

Everything Logistics™

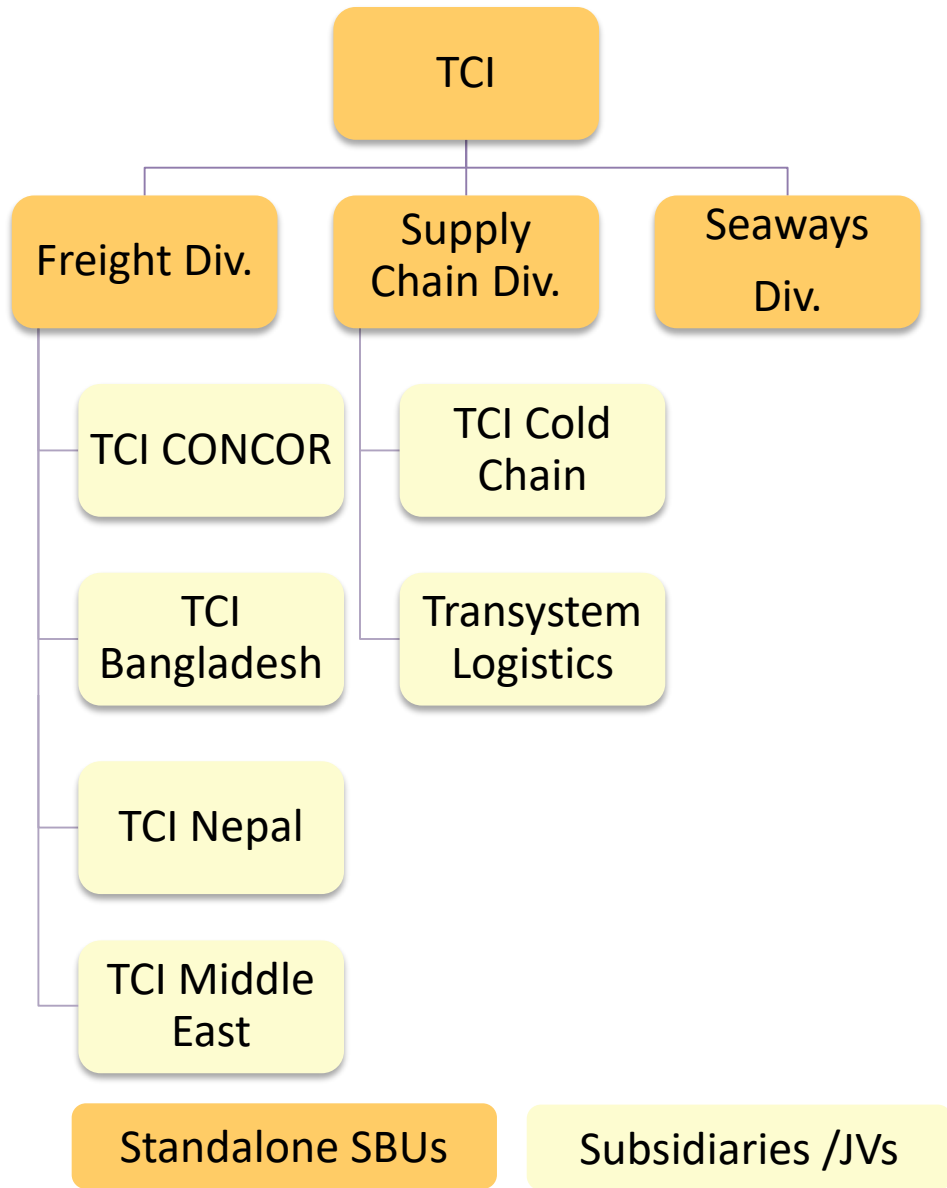


Earnings Presentation

**H1 FY24**

31<sup>st</sup> Oct 2023

# TCI Consolidated Overview



<b>6+</b> Decades of Experience	<b>\$500+</b> In Millions Revenue	<b>1800+</b> Train movement
<b>650+</b> ISO Containers	<b>13K+</b> Cold Pallets positions	<b>8K+</b> GP Containers
<b>3.5K+</b> Employees Strength	<b>1K+</b> IT Enabled Own Offices	<b>10K</b> Trucks in Operations
<b>06</b> Coastal Ships	<b>14</b> Mn sq ft Manages Warehouse Space	<b>2.5%</b> Moving India's GDP by Value

# Logistics industry Growth drivers



## Consumer Driven

- Growth of omni channel retail prompting supply chain changes
- High Degree of Urbanization
- Diverse consumer base , premium , mid-market and economy segment
- Product loyalty diminishing & putting pressure on supply chains



## Customer Driven

- Focus on core area of business leading to increased outsourcing
- Increasing Adoption of tech
- Increased Demand for bespoke and customized solutions
- Shift towards alternative modes of transportation: Multimodal green logistics



## Industry Driven

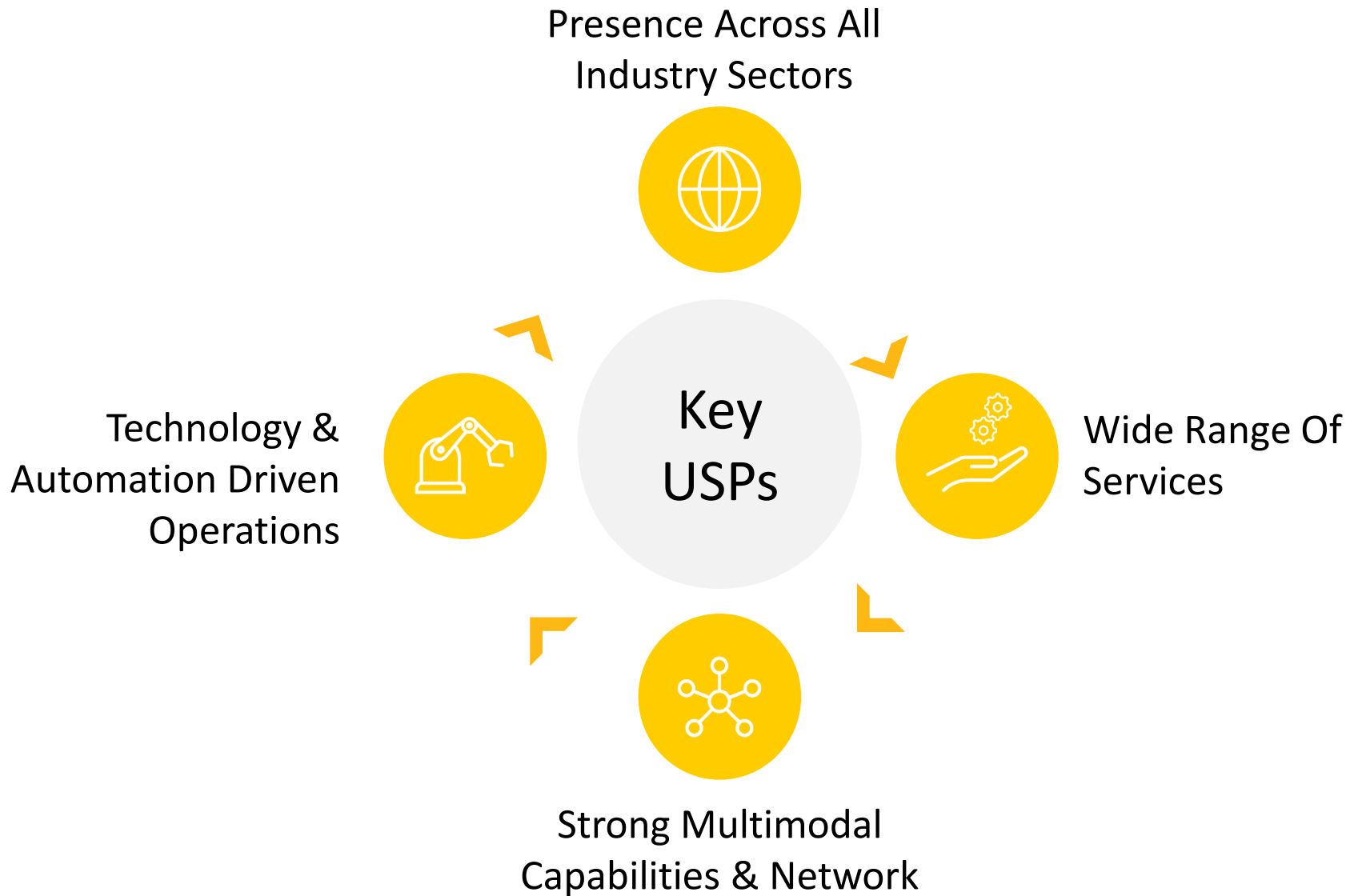
- Large market Size
- Shift in global supply chains due to China+1 strategy
- National Logistics Policy giving positive direction (Modal mix change, Digitization, Standardization)



