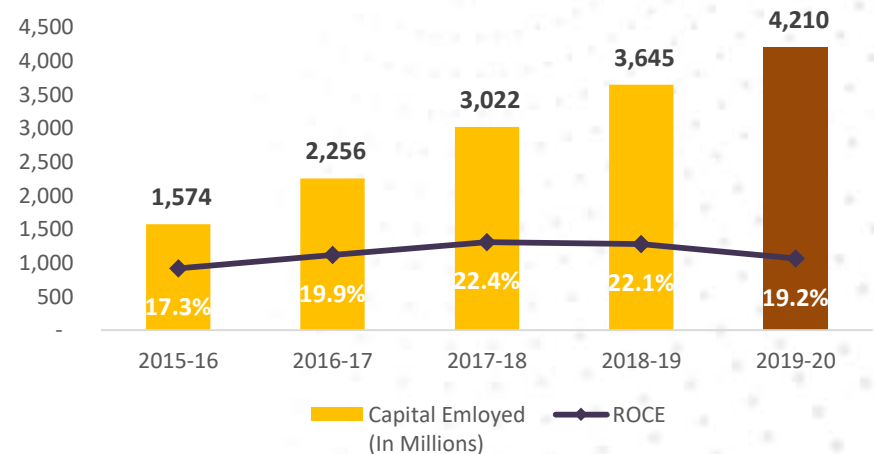
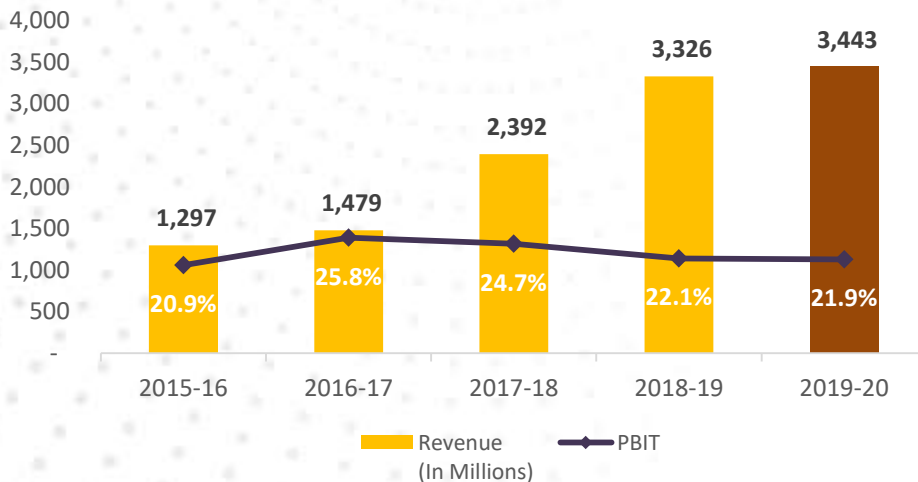


91,880

Total DWT Capacity

- Single digit growth amid lower volumes specially at West Coast and hypercompetitive environment.
- Overall margins were stable for the full year however last quarter had a negative impact due to regulatory use of high cost low Sulphur fuel and COVID-19 interruptions.
- ROCE reduced as capital employed increased with the ship acquisition in October-19

## Financial Performance at glance





**FY20 (FY19)**



**Revenue**

**1890 (1892)**

**258 (55)**

**4448 (5301)**



**Y-o-Y Growth**

**-0.1% (12%)**

**372.8% (100%)**

**-16.1% (13%)**



**Capital Employed**

**188 (236)**

**250 (262)**

**238 (210)**



## Key Operational Highlights

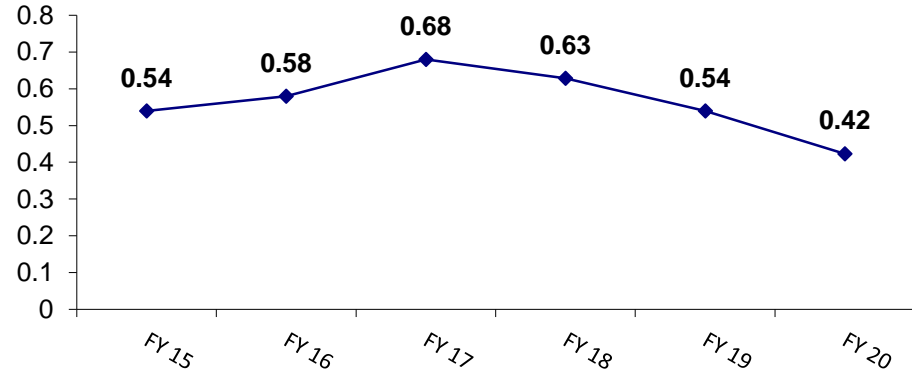
Operates on asset-light model

Building upon its capabilities in Chemical Logistics and multimodal integrated logistics solutions

Cold chain services to cater temperature control Warehousing, Primary & secondary distribution requirements.

