

NAVIGATING TOMORROW

**Earnings Presentation
FY 2018-19 (9M)**

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



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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



1958

Year of Establishment



\$600 Mn

Group Revenue



2.5%

Moving India's GDP



6,000+

Employee Strength



1,400+






IT Enabled Own Offices



12,000

Trucks in Operations

Domestic Logistics Market Size

				# 	
Entry Barrier	Low	High	High	High	High
Industry Structure	Fragmented	Organized	Organized	Organized	Organized
Estimated Market Size (Bn USD)	~ 100	~ 10	~ 16	~ 6	~ 1
Estimated CAGR	~10%	~10%	~12%	~18%	~10%
EBDITA Margins %	2-4%	8-11%	16-18%	5-15%	25-35%
RoCE %	10-12%	15-16%	13-15%	25-30%	20-22%
TCI's presence	TCI Freight Division	TCI Freight Division	TCICONCOR (Sub. Com.)	TCI SCS and Transystem (JV)	TCI Seaways

Incl. WH & value added services

Name	Designation
Mr. S M Datta (1)	Chairman (Non-executive independent director)
Mr. D P Agarwal (2)	Vice Chairman & Managing Director
Mr. Vineet Agarwal	Managing Director
Mr. S N Agarwal	Non-executive director
Mr. O S Reddy (1)	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
Mr. S Madhvan (3)	Non-Executive independent director
Mrs. Urmila Agarwal	Non-executive director
Mr. M P Sarawagi (1)	Non-executive director
Mr. Chander Agarwal	Non-executive director

1.Going to complete maximum permissible tenure as director , resigned w.e.f 31st Mar 19,

2.Will take over as chairman w.e.f 01st April 19

3.Joined as additional director w.e.f 12th Feb 19



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.



Thought Leadership & Recognition

Joint Study Reports: A Joint Study Report by TCI & Insurance Institute of India 2017-18, 3rd Joint Study Report by TCI & IIM 2014-15, 2nd Sustainability Report 2010-14.

Awards & Recognition 2018: Marketing Excellence in Logistics & Supply Chain, Diversified Logistics Company of The Year, Cold Chain Rising Star of the Year etc.

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



Logistics Key Growth Driver

Economic Growth

- Stable growth in GDP
- Per capita disposable income rising
- Urbanization: Emergence of demand centers

Regulatory Reforms

- Brings transparency
- Level playing field for organized players
- Consolidation and cost optimization

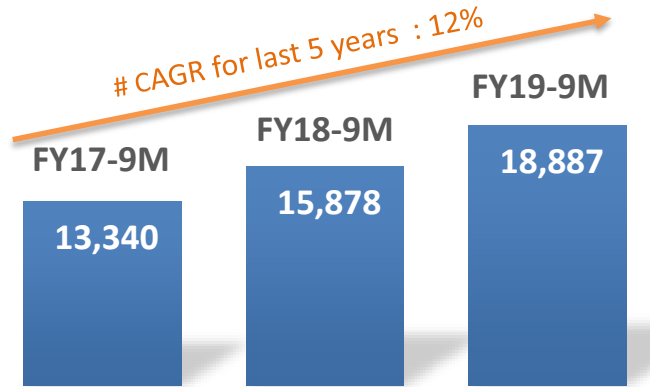
Infrastructure Development

- More public spending viz. Bharat Mala, Sagar Mala, DFC, Highways and Port facilities
- Ease of doing multimodal transportation

Emergence of 3PL

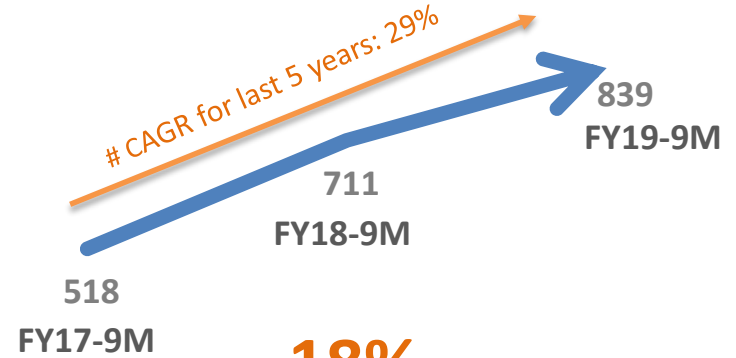
- Scope for cost optimization! High logistics cost?
- Increased outsourcing due to customized needs
- Rapid increase in technology adoption

Figures in Mn.



