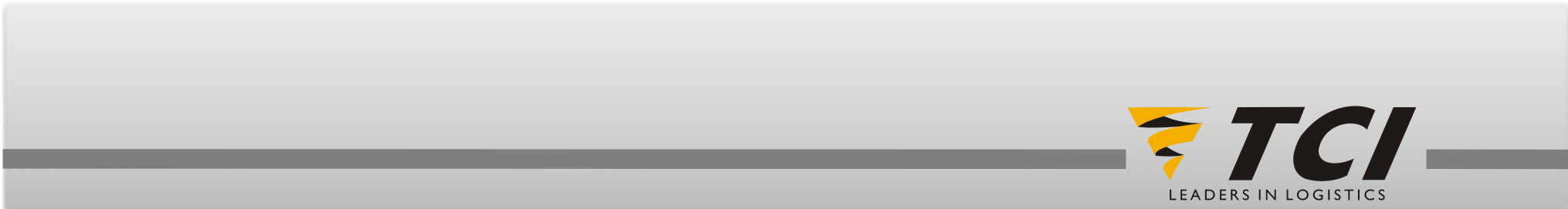




Transport Corporation of India Investors Presentation FY 2016-17 (H1)





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

Key Facts

Year of
Establishment

1958

Turnover

2800 Cr.

Movement
by Value of India GDP

2.5%

Employees Strength

6000+

Company Owned
Branches

1400+

Warehouse
Covered Area

11 Mn Sft

Vehicles/Day
Managed on Road

9000

Highlights 2016-17 (H1)

E-Com

8 Fulfilment
centers with
delivery
capacity of 1
Lac orders/day

Inauguration of
World-Class
Cold Chain
Warehouse on
Pataudi Road,
Gurgaon

**Cold
Chain**

**Connecting
SAARC**

Incorporation of
100% subsidiary
in Bangladesh
as "TCI
Bangladesh
Limited"

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



Cater to local logistics requirement of a country

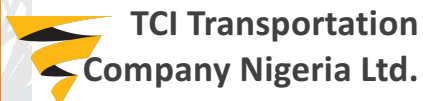
Joint Venture Companies



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 Global

Other Group Companies



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



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

TCI XPS has been demerged into a separate entry TCI Express Ltd at the close of business hours of 31st March 2016

Corporate Governance

Listed Entity



Rated and Certified



TCI Foundation

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



Corporate Social Responsibility

Non Discrimination Policy

On-going Investor Outreach programs

- Regular conference calls and annual meet with shareholders and analysts
- Timely and transparent disclosures through comprehensive annual reports and corporate presentations (readily available on the Company's website)

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)

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 Shanker

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

Impact of Macro-economic changes on Logistics

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

DFC/ Diamond Quadrilateral

- Creation of additional dedicated rail freight 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 .

GST-Key Implications on Warehouse & Transport Industry

GST

- Rationalizing the impact of taxes on Production, Distribution& Inventory management
- Consolidation of warehouses
- Multi modal movement between Hubs