## Regulatory & Government Initiatives

- Infrastructure push PM Gati Shakti, Bharat Mala, Sagar Mala, MMLP, DFC
- Boost to domestic supply chain, PLI, Atmanirbhar Bharat
- GST, E-way bill, ULIP and E-invoicing driven governance push and formalization









# Company Strategy : Everything Logistics



# Range of services for customized solutions **TCI** LEADERS IN LOGISTICS

Unlock  
Business  
Potential

Products / Services

-  LTL/FTL
-  Warehousing
-  Port Logistics
-  Freight Forwarding
-  Coastal Shipping
-  Domestic Rail: Container & Auto movement
-  CHA
-  International Country Operations
-  ODC/PHH
-  Liquid & Gas Bulk Logistics
-  In/Outbound Logistics
-  Reefer Storage
-  Reefer TPT

Customised  
Solution

- 3PL / 4PL
- End-to-End Supply Chain Solution
- Integrated Multimodal Solution
- Control Tower and Consultancy

## Verticals Served/ Products

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

## Benefits For Customers

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

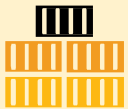
- Cold Chain
- SAARC+ CHA

# Strong Multimodal Capabilities & Network **TCI** LEADERS IN LOGISTICS

Serving multiple sectors: Agri, Metals, Chemical, Automotive etc incl. cross border



**6** Own Ship



**8000+**

Own GP containers



**650+** ISO TTR



**3** Own Auto Rail Rakes



**60** Yards Managed



**55** Terminal managed



## TEUs handled:

50000 (H1 2022-23)

66041 (H1 2023-24)



## Full Rail rake movements:

900 (H1 2022-23)

1165 (H1 2023-24)

# Presence across all industry sectors

## capturing most of economic activities



### Engineering and Industrial

- Increasing Government spend on infrastructure
- Growth in size of GDP
- PLI, 100% FDI in select sectors



### Metals and Construction Material

- Increasing Investment in Core sector
- Infrastructure development



### Chemical and Pharma

- Increasing demand for specialty chemicals
- Rising awareness about health care



### Automotive (Mobility and Industrial)

- Untapped 4W market, 3% penetration vs 22% in China. India is 4<sup>th</sup> largest market
- Rising middleclass population
- Infrastructure spend



### Consumption driven sectors: FMCG, Retail, FMCD, Apparel, textiles etc.

- Increasing per capital income
- Rise of middle-class and youth population
- Expansion of E-com to tier 3/4/5 cities

