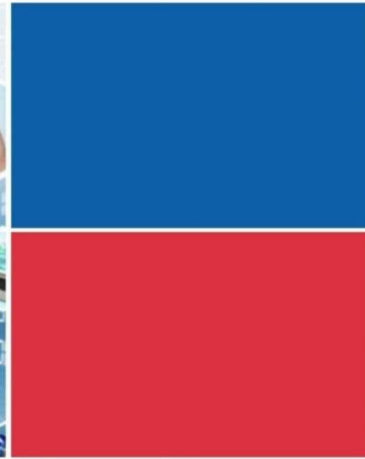


# TCIEXPRESS

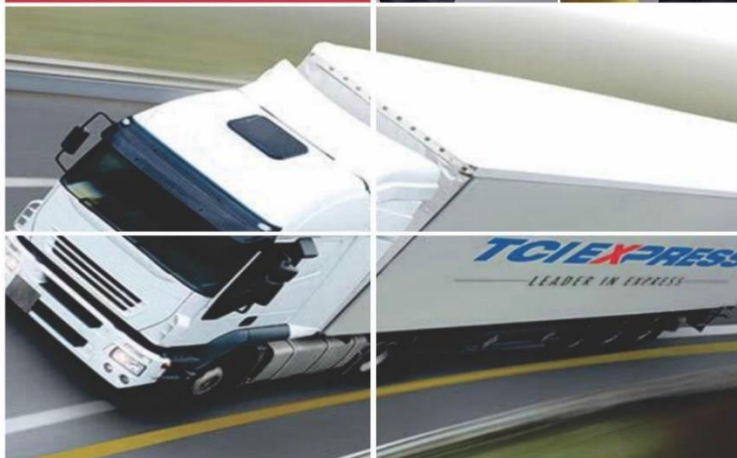
LEADER IN EXPRESS



## TCIEXPRESS

LEADER IN EXPRESS

**Investors Presentation**  
**August 2017**



# Mission Statement

**L**

*LOVED BY CUSTOMERS IN INDIAN  
AND INTERNATIONAL MARKETS*

**E**

*EXPRESS MULTIMODAL  
FASTEST COMPANY*

**A**

*ALWAYS AHEAD OF THE REST  
IN SPEED AND PROFESSIONALISM*

**D**

*DELIGHT OUR CUSTOMERS  
EVERY TIME*

**E**

*EXCELLENCE IN SERVICE USING  
THE LATEST IN TECHNOLOGY*

**R**

*RELIABLE TO ALL OUR CUSTOMERS  
AND RESPECTED BY  
ALL OUR STAKEHOLDERS*



# Vision and Quality Statement

## OUR VISION

TCIEXPRESS should be a customer oriented, multitechnology, multispecialist transport system in the Indian and International markets, with a proven commitment to excellence in every facet of activity and pursuit of value based policies to satisfy aspirations of society, customers, vendors, employees, share holders and the transport industry.

## हमारा ध्येय

टीसीआई एक्सप्रेस देश-विदेश के बाजारों में, ग्राहक-केंद्रित, बहु-प्रौद्योगिकी आधारित और बहु-विशेषज्ञ वाहन प्रणालियों के संचालन वाली कंपनी है जो समाज, ग्राहकों, वैडरों, कर्मचारियों, शेयरधारकों तथा परिवहन उद्योग की आकांक्षाओं को पूरा करने के लिए, अपनी विभिन्न गतिविधियों में उत्कृष्टता सुनिश्चित करने के साथ-साथ मूल्य आधारित नीतियों को अपनाने पर जोर देती है।

## QUALITY POLICY

To provide effective, reliable and on time express delivery services through continuous development of human resources, operational systems, information technology and infrastructure, while adhering to the Best Quality Management System for Customer's Delight.