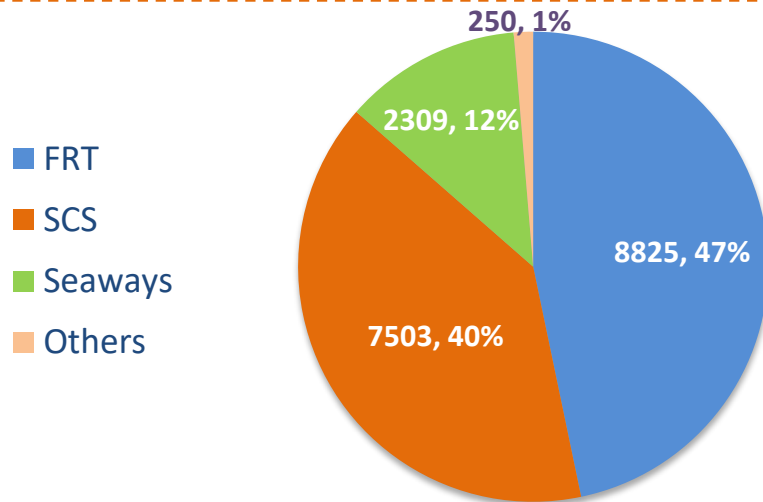
19%

Revenue Growth

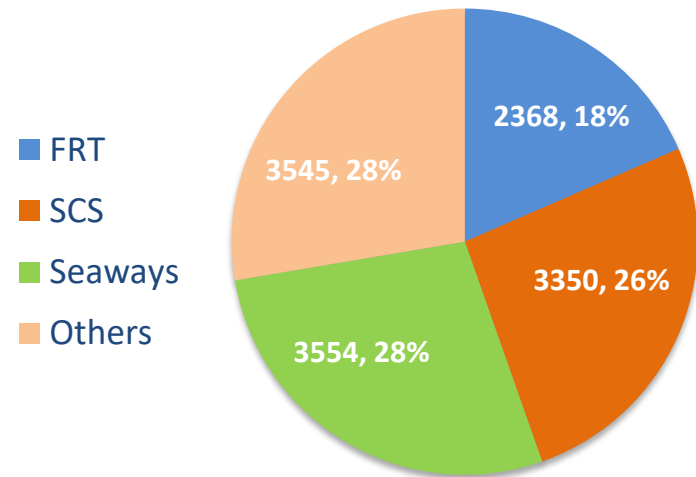


18%

PAT Growth







Business Mix



Capital Employed Mix

Division-wise Stand-alone Financial Performance

Figures in Mn.

	 TCI Freight	 TCI Supply Chain Solutions	 TCI Seaways	 TCI # Corp. & Others	Total (2018-19)(9M)	Total (2017-18)(9M)	Total (2017-18)
Revenue	8825.1	7502.6	2309.4	250.3	18887.4	15877.7	22022.7
% Growth	20.8%	12.4%	36.0%	NA	19.0%	19.0%	20.9%
EBIDTA	314.2	769.5	660.2	150.1	1894.0	1638.2	2328.1
% of Revenue	3.6%	10.3%	28.6%	NA	10.0%	10.3%	10.6%
EBIT	251.9	501.9	440.9	136.2	1330.9	1126.8	1654.8
% Growth over LY	22.4%	20.7%	21.4%	NA	18.1%	31.3%	42.5%
Capital Employed	2368.5	3350.2	3554.4	3545.5	12818.6	10547.2	11409.5
ROCE %	14.5%	21.8%	17.9%	N.A	14.6%	14.5%	15.4%