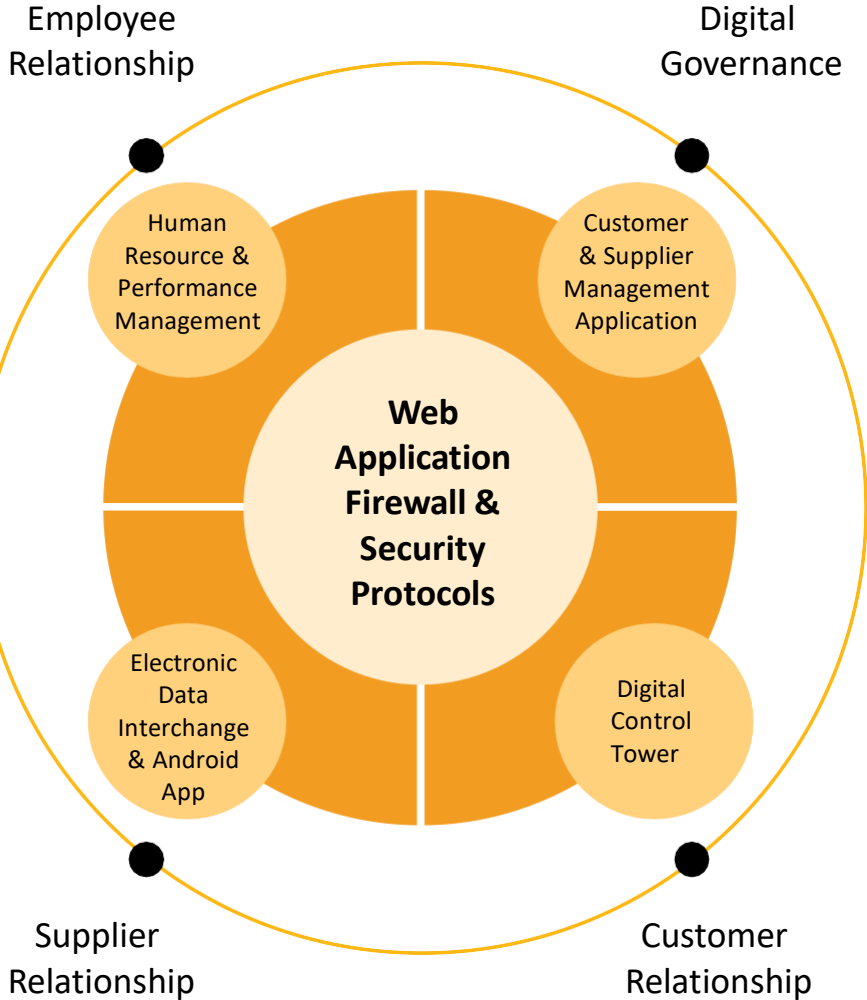


### Agriculture, Food grains

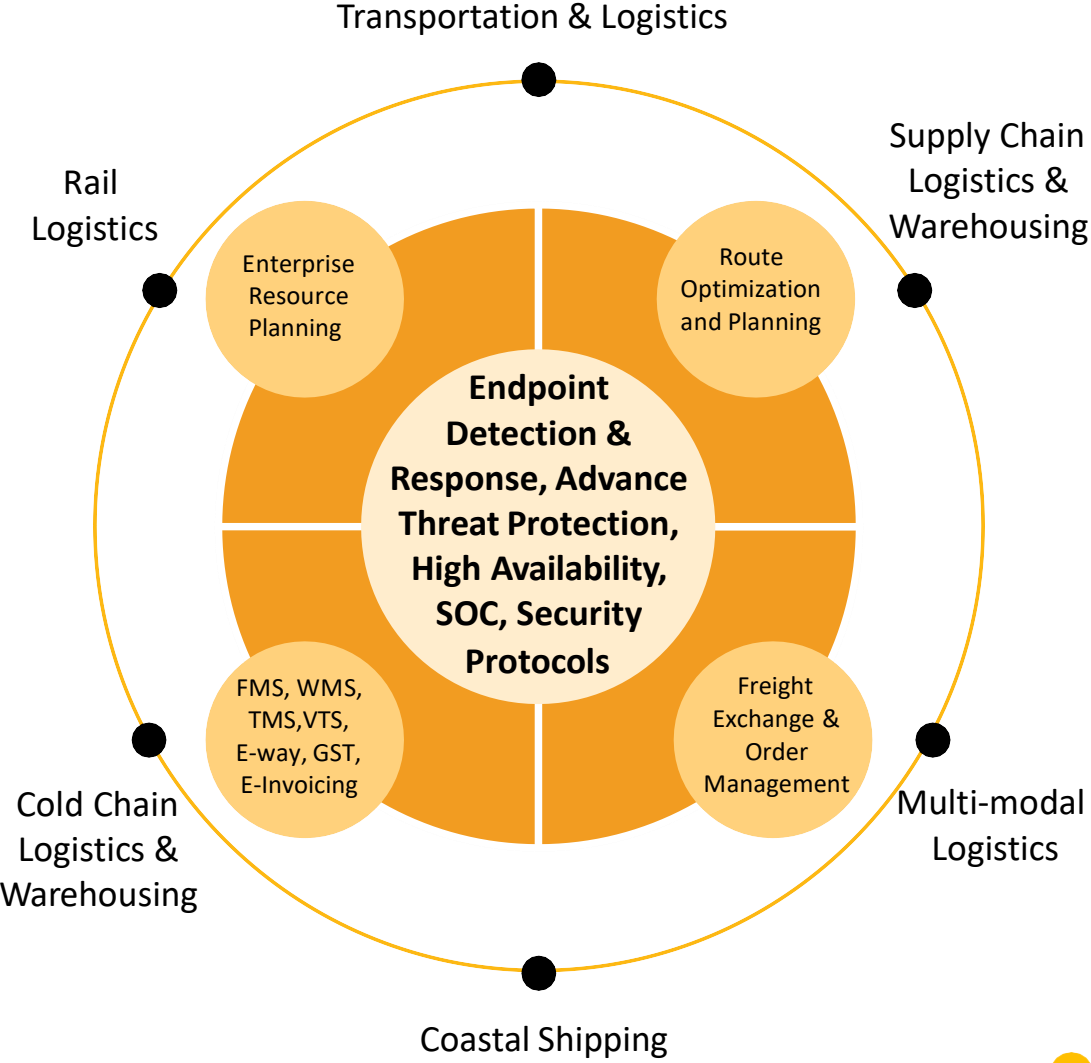
- Increasing use of technology in crop production , soil fertility
- Increasing population density and Gov. focus to stabilize supply chains around distribution

# 360° Technology Adoption

**Relationship Wheel**

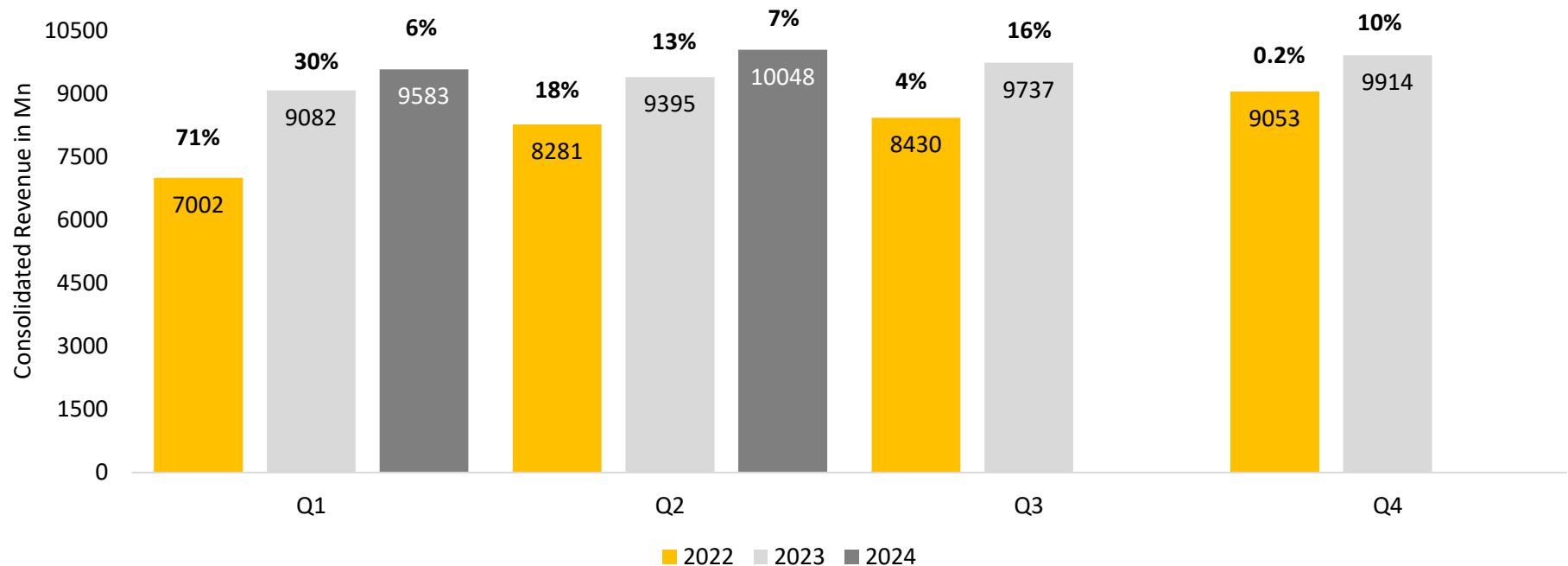


**Core Business Operations Wheel**



# Key Highlights

- Growth momentum maintained amidst delayed festive calendar and mixed sectorial trends.
- Company's well-diversified service offerings, multi sectorial presence and adherence to core business fundamentals have contributed to consistency
- Our net borrowing remained at zero with additional cash surplus



# TCI Freight Division:

## Industry nature and trends



### Industry

- USD 180 B Freight Transport Market, highly fragmented and unorganized
- LTL Freight Transport Market, relatively organized with 15% share
- Increasing adoption technology like on demand trucking and real-time pricing
- Increasing awareness on sustainable logistics and demand for multimodal

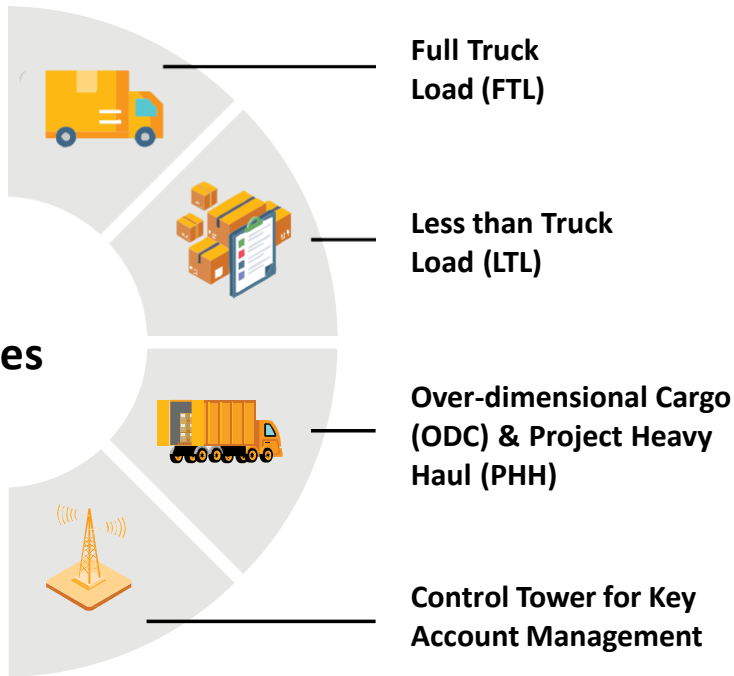


### Growth Drivers

- Need for FTL & LTL from a single provider
- Anywhere to anywhere model
- Control Tower enabled customized Freight solution with end-to-end visibility
- Growing need for in-transit small storage facilities
- Packaging support for high value goods, fragile items in LTL segment

# TCI Freight Division: Core competencies and capabilities

## Our Services



### Cross Border

Deliveries across SAARC-BBIN



### 24X7

Customer Support



## Integrated Surface Transport Solution

### Hub & Spoke Model

We have a robust set-up of 25 strategically located hubs across India that enables TCI Freight to widen its distribution network and enhance reliability in cargo consolidation and transportation.