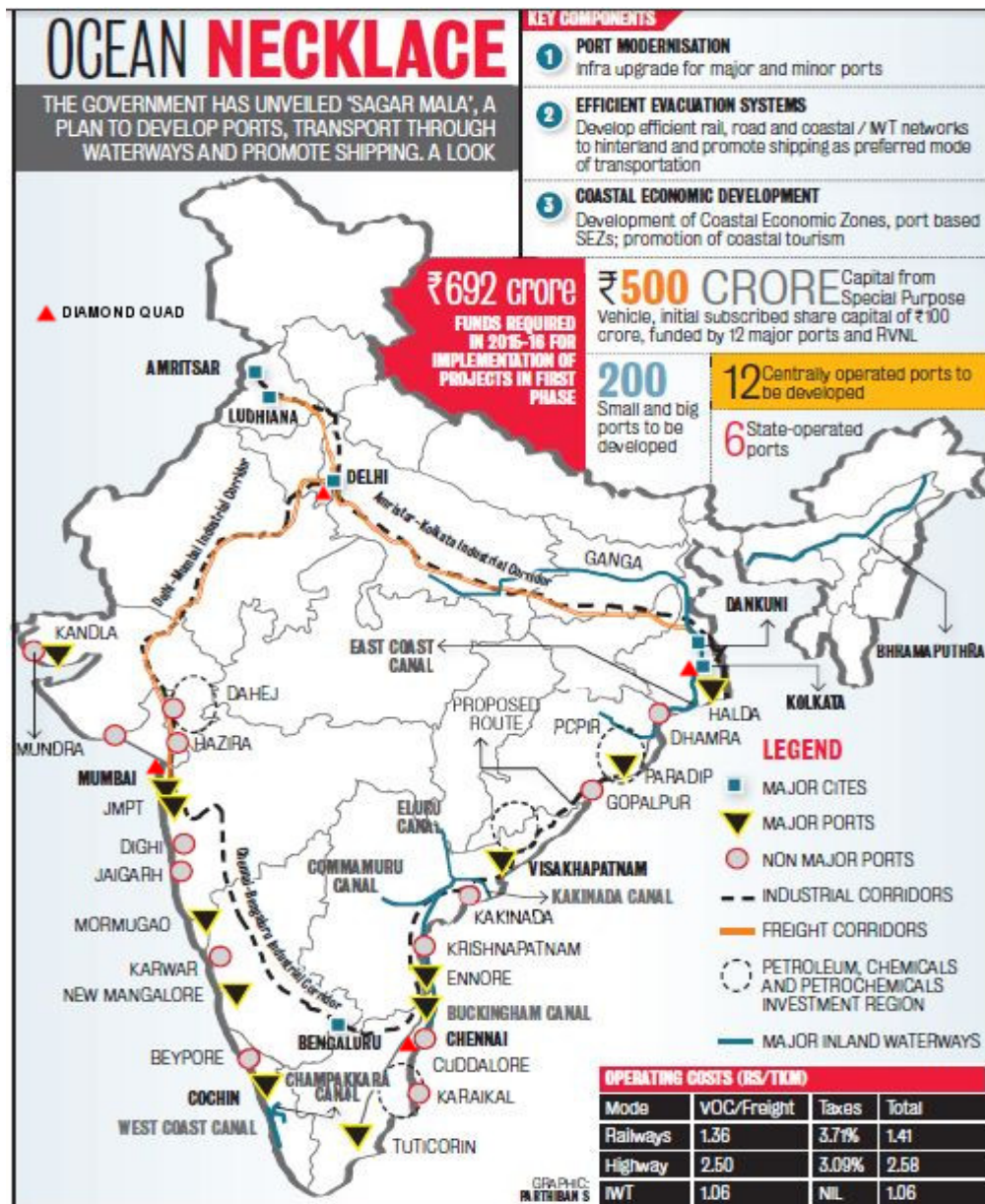
Transportation

- 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.

Impact on Logistics Development



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, the Industrial clusters and hinterland and efficient evacuation systems through road, rail, inland and coastal waterways resulting in Ports becoming the drivers of economic activity in coastal areas