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

Key USP's of the Company

Multimodal
Integration
capabilities

Auto supply
chain
designing
and solutions

Large-scale
warehousing

Technology
driven
operations

Multimodal Transportation

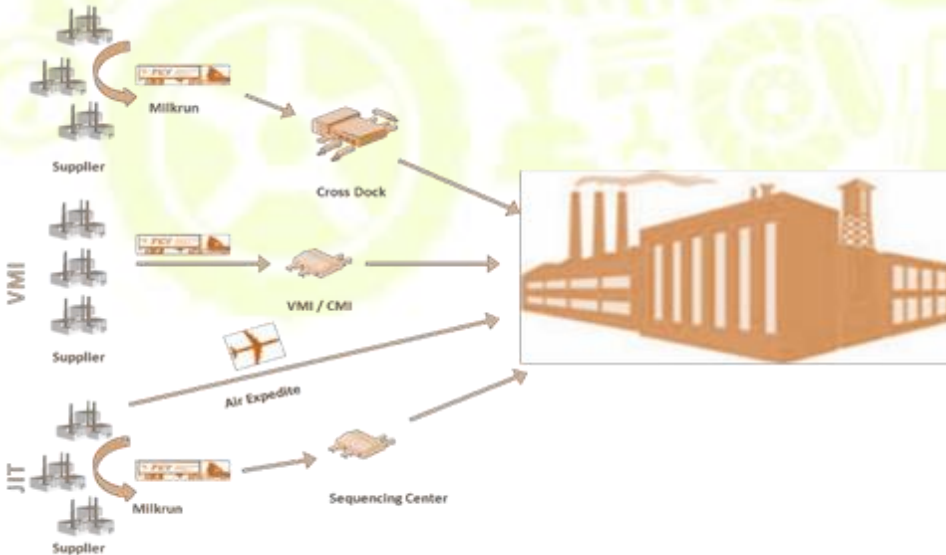
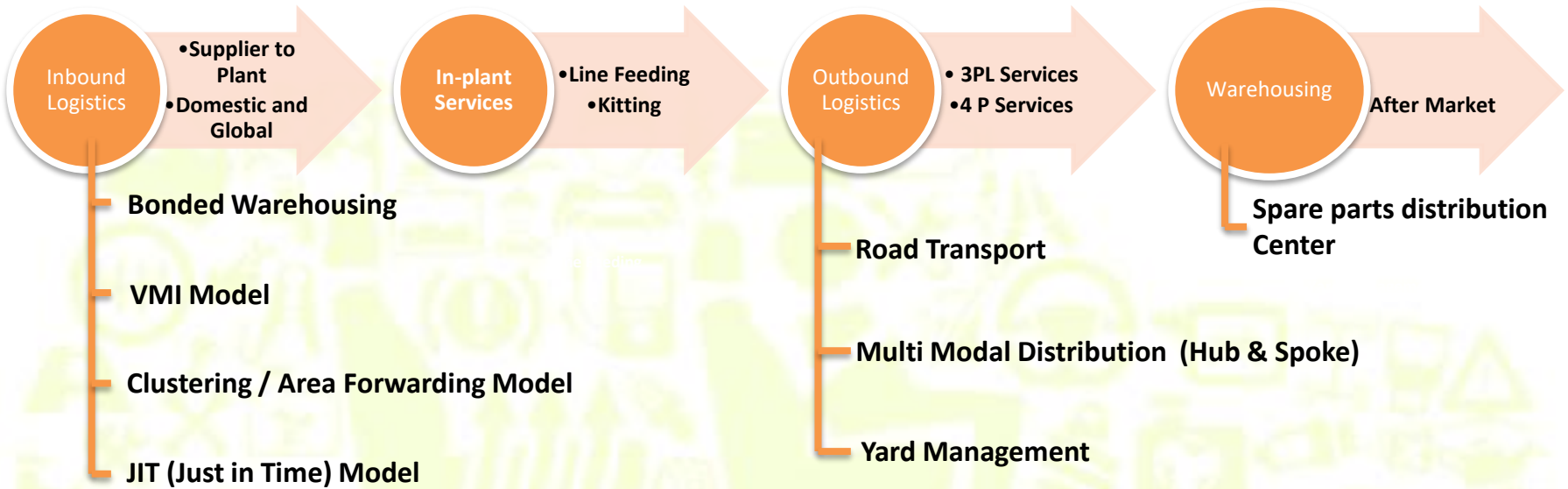
Efficient use of various transportation-mode for seamless movement



	Vendors/Suppliers
	Movement by Road
	Movement by Rail
	Movement by Sea
	Factory/Delivery

New rate for multimodal @12% announced to encourage and bring clarity

Auto Supply Chain designing and solutions



Value Added Services

- Export Packing
- Unit Level Scanning and Labeling
- Vanning & Securing
- JIT Deliveries to Plants or CHA
- Sequencing and dock Management
- Delivery to Neighboring Countries

Auto

Retail & CP

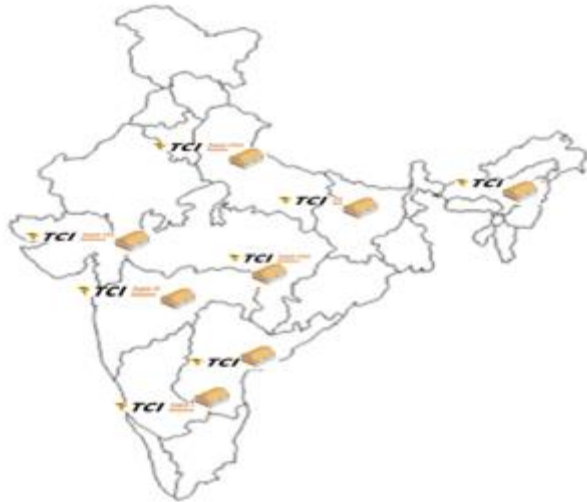
Hi-tech

Chemicals

Healthcare

Cold Chain

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



Warehousing



Cross dock operations



TCI Warehousing operations



Infrastructure of Racking , Pigeon Holes, Cage Bins , Mezzanine Floor , Dock-Levelers , Forklifts and Stackers