### 25

Strategically located hubs



### Control Towers

Single Window Control & Visibility



### 700+

IT Enabled Owned offices



### 4,600+

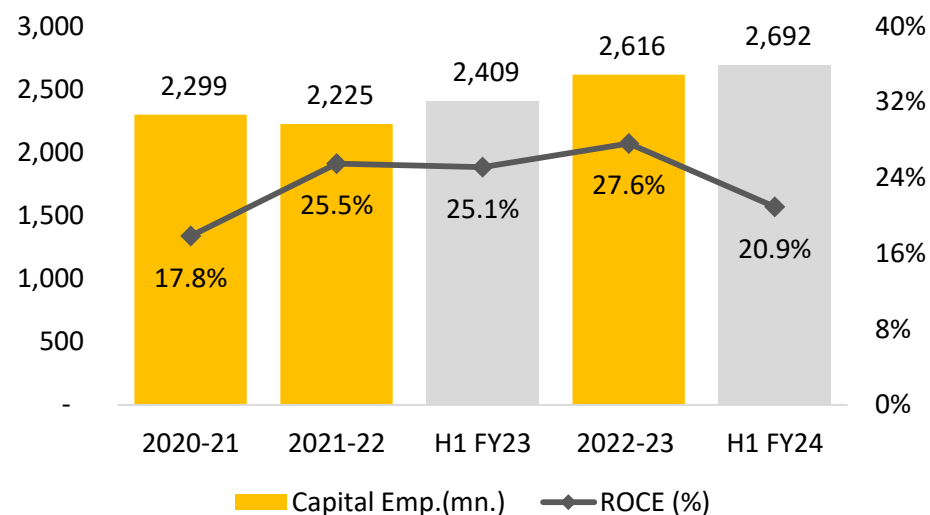
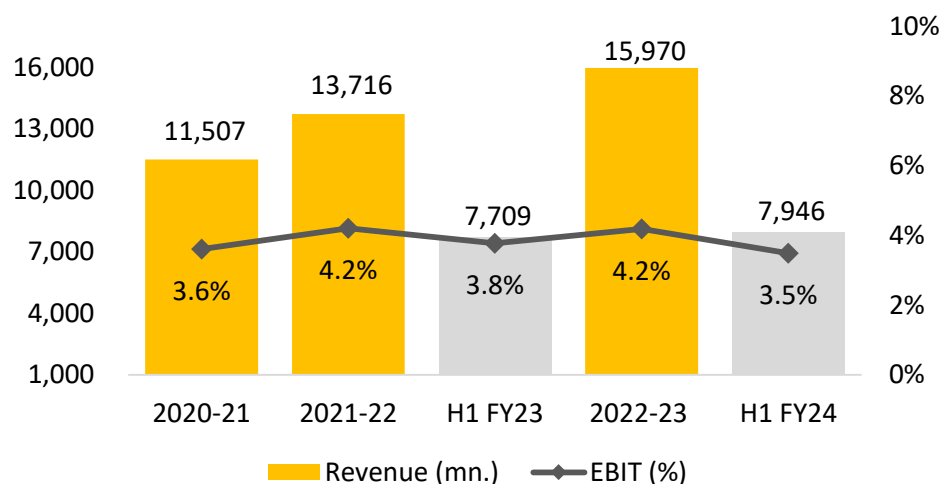
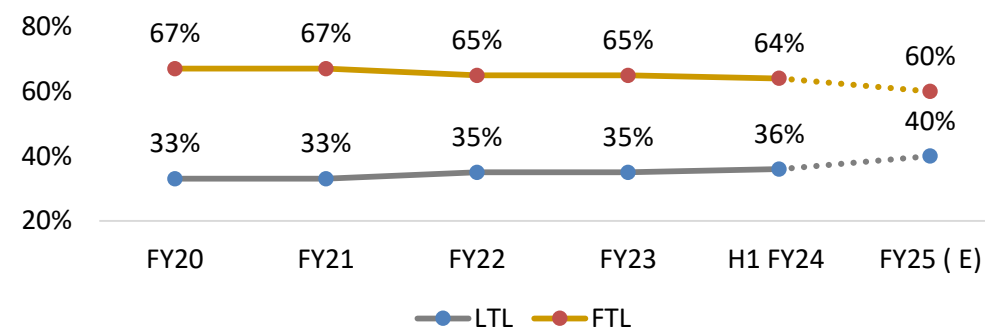
Truck under Operation (4,500+ Owned: 120)

# TCI Freight Division: Key Operational Highlights

Figures in Mn

Particulars	Q2 FY23	Q2 FY22	Gr%	H1 FY24	H1 FY23	Gr%
<b>Revenue</b>	3990	3944	1.2%	7946	7709	3%
<b>EBDITA</b>	152	168	-9.3%	300	312	-4%
<b>% to Revenue</b>	3.8%	4.3%		3.8%	4.0%	
<b>EBIT</b>	141	158	-10.6%	277	291	-5%
<b>% to Revenue</b>	3.5%	4.0%		3.5%	3.8%	

- Flattish growth amid late arrival of festival season. improvement in LTL segment. Opened 15 new branches to further enhance the network.
- Margins and ROCE fell marginally due to lower business growth



# TCI Supply Chain Division: Industry nature and trends



## Industry

- Market Size USD 12 Bn
- Relatively less fragmented with higher organized market
- 3PL Growth CAGR 15%
- 60% constitute road movements
- 3PL penetration is 4.5% Vs 11% Globally



## Growth Drivers

- Higher demand for integrated and customized solutions
- Supply chain network optimization especially in warehousing
- Growth of Omni channel in tier 3/4/5 cities
- Increasing demand for automation and technology driven service offerings
- EV/alt fuel impact on 3PL for automotive