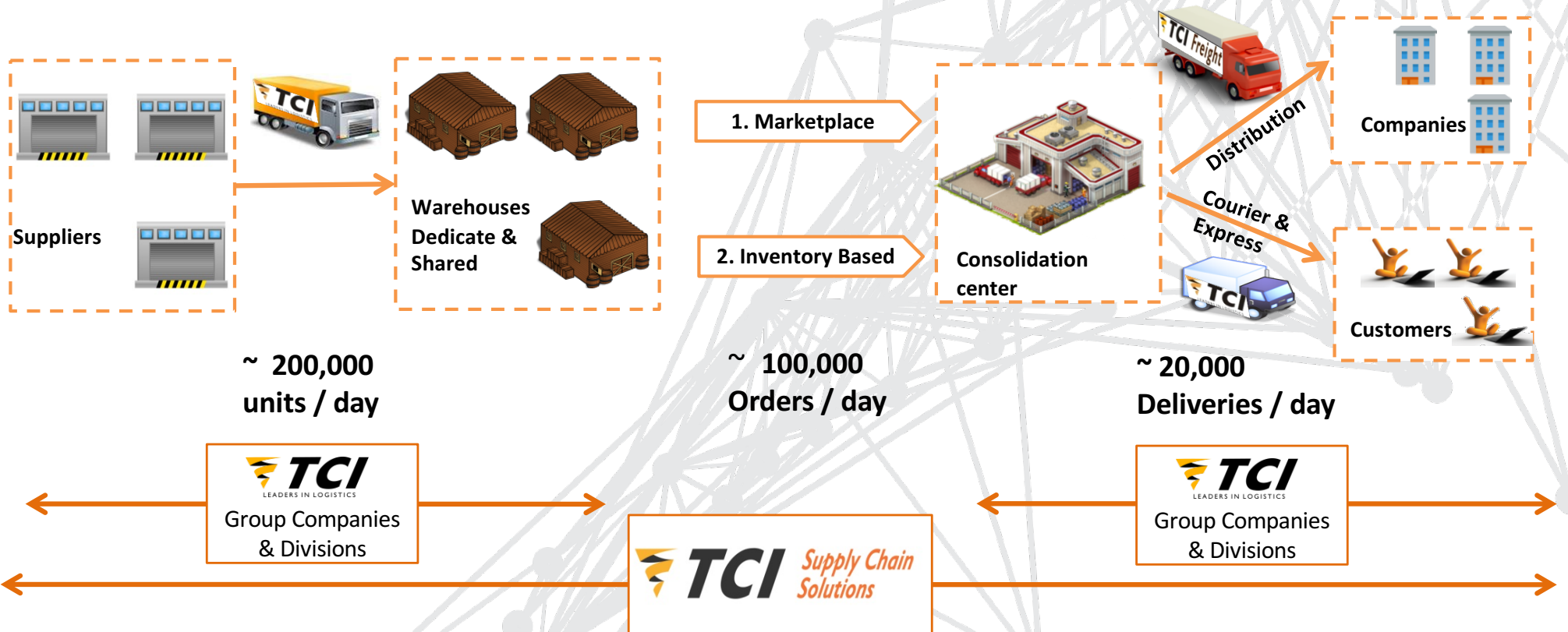
The project aims to change the way logistics evacuation happens in India, save logistics costs nationwide for cargo handled and evacuated through seaports, boost overall economic development through ports and empower coastal communities

Diamond Quadrilateral

The Diamond Quadrilateral is a project of the Indian railways to establish high speed rail network in India. This quadrilateral will connect the four metro cities in India, i.e. Delhi, Mumbai, Kolkata and Chennai.

This corridor will be operated on broad-gauge tracks and will pass through 14 states and territories of India.

TCI : Serving the Complete Ecommerce Chain



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

SBU-wise Details



- Provides Full truck load, Less than truck load, logistics solutions and project management for heavy and over-dimension cargo solutions parcel services 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.






- Provides inbound/outbound logistics and supply chain solutions from conceptualization designing network to implementation
- Operates with a customized fleet of 1100 own trucks including 45 refrigerated trucks
- Auto sector currently contributes to 75% of total revenue
- High growth in managing Fulfillment centers and backend operations for e-commerce







- Provides coastal shipping services for transporting container and bulk cargo along the Western & Eastern coast of India
- 04 domestic ships with capacity of 3500 – 10600 DWT, including Project Ships equipped with own cranes (Total capacity of 23360 DWT)

Industry Dynamics and SBU Snapshot

	 TCI Freight	 TCI Supply Chain Solutions	 TCI Seaways
Industry Scenario	Mature, Fragmented, Low barriers to entry, low cost	Nascent, knowledge based, very high barriers, single window	Growth, high entry barriers, low cost
Industry Growth	5-8%	15-20%	10-15%
% of Total Revenues (FY 16-17 H1)	50% (437 cr.)	41% (366 cr.)	8% (70 cr.)
TCI EBIDTA Margins	3-5%	10-12%	25-30%
Rev. Growth CAGR 5 Yrs.	0.6%	9.7%	13.3%
ROCE (5-yr Average)	8%	23%	19%
ROCE (10-yr Average)	14%	23%	16%