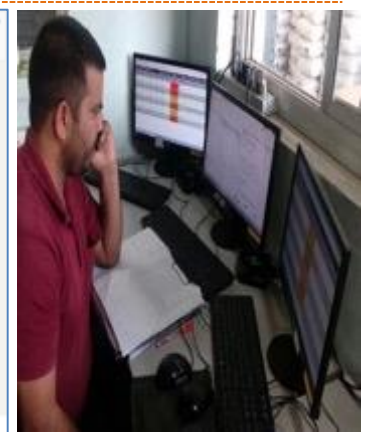
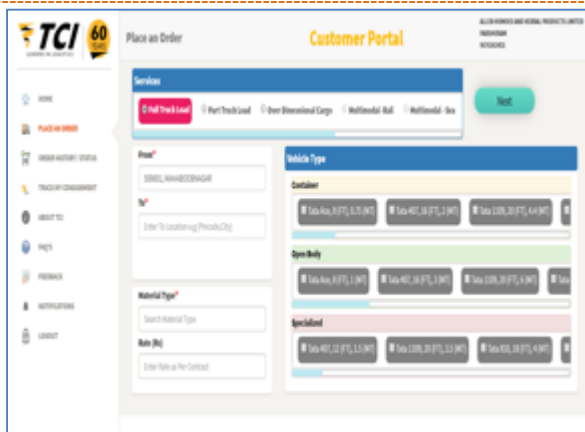
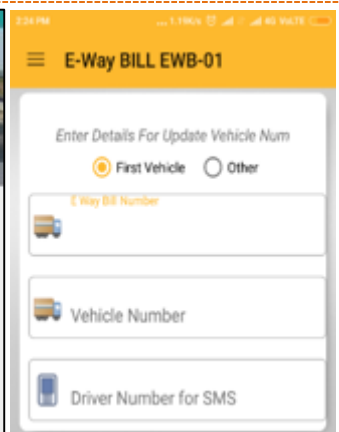


IT systems from WMS , Hand Held Scanners and EDI (Electronic Data Interchange) Capability



Well documented and Refined processes for Receipt , Put away , Picking, Documentation and Shipping





Key Operational Highlights



3,500 (120)

Trucks & Trailers in operation (owned)



700

IT Enabled Owned Offices

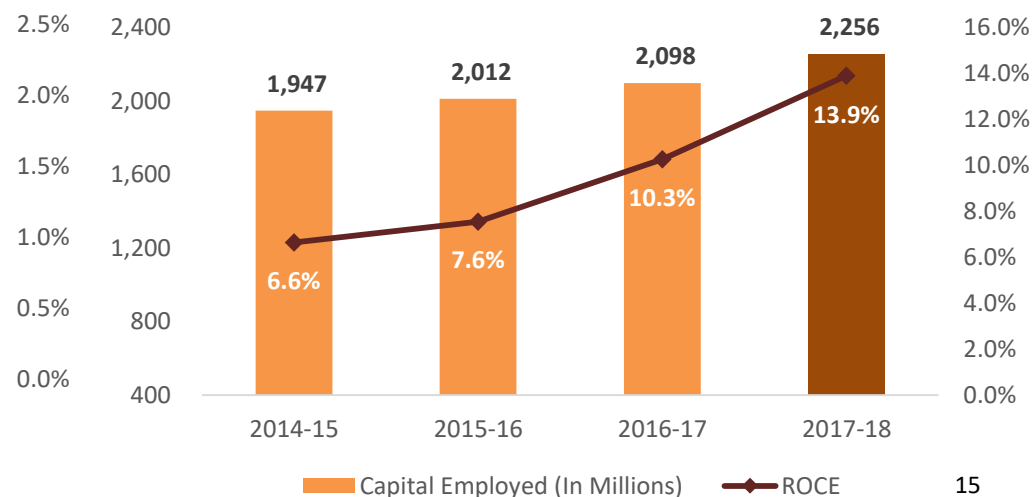
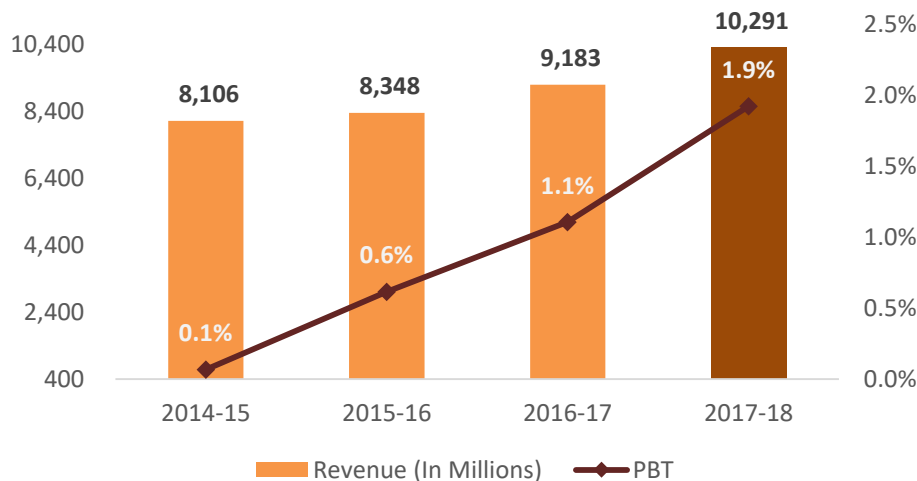