# TCI Supply Chain Division: Core competencies and capabilities



## Our Services



- Full-stack integrated offering from Conceptualization, Design, to execution



- VAS: labelling, repackaging, order processing, payment management



- Inventory management and visibility through WMS via client's ERP Integration



- Proprietary TMS for route optimization



**5,000+**

Vehicles under Operation  
Owned:1000



**55**

Yards Managed



**750 Mn**

Production Logistics Parts  
Handled



**120+**

Trains Operated per Month



**14 Mn. Sq. Ft.**

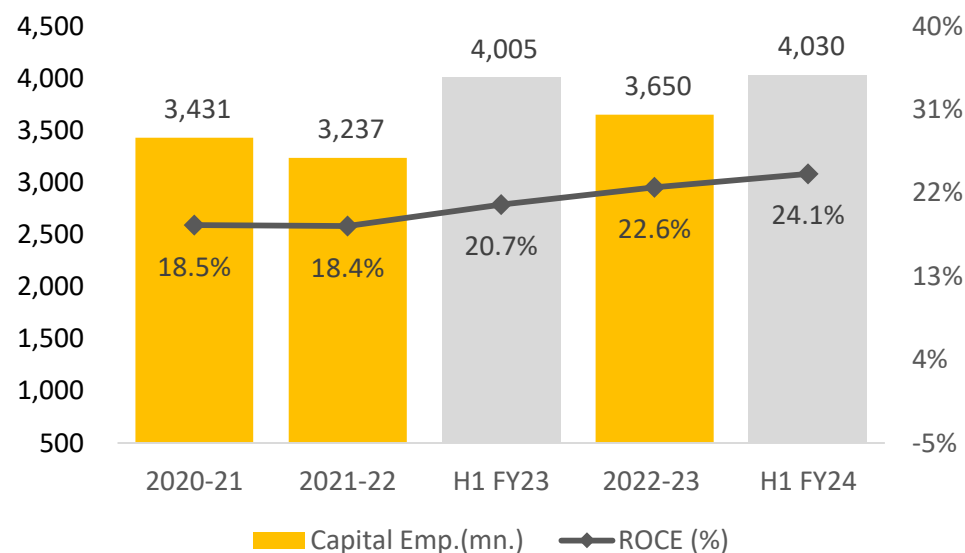
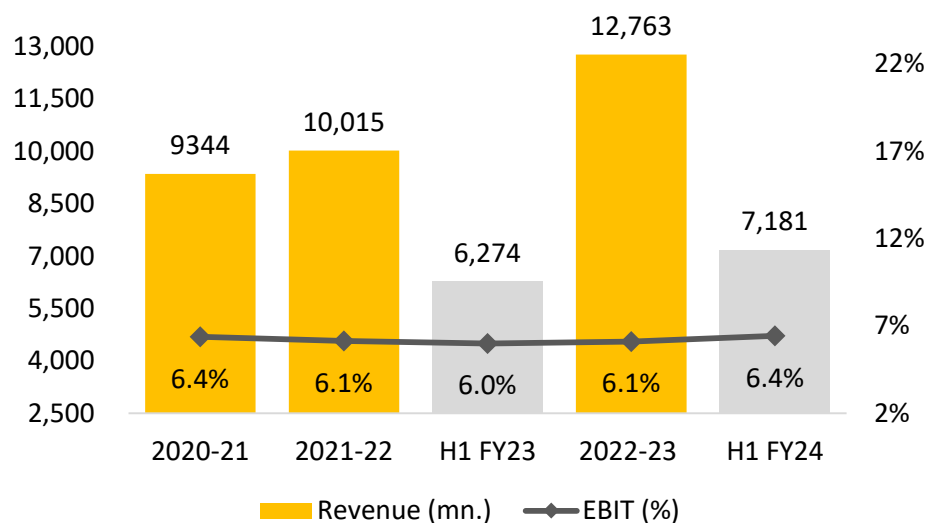
Warehousing Space Managed

# TCI Supply Chain Division: Key Operational Highlights

Figures in Mn

Particulars	Q2 FY24	Q2 FY23	Gr%	H1 FY24	H1 FY23	Gr%
<b>Revenue</b>	3721	3421	8.8%	7181	6274	14%
<b>EBDITA</b>	355	322	10.3%	675	584	15%
<b>% to Revenue</b>	9.5%	9.4%		9.4%	9.3%	
<b>EBIT</b>	246	220	11.8%	462	375	23%
<b>% to Revenue</b>	6.6%	6.4%		6.4%	6.0%	

- Growth momentum continued amidst retention and expansion of business with existing clients and new business acquisitions.
- Good traction of multimodal services, 500+ rake placements Vs 400+ last year during the quarter



# TCI Seaways: Industry nature and trends



## Industry

Jal Marg Vikas Project  
Rs. 5K+ crore

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



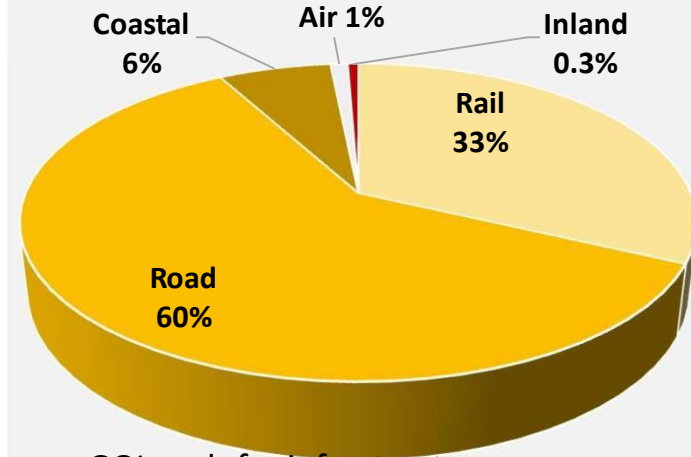
### The Sagar mala Project

- US\$120 billion Investment
- 6+ Mega Ports
- 14+ Coastal Economic Zones
- Industrial Zones near Ports



## Growth Drivers

Waterways :  
6% of transportation modal mix



- GOI push for infrastructure development around ports and share of coastal shipping in overall logistics
- More SEZs , Multimodal Logistics Park and Warehousing zone near ports
- Push for green logistics

# TCI Seaways Division: Core competencies and capabilities



## Our Services



- One of the leading multimodal coastal players having presence along the **Western, Eastern & Southern ports of India**



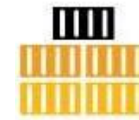
- Expertise in coastal shipping services, container & bulk cargo movements, and transportation services



- First-mile and last-mile connectivity via rail & road



- Multi-modal solutions with reduced carbon footprint (Green logistics)