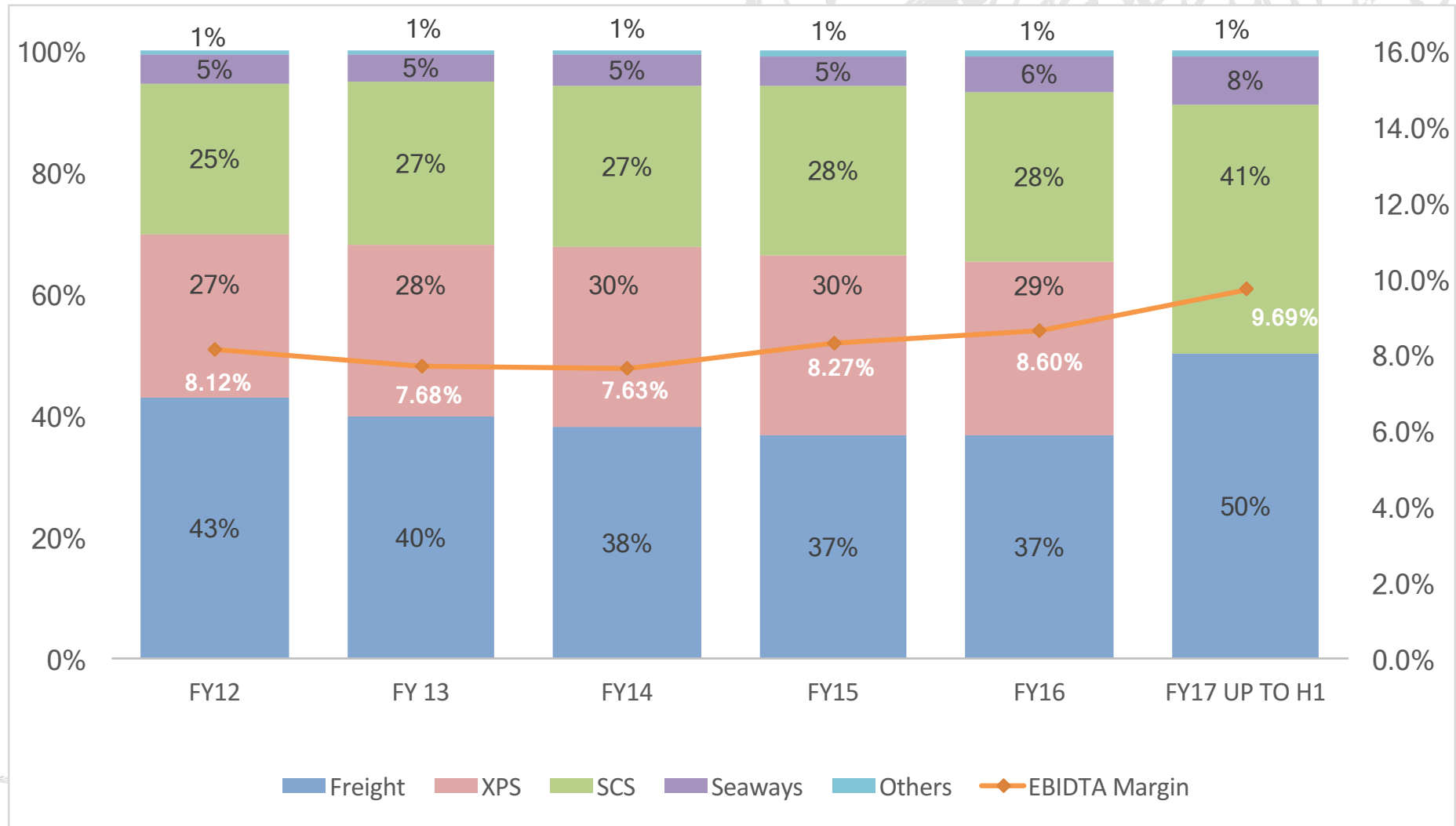
Performance FY 2016-17 (H1) : Stand-alone

Figures are in Crs

	 TCI Freight	 TCI Supply Chain Solutions	 TCI Seaways	 TCI Energy and Corp.	Total (2016-17-H1)	Total (2015-16)
Revenue	437.4	365.7	69.9	9.03	882.0	1613.9
% Growth	6.5%	16.5%	11.6%	-37.8% #	10%	4.1%
EBIDTA	16.6	39.2	22.5	7.19	85.5	147.9
% of Revenue	3.8%	10.7%	32.2%	79.6%	9.7%	9.2%
EBIT	11.5	23.4	16.7	6.1	57.8	97.0
% of Revenue	2.6%	6.4%	23.8%	67.9%	6.5%	6.0%
% Growth	45.3%	29.8%	43.2%	-53.2% #	13.9%	11.3%
Capital Employed	215.9	261.9	162.1	316.43	956.2	888.0
ROCE %	11.1%	18.9%	20.9%	27.4%	12.5%	11.5%