## गुणवत्ता नीति

ग्राहक की खुशी के लिए अच्छी गुणवत्ता प्रबंधन प्रणाली का पालन करते हुए मानव संसाधन, संचालन प्रणाली, सूचना प्रौद्योगिकी और बुनियादी ढांचे में निरंतर विकास के माध्यम से प्रभावी, विश्वसनीय और समय पर तेज वितरण सेवाओं को प्रदान करना।



# TCI EXPRESS

LEADER IN EXPRESS

An Independent Company listed with stock Exchange of India since 15th Dec 2016, having credit rating of A1+ (ICRA) and A+ (CRISIL) with Robust revenue growth.



B2B-Surface Express, Air Express  
B2C – Last Mile Express  
Multi modal Distribution

ERP enabled operations, Barcoding on packaging, GPS enabled vehicles and CCTV surveillance All India



Over 20 + years of industry expertise



Year of Commencement

1996



Locations Served

40000



Countries Served

202



Containerized Vehicles

4000



Air Gateways

24



Company Branch Setup

550



Workforce

2200 +



Sorting Centres

28

4

# CORPORATE GOVERNANCE

**TCI EXPRESS**

LEADER IN EXPRESS

## LISTED ENTITY



## ISO CERTIFIED



## RATED BY



## IATA CERTIFICATE



## Business Superbrand Of 2016-17

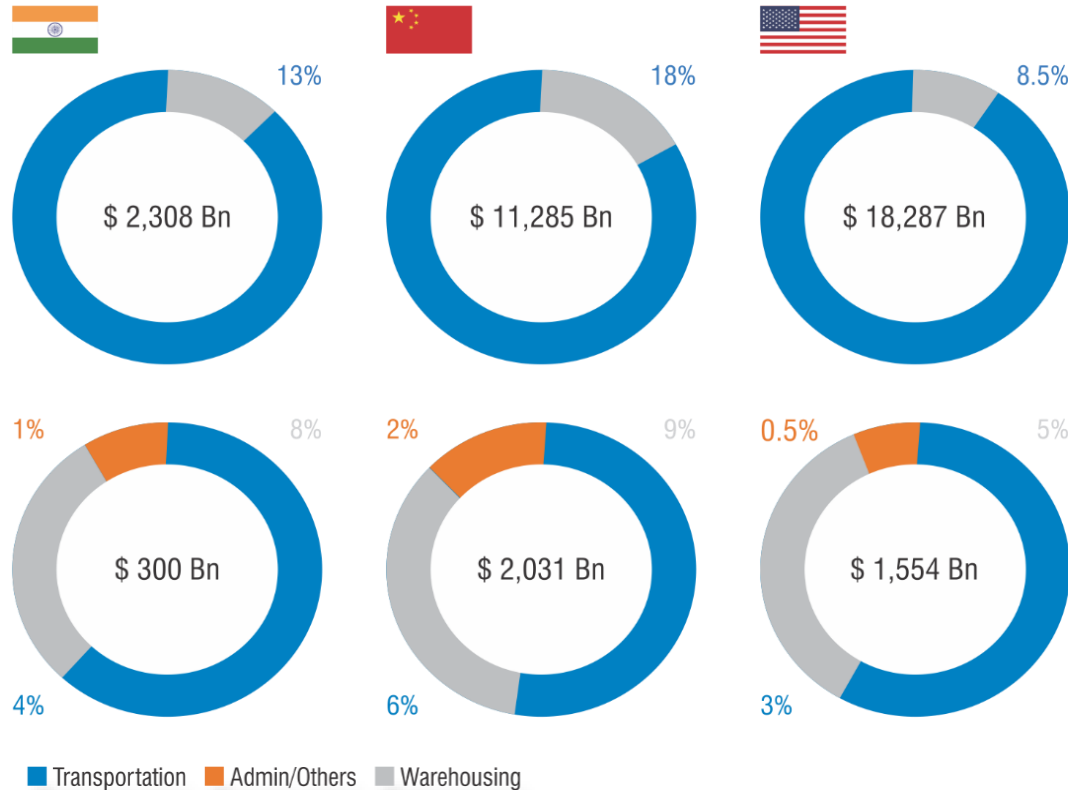


## The Economic Times Iconic Brands Of India - 2017

Strictly Private and confidential

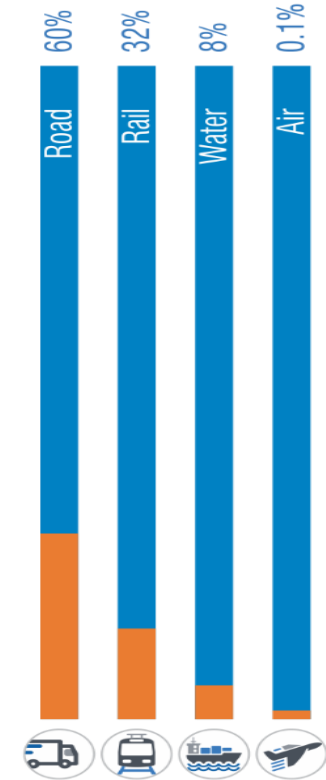
## Express Industry- An Outlook

### Logistics as a Percentage of GDP



### 2015 nominal GDP at current USD

### In Indian Modal Split is heavily skewed towards Road





# Investment in Road Infra In India

## ✓ Road Express

- ✓ Small but Premium and significant segment of the Logistics Industry.
- ✓ Fastest Growing and expecting 17% YOY in next 3 years.