**8,500+**

Own Multipurpose Marine Containers



**06**

Domestic Coastal Ships



**77,957 DWT**

Total Capacity



**7**

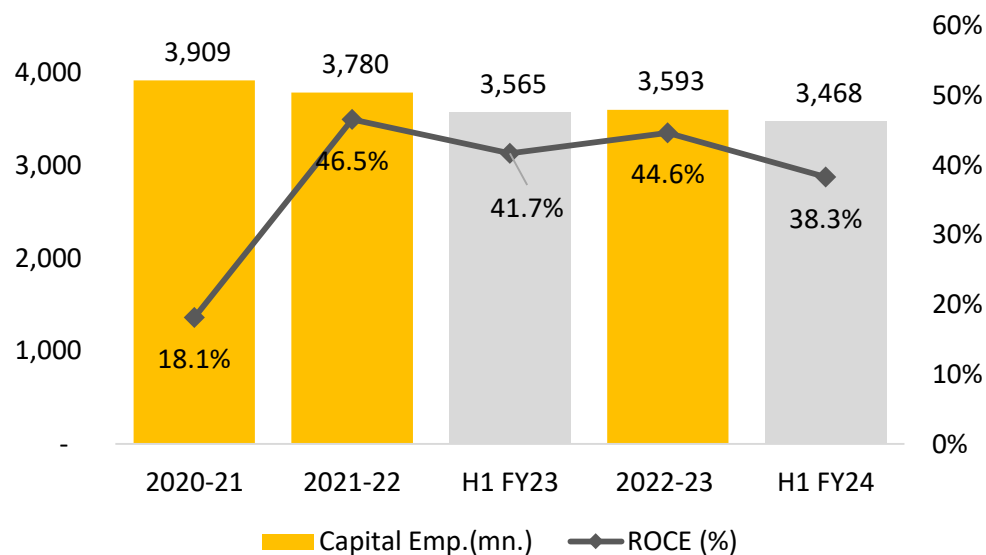
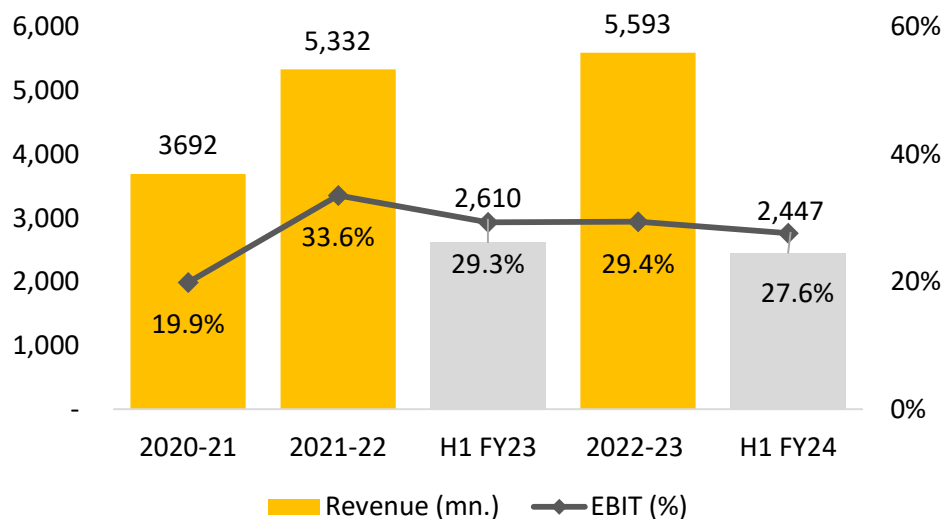
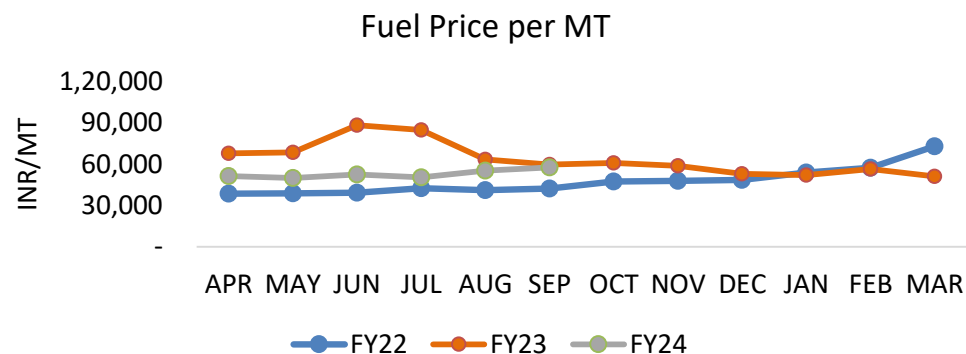
Out of 13 Major Ports Served

# TCI Seaways Division: Key Operational Highlights

Figures in Mn







Particulars	Q2 FY24	Q2 FY23	Gr%	H1 FY24	H1 FY23	Gr%
<b>Revenue</b>	1274	1158	10.1%	2447	2610	-6%
<b>EBDITA</b>	485	481	0.9%	1029	1102	-7%
<b>% to Revenue</b>	38.1%	41.5%		42.1%	42.2%	
<b>EBIT</b>	310	304	1.7%	675	765	-12%
<b>% to Revenue</b>	<b>24.3%</b>	<b>26.3%</b>		<b>27.6%</b>	<b>29.3%</b>	

- Regained growth momentum amidst all ships under operations.
- Freight rates remained weaker because of lower fuel price.
- Signed for 2 ship building for 34 Mn USD , total capacity 14600 DWT. Ready by FY26



# TCI's Joint Ventures

Figures in Mn.

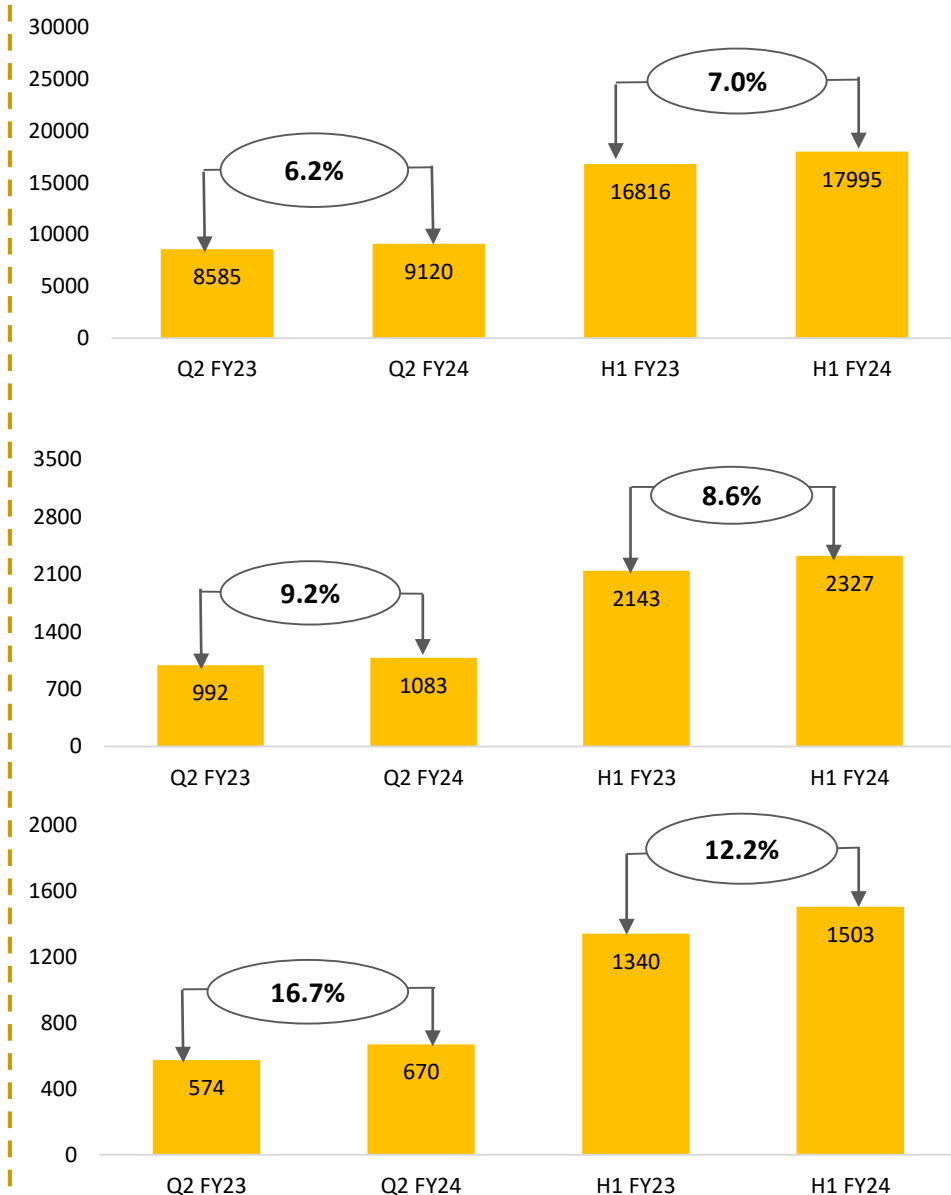
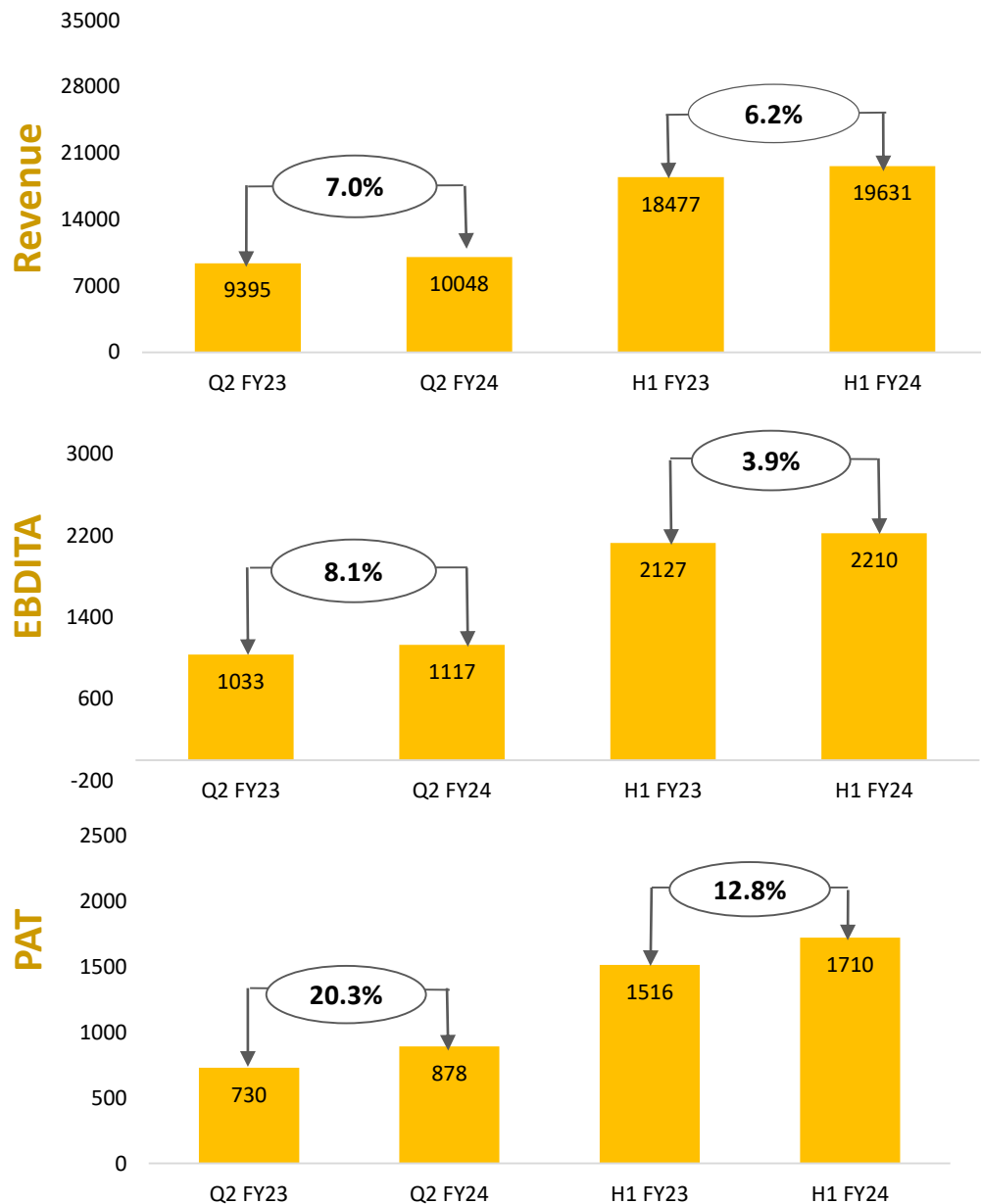
H1 FY24 (FY23)	<b>TCI CONCOR</b> Multimodal Logistics Solutions	<b>TCI COLD CHAIN SOLUTIONS</b>	<b>Transystem</b>
 Revenue	1563 (3047)	341 (601)	4846 (6920)
 Y-o-Y Growth	3.5% (1.2%)	7.9% (2.4%)	49.4% (48.2%)
 PAT	26 (55)	20 (28)	701 (822)
 Capital Employed	399 (314)	724 (360)	3339 (3110)
 Strategic 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