Dividend income in corresponding half year of FY16 was 7.9 crs as against 2.1 cr in current half year

Divisional Revenue Mix



Capital Expenditure in last 10 years

Figures are in Crs

	Total Actual (FY 2006-07 to 2014-15)	2015-16 Actual	2016-17 (H1)	2016-17 Proposed
Hub Centers & Small warehouses	260.2	95.7	17.8	26.0
Wind power	9.0	0.0	0.0	0.0
Ships & Containers	151.5	4.3	3.0	66.0
Trucks & Cars	240.7	64.5	14.0	58.0
Others (Equip., IT etc.)	77.1	3.9	0.7	35.0
Total	738.5	168.4	35.5	185.0
Term loan Additions:	323.0	80.0	28.0	109.0

Sources of finance for the Capex in FY 2016-17

Rs. In Crores

	Debt	Equity	Free Cash Flows	Total
FY 2016-17	109	0	76	185

Income Statement

Balance Sheet

Particulars (Rs in Cr.)	2015-16	2015-16 (H1)	2016-17 (H1)	Particulars (Rs in Cr.)	2015-2016	2015-16 (H1)	2016-17 (H1)
Freight	1415.66	696.81	782.26	1. Shareholders Funds			
Other Sales & Services	185.30	94.55	95.57	Share Capital	15.21	15.21	15.32
Other Income	12.90	10.50	4.19	Reserves & Surplus(Excl. Rev. res)	480.06	620.60	545.20
Total Income	1613.87	801.86	882.01	Minority Interest	0.00	00.0	0.00
Revenue growth %	4.11%	2.88%	10.00%	2. Non Current Liabilities			
Operating expenses	1282.27	636.44	701.45	Long term Borrowings	95.76	75.02	89.54
Other expenses	183.70	90.98	95.07	Deferred tax Liabilities (net)	31.98	33.18	39.26
Total Expenses	1465.97	727.42	796.52	Other long term liabilities & Provisions	0.00	0.00	2.38
EBITDA	147.90	74.43	85.50	3. Current Liabilities			
EBITDA Margin %	9.16%	9.28%	9.69%	Short term borrowings	204.28	215.25	227.05
Interest Expense	22.96	11.43	14.28	Trade payables	51.64	108.57	83.12
Depreciation	50.85	23.72	27.75	Other current liabilities	56.62	73.37	62.55
Exceptional Item	0.03	0.00	0.00	Short term provisions	48.72	51.12	49.98
PBT	74.07	39.30	43.47	TOTAL	984.27	1192.32	1114.40
PBT Margin %	4.59%	4.67%	4.93%	1. Non current Assets			
Taxes	15.20	7.65	8.64	Fixed Assets	514.69	516.70	539.21
PAT	58.87	31.66	34.83	Goodwill on consolidation	0.00	0.00	0.00
PAT Margin %	3.65%	3.95%	3.95%	Exchange fluctuation on consolidation			
				Non current Investments	23.12	47.00	27.25
				Long term loans and advances	39.24	59.94	41.07
				Other non current assets	0.00	2.64	0.00
				2. Current Assets			
				Inventories	1.76	2.46	2.83
				Trade Receivables	312.99	443.70	382.08
				Cash & cash equivalents	12.38	21.72	19.46
				Short term loans and advances	77.94	96.97	100.73
				Other current assets	2.05	1.19	1.77
				TOTAL	984.27	1192.32	1114.40

Note :1 Figures are restated to extent of IND AS compliance except balance sheet of FY 15-16