- ✓ Express industry is also expected to receive a fillip from the higher level of consumption demand in the country.
- ✓ The consumption demand in India is expected to grow at 10%
- ✓ **Thus creating additional demand for express industry.**

Maximum investment has been seen in Road Express out of total pie. Niti Aayog, Govt. of India has proposed a lot for the infrastructural development which is favourable for the Road Express Sector



Source: 12th five-year plan (2012–2017), Planning Commission, Govt. of India (now known as NITI Aayog). Exchange rate assumption: USD 1 = INR 62.5

Note: \*Total investment number includes all the sectors apart from the ones highlighted. Other sectors are telecommunications, irrigation, storage, and oil and gas pipelines.

# Govt. Initiatives- Road Express

Number of EFC, SFC, and PIB notes (Sector-wise)  
examined in Transport Division

sector	EFC notes	SFC notes	PIB notes
Roads	27	08	02
Civil Aviation	-	-	-
Railways	-	-	-
Shipping	02	08	01
<b>Total</b>	<b>29</b>	<b>16</b>	<b>03</b>

- ✓ EFC: Expenditure Finance Committee.
- ✓ PIB: Public Investment Board
- ✓ SFC: State Financial Corporation

## ✓ Details of Salient Policy decisions taken by Transport Sector Ministries :

- Construction of 7000 km state roads under Bharat Mala Project
- Special Accelerated project in North East
- Extension of provision available for BOT projects
- Arunachal Pradesh package for Roads and highways
- Approval of the Traffic for Capacity Augmentation of National Highways from two lanes to four lanes.

Source:





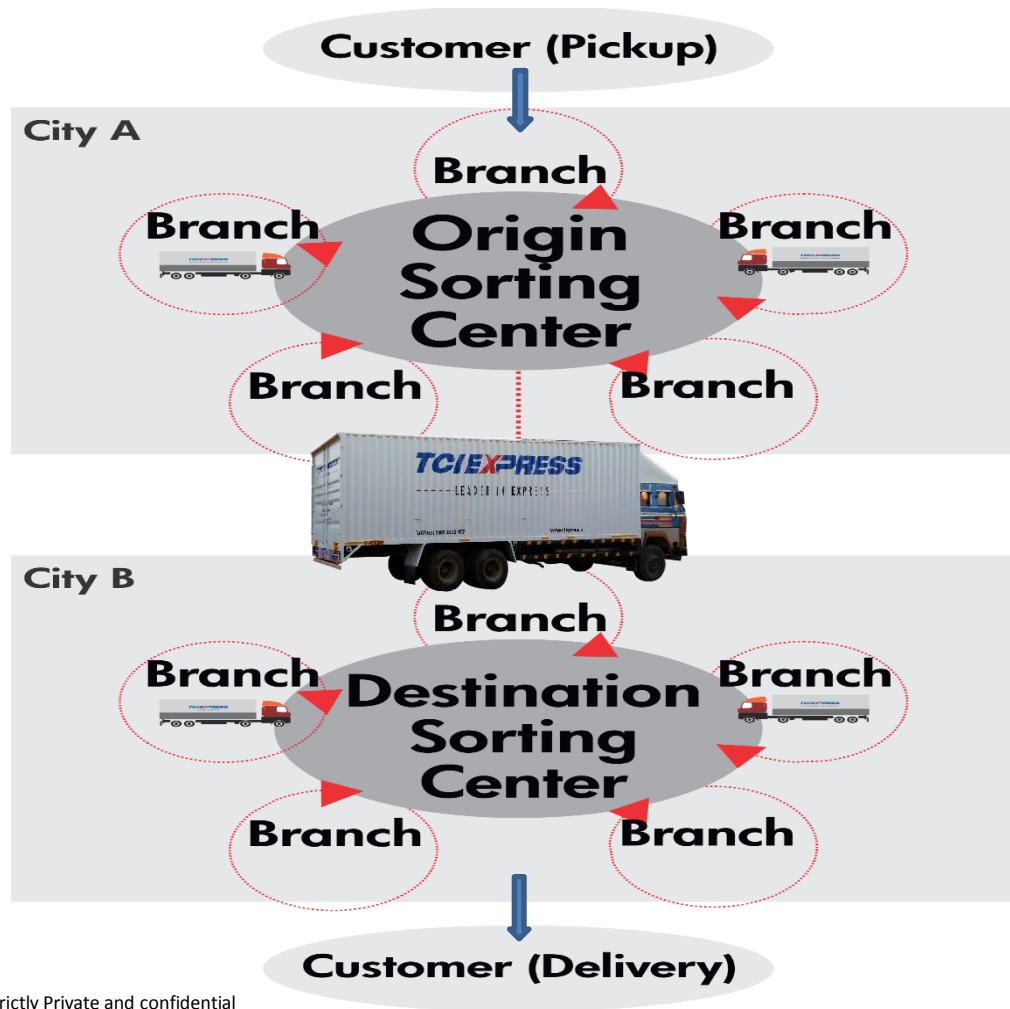
# Premium Vs Conventional Distribution

**TCI EXPRESS**

LEADER IN EXPRESS

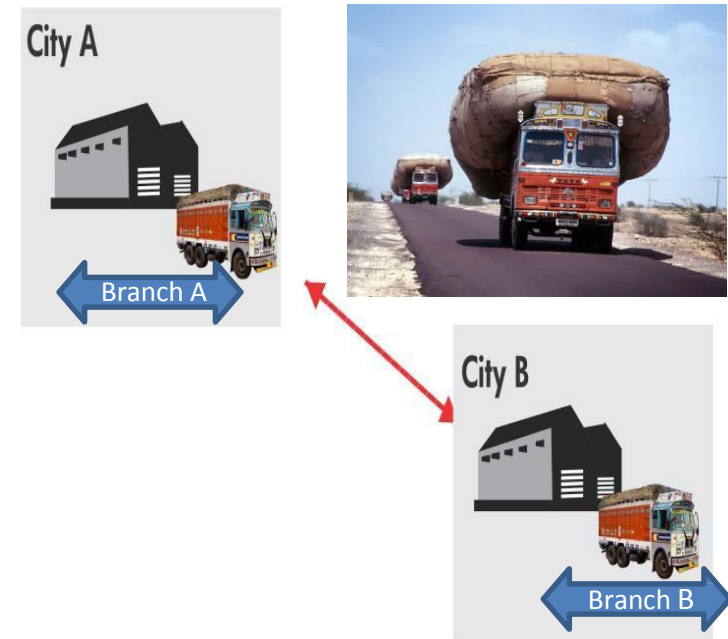
## Express (Premium)