Figures in Mn.

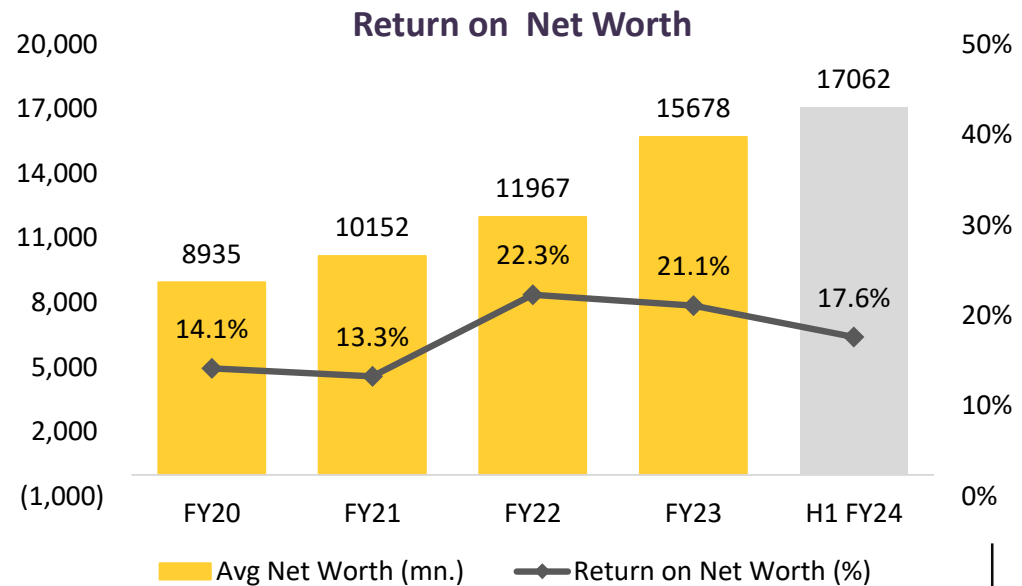
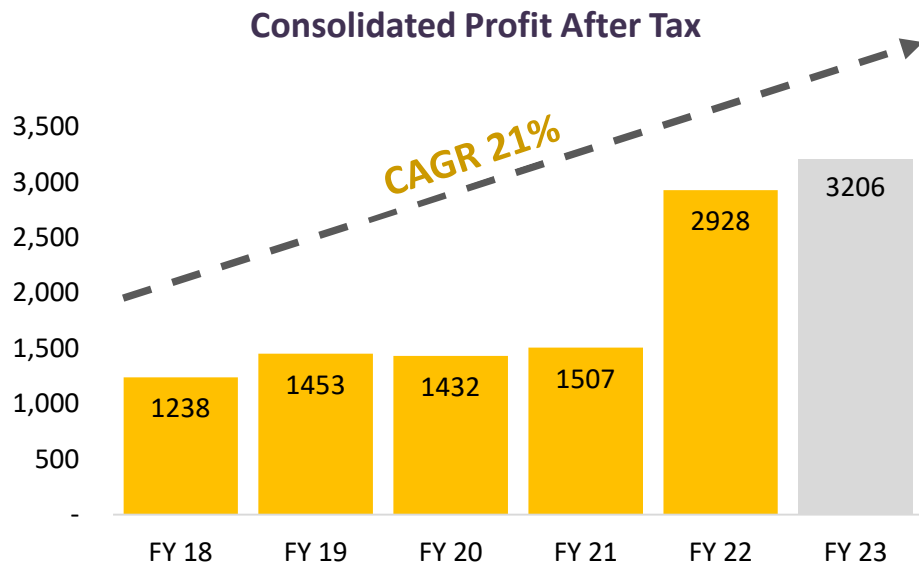
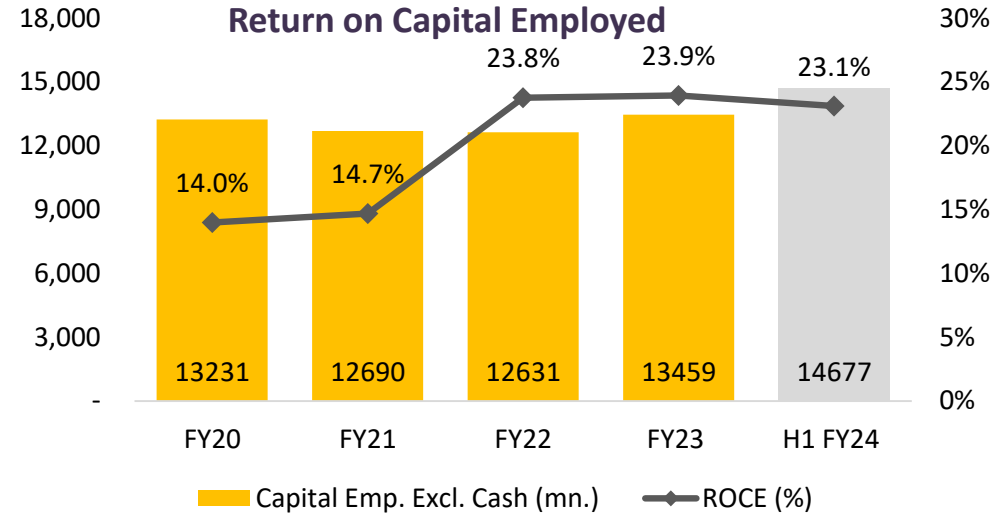
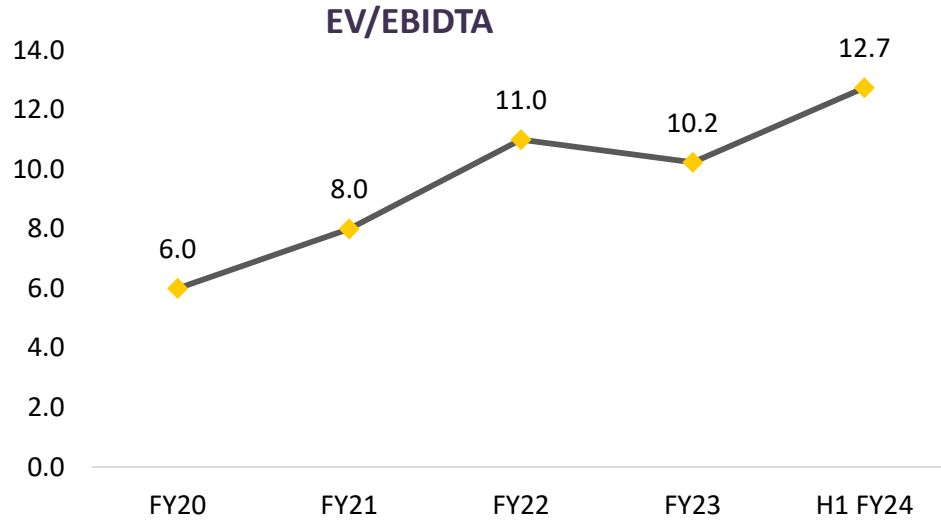
## CONSOLIDATED