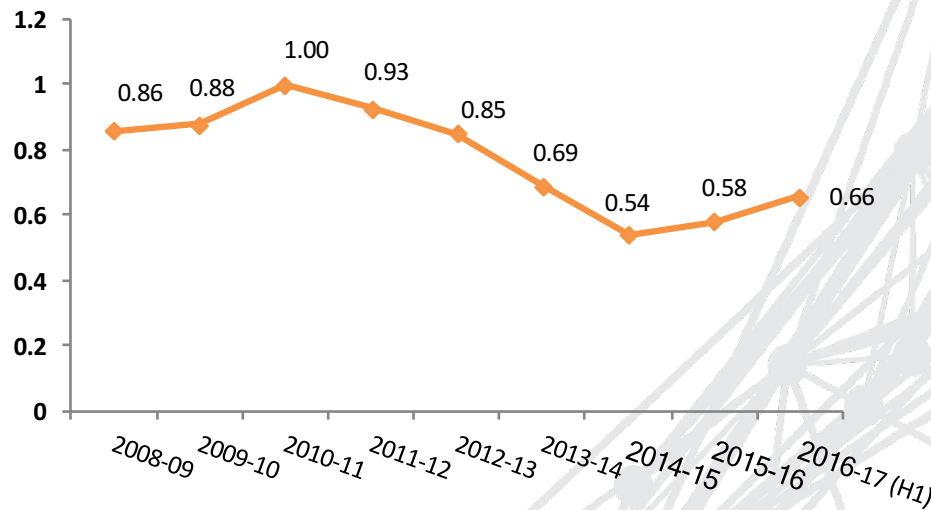
Note: 2 Figures are excluding XPS undertaking except balance sheet of H-1 FY 15-16

Financial Performance

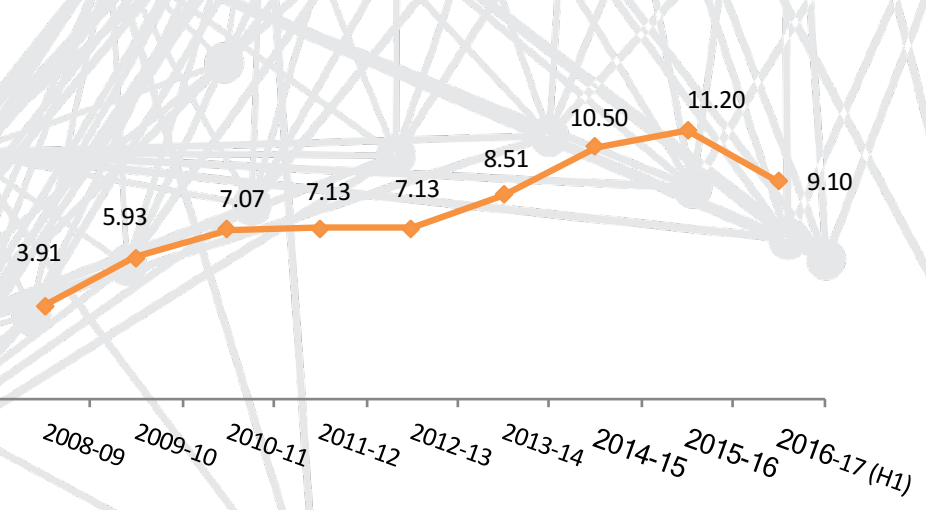
Can we mention credit ratings AA- et

Owing to Top ratings AA- , A1+ from Credit Agencies, good financial discipline and high creditworthiness, TCI's average interest cost is below 10.00%

Debt – Equity Ratio



Earnings per Share (in Rs)



	UOM	2014-15	2015-16	2016-17 (H1)
Debt Service Coverage Ratio #	Times	1.92	2.20	3.03
Return on Capital Employed #	%	11.6	11.5	12.5

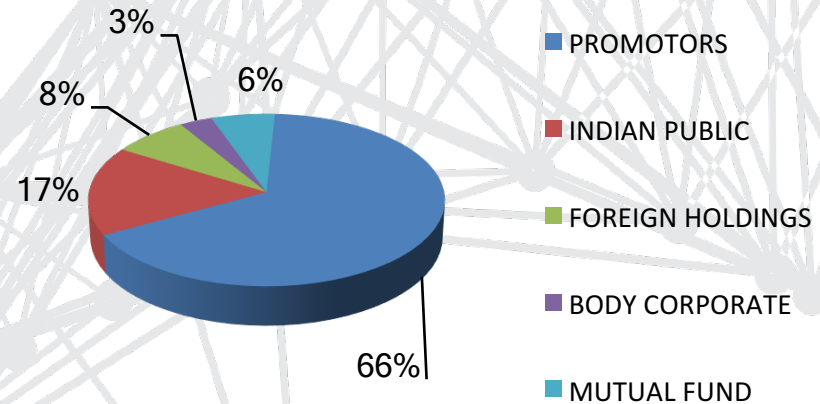
Re-stated after Excluding XPS undertaking