25

Strategic Hubs

- Registered 20.6% Q-t-Q and 20.7% 9M-t-9M growth because of increase in, both volume and price.
- Growth in SME/MSME customers
- EBIT margins stood at 2.8% and grew by 21.7% Improvement to continue with focus on large client and key account management with value added services and LTL (less than truck load)

Financial Performance at glance



Key Operational Highlights



12 Mn. Sqft.

Warehousing Area Managed



4,000 (1350)

Fleet in operations (Owned)

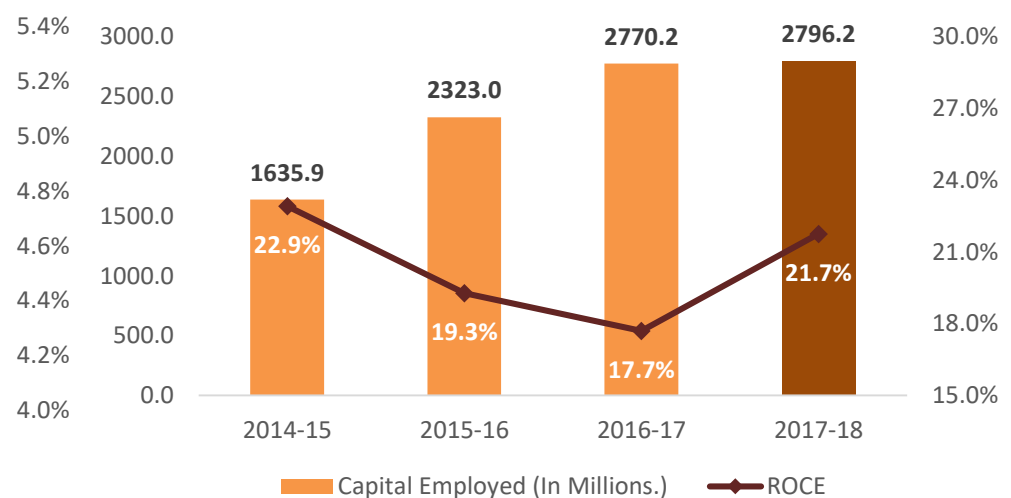
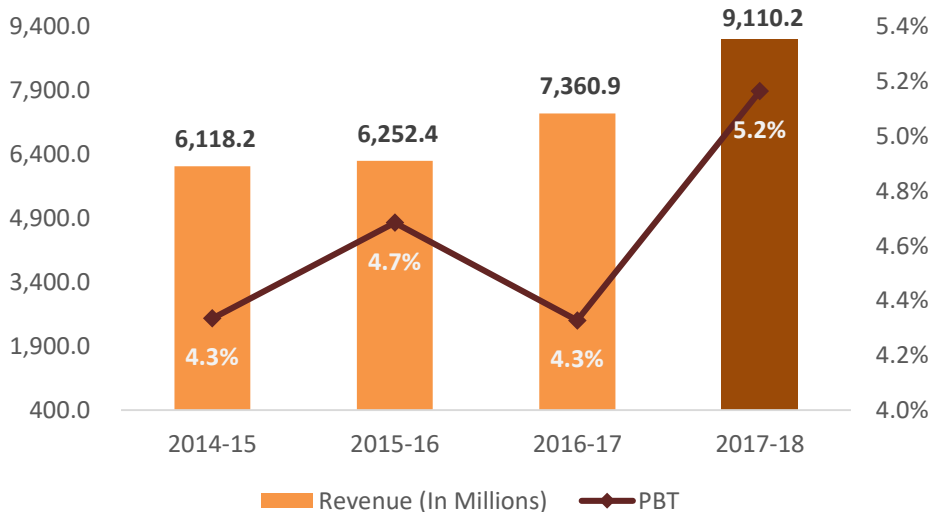


5,000+

IBL Pickup per day

- Revenue grew by ~ 10.0% on Q-t-Q and ~12.4% on 9M-t-9M basis.
- EBIT margins stood at 6.7% and grew by ~ 21.1% .
- ROCE has been stable at ~ 22.0% with better working capital management amid tightness in liquidity
- To capitalise on strong customer pipeline