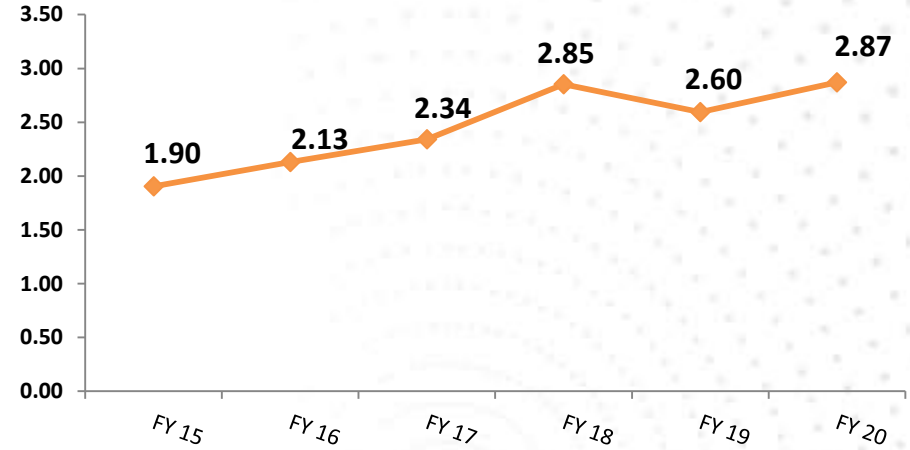
Focused on automotive logistics

### Debt – Equity Ratio

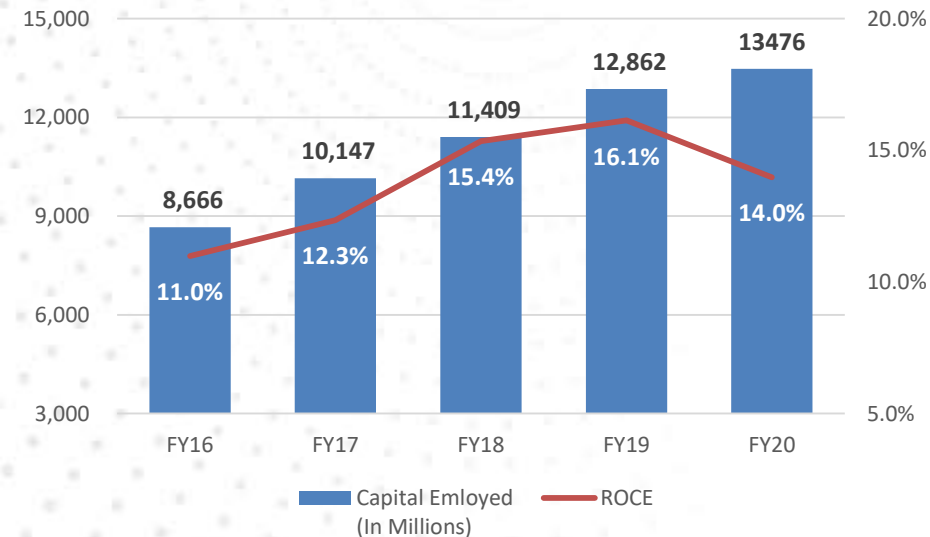


# Financial Performance

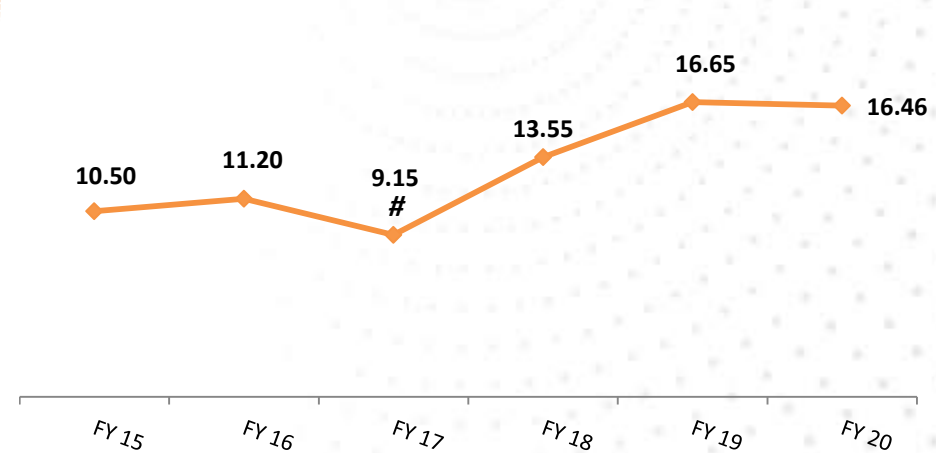
### Debt Service Coverage Ratio



### Return on Capital Employed (ROCE)



### Earnings per Share (in Rs)



**Ratings: AA (CRISIL–Bankline Credit, upgraded from AA-), A1+ (ICRA-Commercial Paper),**

# XPS Undertaking was demerged w.e.f FY16 end



**Income Statement**

Figures in Mn.

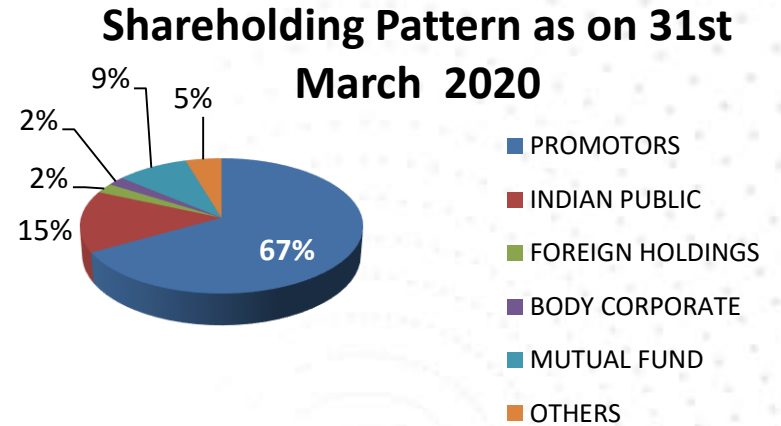
Particulars (Rs in Cr.)	2017-18	2018-19	2019-20
Freight	19792.3	23298.7	22853.6
Other Sales & Services	2012.8	2284.3	2280.0
Other Income	217.6	268.5	282.8
<b>Total Income</b>	<b>22022.6</b>	<b>25851.4</b>	<b>25416.4</b>
<b>Revenue growth %</b>	<b>20.8%</b>	<b>17.4%</b>	<b>-1.68%</b>
Operating expenses	17489.5	20693.8	20271.4
Other expenses	2196.0	2447.1	2527.5
<b>Total Expenses</b>	<b>19685.4</b>	<b>23140.9</b>	<b>22798.9</b>
EBITDA	2337.2	2710.5	2617.5
<b>EBITDA Margin %</b>	<b>10.6%</b>	<b>10.5%</b>	<b>10.3%</b>
Interest Expense	308.4	355.8	323.5
Depreciation	673.3	751.9	776.5
Exceptional Item	0.0	0.0	98.8
PBT	1315.5	1602.8	1418.7
<b>PBT Margin %</b>	<b>6.0%</b>	<b>6.2%</b>	<b>5.58%</b>
Taxes	278.2	326.4	154.6
PAT	1037.3	1276.4	1264.1
<b>PAT Margin %</b>	<b>4.7%</b>	<b>4.9%</b>	<b>4.9%</b>