Market Summary

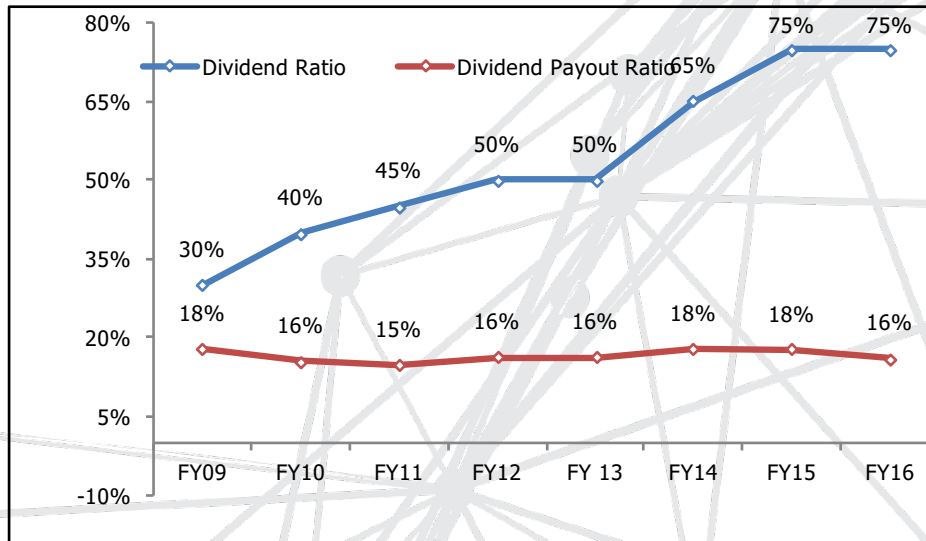
Market Summary (Rs In Crore)

Market Cap as on 30 th September `16	1425.0
Debt	355.0
Enterprise Value	1775.0
P/E	20.0
EV/EBITDA	20.8
52 Week High	388.0
52 Week Low	175.2

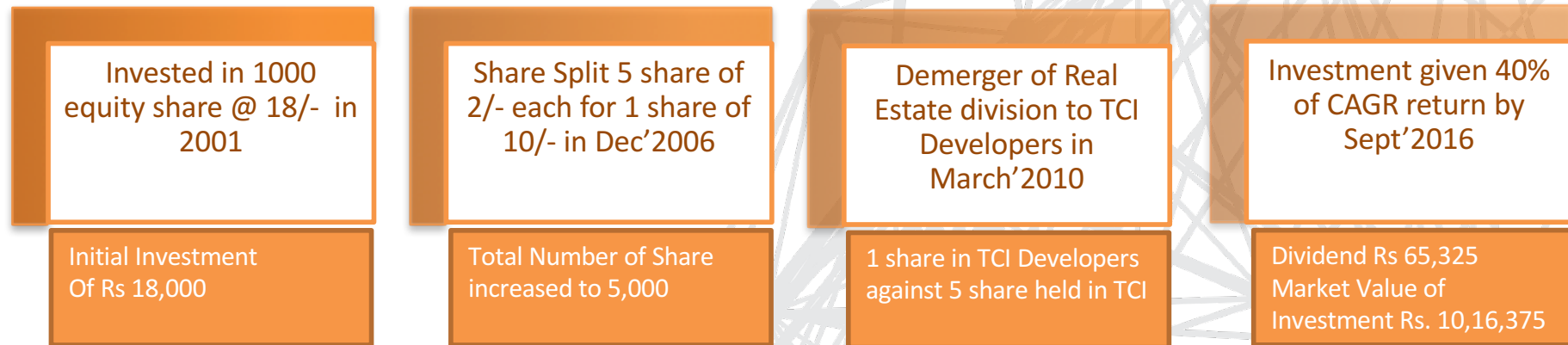
Shareholding Pattern as on 30th September 2016



Consistent Dividend track trend



Stock Performance & Demerger Scheme



The High Court of Talengana & A.P has sanctioned the Scheme on 14th June 2016 involving demerger of “XPS division” into TCI Express Ltd , a subsidiary of TCIL.



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

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

A network diagram consisting of numerous nodes connected by lines, forming a complex web. The top-left corner features a blue gradient background with a white network structure. The main area is white with a light gray network structure. The bottom is a solid blue bar. The text 'THANK YOU' is centered in blue. To the right is a stylized logo with yellow and black elements.

THANK YOU