Financial Performance at glance



Key Operational Highlights



6

Cargo Ships



5,600

Own Containers

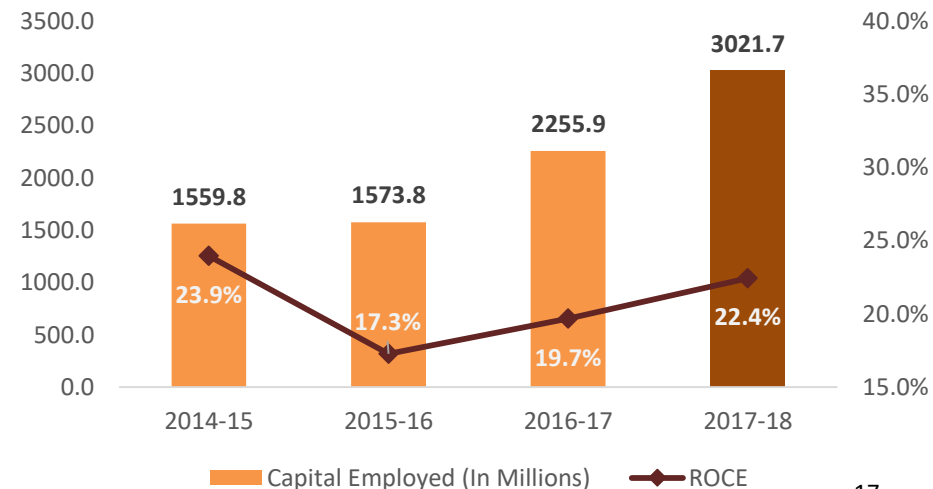
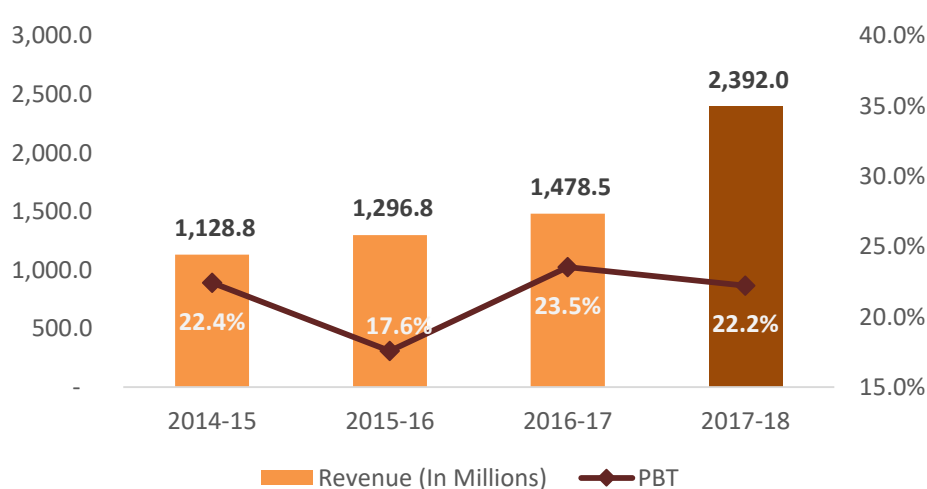


63,380

Total DWT Capacity

- Revenue grew by ~ 50.5% on Q-t-Q and ~ 36.0% 9M-t-9M basis. Business has some impact of Karla flood crises.
- Rapid increase in fuel price , lower volumes and deployment of new ship in Q2 lead to some impact on margins
- Strong positioning at East coast to leverage opportunities out of increased infrastructural activities in Andamans.
- Continue to build on multimodal solution capabilities at West Coast

Financial Performance at glance





Figures in Mn

9M FY19 (FY18 Annual)



Revenue

1436 (1687)

3990(4690)



Y-o-Y Growth

12% (34%)

17% (21%)



Capital
Employed

253 (226)

1978 (1771)