# Standalone Financial Results

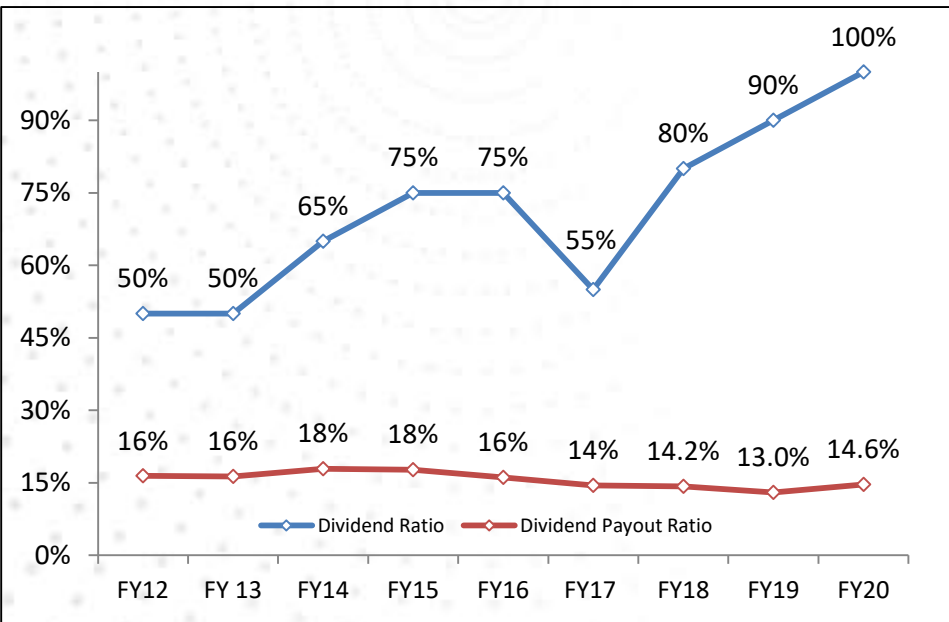
**Balance Sheet**

Particulars (Rs in Cr.)	2017-18	2018-19	2019-20
<b>1. Non current Assets</b>			
Property, plant and equipment	6230.1	7050.2	7282.2
Right to Use Assets	0.0	0.0	234.1
Capital work-in-progress	563.2	40.2	215.8
Intangible assets	5.7	5.0	4.5
Investments	312.9	938.2	888.3
Long term loans and advances	106.2	59.4	63.3
Other non current assets	343.1	667.2	458.5
<b>2. Current Assets</b>			
Inventories	33.1	53.2	64.9
Trade Receivables	3896.7	4765.8	4544.7
Cash & cash equivalents	129.6	121.6	178.3
Loans and advances	125.5	224.2	239.4
Other current assets	1029.4	1270.1	1562.5
<b>TOTAL</b>	<b>12775.6</b>	<b>15195.1</b>	<b>15736.6</b>
<b>1. Shareholders Funds</b>			
Share Capital	153.2	153.3	153.7
Reserves & Surplus	6616.2	8216.3	9346.0
<b>3. Non Current Liabilities</b>			
Long term Borrowings	1514.4	1804.8	1447.7
Deferred tax Liabilities (net)	442.7	390.3	297.3
Other long term liabilities	18.0	19.6	19.6
<b>4. Current Liabilities</b>			
Short term borrowings	2286.2	2148.8	2131.3
Trade payables	790.4	649.2	627.3
Other current liabilities	899.8	1748.3	1612.3
Short term provisions	54.8	64.5	101.4
<b>TOTAL</b>	<b>12775.6</b>	<b>15195.1</b>	<b>15736.6</b>

<b>Market Cap on 31 Mar 20</b>	Rs Mn.	14447.2
<b>Debt</b>	Rs Mn.	4023.3
<b>Enterprise Value</b>	Rs Mn.	18294.5
<b>P/E</b>	Nos	11.4
<b>EV/EBITDA</b>	Nos	7.0
<b>52 Week High</b>	Rs/share	326.6
<b>52 Week Low</b>	Rs/share	135.6



### 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 125,575 and Market Value of Investment Rs. 23,73,250 gave **30% CAGR return by March'2020.**

# Interim dividend @50% each declared on 5<sup>th</sup> November 19 & 13<sup>th</sup> March 20 for FY20

# Capital Expenditure Plan FY21

Figures in Mn.

	Total Actual (FY 2006-07 to 2017-18)	2018-19 Actual	2019-20 Actual	2020-21 Estimated
Hub Centers & Small warehouses	3889.2	463.2	151.5	450
Ships	2501.9	199.1	509.0	0
Containers	294.4	381.7	186.7	0
Trucks & other vehicles	3696.6	417.1	240.9	475
Others (W/H Equip, Wind Energy, IT etc.)	1103.2	54.3	25.4	75
<b>Total</b>	<b>11485.3</b>	<b>1515.3</b>	<b>1113.5</b>	<b>1000</b>

Funding Pattern	Debt	Equity	Internal Accruals	Total
FY 2020-21 Estimated	475	0	525	1000
FY 2019-20 Actual	440	0	674	1114

# Thank You!

## 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.

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