## STANDALONE



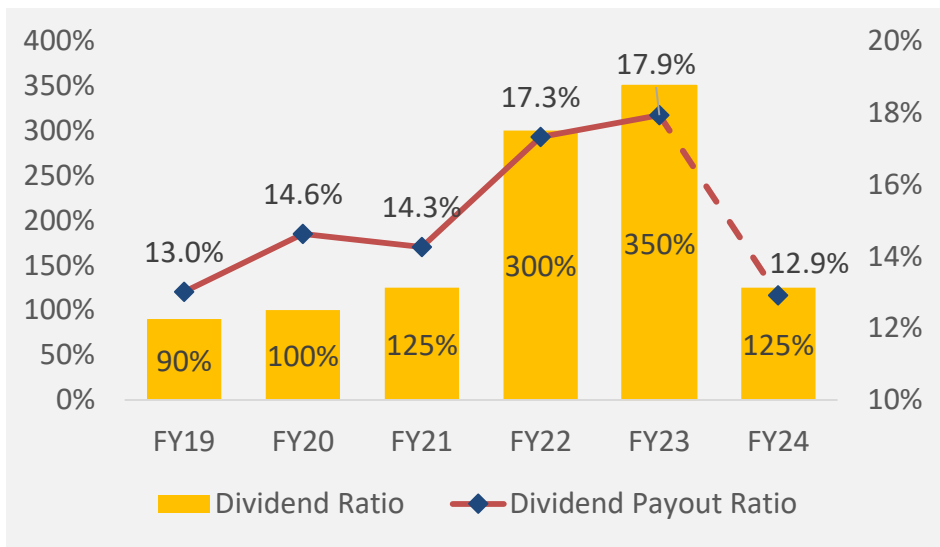
# Consistent performance: Key financial Indicators

Figures in Mn



# Market Summary

Particulars	UOM	30 <sup>th</sup> Sept 23
Market Cap	Rs Mn.	60926
Debt Incl. Leases	Rs Mn.	1176
Cash equivalents	Rs Mn	(2807)
Enterprise Value	Rs Mn.	59296
P/E	Nos	20.3
EV/EBITDA	Nos	12.7
52 Week High	Rs/share	868
52 Week Low	Rs/share	555



- CRISIL Long term Rating : **AA ( Stable)**
- ICRA Short Term Rating CP : **A1+**
- Stock returned CAGR of **33%** in last **20 years**
- Stock coverage : **13** Buy Rating : **13**

--- Board has approved first interim dividend of 125% for FY24

# Corporate Governance:

## Social Responsibility

### **E** Environmental पर्यावरण

- Push towards green logistics via Rail & Coastal – Approx. 30% of consolidated revenues from Multimodal
- 105K eCO2 Tonnes Scope-1&2 Emissions. 111K eCO2 Tonnes Green Points earned from Railways
- Produced 15.9 Mn (LY 16.0 Mn) renewable energy units
- 200+ CNG vehicles
- Started Sustainable Supply Chain Lab in partnership with IIM-B



### **S** Social सामाजिक

- Road safety and health initiatives across 9 states impacted more than 2.6 Mn people
- Promotion of vocational training amongst underprivileged, 10000+ beneficiaries in FY23
- Artificial limb center and preventive healthcare centers. has served 25000+ beneficiaries in FY23
- Urmila Sports Academy trained players for National and International sports events



### **G** Governance शासन

- Strong and diverse Board
- Started BRSR in FY22 voluntarily
- Long term performance-linked robust remuneration system
- Comprehensive Enterprise risk management and Business continuity plan



# Outlook

- Demand momentum to continue but with a moderation
- Headwinds of geopolitical developments and global recession on domestic manufacturing and distressed rural demand and delay in private investments etc.
- Revenue and Profit growth of 10%-15%
- With more visibility to the businesses, Capex targets revised

Figures In Mn.

	Actual (FY07 to FY23)	FY24 Budget	FY24 Rev. Budget	H1 FY24 Actual
Hub Centers & Small warehouses	5530	980	980	690
Ships	3330	1250	630	0
Containers	1379	340	280	110
Trucks & Rakes	5203	760	520	220
Others (W/H Equip, Wind Energy, IT etc.)	1442	420	340	130
<b>Total</b>	<b>16883</b>	<b>3750</b>	<b>2750</b>	<b>1150</b>

# Thank You!

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Everything **Logistics**



Online Presence