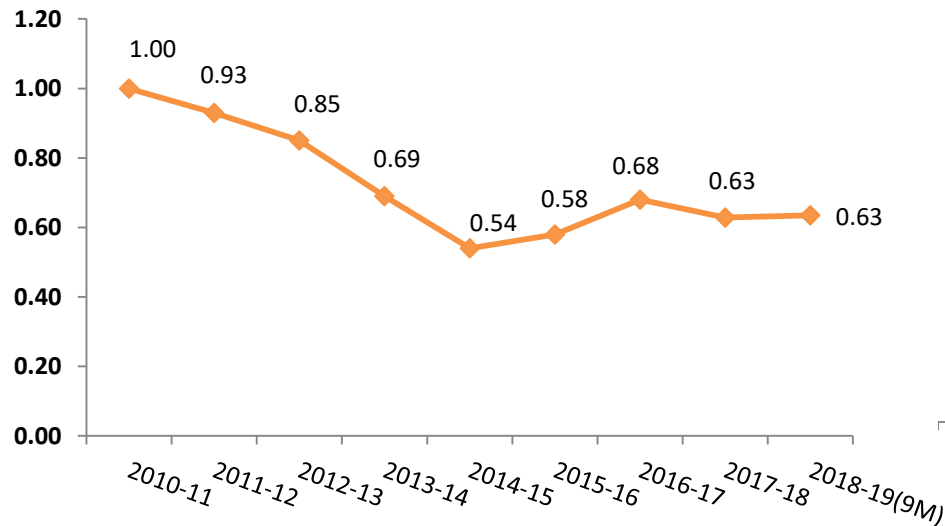
Key Operational Highlights

- Operates on asset-light model
- Building upon its capabilities in Chemical Logistics and multimodal integrated logistics solutions

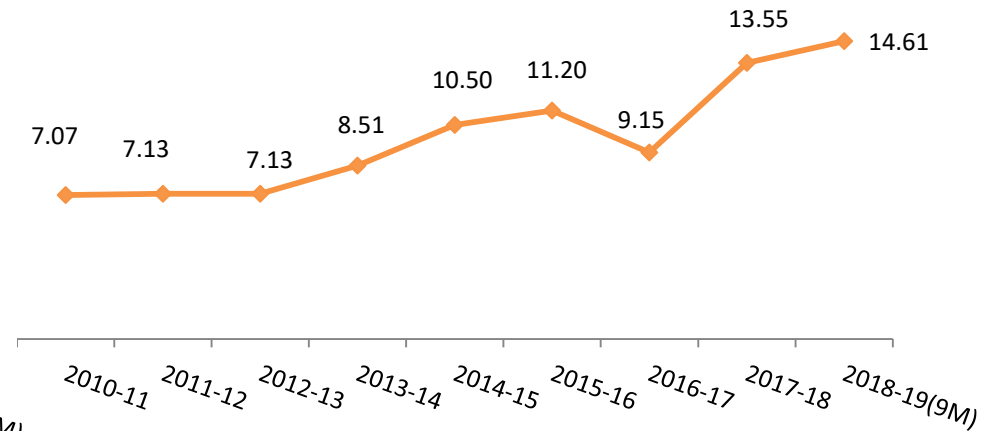
- Lead Logistics Partner (LSP) for Toyota India
- Continuously focusing on non-Toyota customers to diversify auto-business portfolio.

Top ratings AA- (CRISIL –Bankline Credit) , A1+ (ICRA-Commercial Paper), good financial discipline and high creditworthiness, TCI’s average interest cost is below 8.5%

Debt – Equity Ratio



Earnings per Share (in Rs)



UOM

2016-17

2017-18

2017-18(9M)

2018-19(9M)

Debt Service Coverage Ratio

Times

2.34

2.81

2.58

2.55

Return on Capital Employed

%

12.1

15.4

14.5

14.6

Figures in Mn.

Income Statement

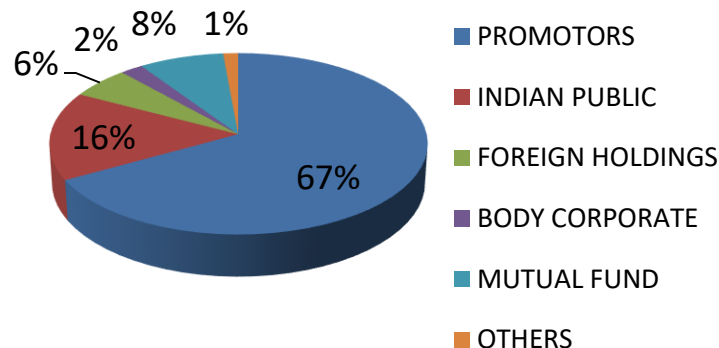
Particulars (Rs in Cr.)	2017-18	2017-18 (9M)	2018-19 (9M)
Freight	19791.2	14231.6	16995.8
Other Sales & Services	1979.9	1487.0	1646.7
Other Income	251.6	159.1	244.9
Total Income	22022.7	15877.7	18887.4
Revenue growth %	20.9%	19.0%	19.0%
Operating expenses	17489.5	12656.5	15219.3
Other expenses	2205.1	1583.0	1774.1
Total Expenses	19694.6	14239.5	16993.4
EBITDA	2328.1	1638.2	1894.0
EBITDA Margin %	10.6%	10.3%	10.0%
Interest Expense	299.2	238.3	265.1
Depreciation	673.3	511.4	563.1
Exceptional Item	40.0	0.0	0.0
PBT	1315.6	888.5	1065.8
PBT Margin %	6.0%	5.6%	5.6%
Taxes	278.2	177.7	225.6
PAT	1037.4	710.8	840.2
PAT Margin %	4.7%	4.5%	4.5%

Balance Sheet

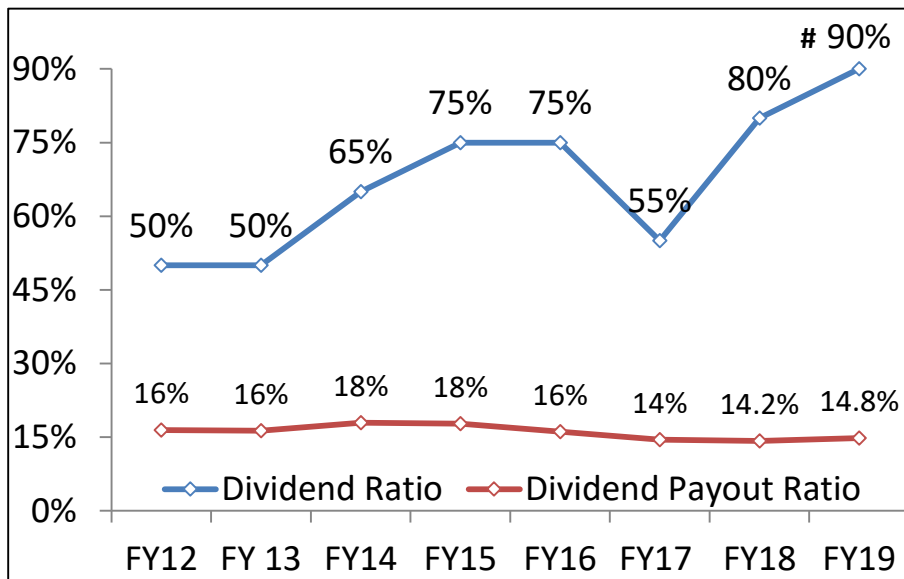
Particulars (Rs in Cr.)	2017-18	2017-18 (9M)	2018-19 (9M)
1. Non current Assets			
Property, plant and equipment	6230.1	6167.6	7260.9
Capital work-in-progress	563.2	78.7	13.4
Intangible assets	5.7	7.0	5.2
Investments	312.9	340.4	303.6
Long term loans and advances	135.8	94.2	142.2
Other non current assets	315.7	396.7	728.2
2. Current Assets			
Inventories	33.1	29.8	54.2
Trade Receivables	3896.7	3629.3	4695.4
Cash & cash equivalents	129.6	168.7	68.4
Loans and advances	125.5	58.2	183.5
Other current assets	1027.3	1439.6	1232.9
TOTAL	12775.6	12410.2	14687.9
1. Shareholders Funds			
Share Capital	153.2	153.2	153.3
Reserves & Surplus	6616.2	6329.1	7421.5
2. Non Current Liabilities			
Long term Borrowings	1514.4	1236.3	1935.7
Deferred tax Liabilities (net)	442.7	371.7	478.2
Other long term liabilities	18.0	18.5	18.5
3. Current Liabilities			
Short term borrowings	2286.2	2152.0	2275.4
Trade payables	790.4	1081.5	623.3
Other current liabilities	899.7	998.7	1725.3
Short term provisions	54.8	69.2	56.7
TOTAL	12775.6	12410.2	14687.9

Market Cap	Rs Mn.	22462.0
Debt	Rs Mn.	4751.5
Enterprise Value	Rs Mn.	27145.1
P/E	Nos	20.0
EV/EBITDA (Annualized)	Nos	10.7
52 Week High	Rs/share	364.8
52 Week Low	Rs/share	267.4

Shareholding Pattern as on 31st December 2018



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 101,075 and Market Value of Investment Rs. 31,37,588 gave **36% CAGR return by December'2018**

Including Interim dividend declared @50% on 12th Feb 19 Board meeting

Capital Expenditure Plan FY19

Rs. In Mn.	Total Actual (FY 2006-07 to 2016-17)	2017-18 Actual	2018-19 Proposed	2018-19 (9M) Actual
Hub Centers & Small warehouses	3573.0	316.2	600.0	352.8
Ships & Containers	2209.2	587.1	777.0	503.6
Trucks	3318.3	378.3	862.0	481.5
Others (W/H Equip., IT etc.)	1051.2	52.0	261.0	44.1
Total	10151.7	1333.6	2500.0	1382.0

Funding Pattern:

Estimates of sources of finance for the Capex in FY 2018-19

Rs. In Crores	Debt	Equity	Free Cash Flows	Total
Estimated	1500	0	1000	2500
Actual	952	0	430	1382



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.