**Hub & Spoke (LTL)**  
(about 30 - 50kg to about one-two tons)



## Traditional

**Full-truckload (FTL)**



- Spot Buying, Unorganized
- Non Containerized vehicles
- Non time Definite
- No Door-to- Door Setup
- No Value Added Services

# Service Offerings

**TCIEXPRESS**

— LEADER IN EXPRESS —

B2B

95%

5%

B2C



## SURFACE EXPRESS

- 40,000 Pickup & Delivery Locations.
- Fully containerized fleet.
- Customized Value added services.



## INTERNATIONAL AIR EXPRESS

- Servicing 202 countries globally.
- 3rd Country Billing option.



## E-COMMERCE EXPRESS

- Last mile delivery service.
- Technology driven product.
- Effective market place handling.
- Multi-modal network leverage.
- Value added feature of Cash-on-Delivery.
- Focus on tier II and III cities.



## DOMESTIC AIR EXPRESS

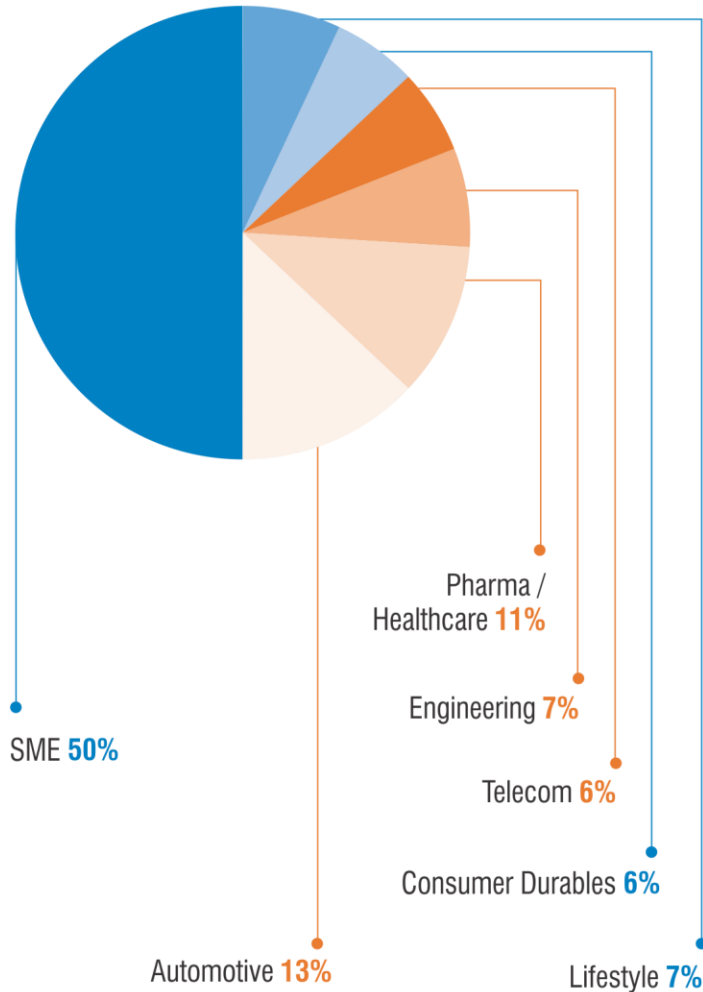
- Connecting 34 domestic airports.
- 24hr delivery into Tier 1 Cities.
- Multimodal options for small towns.
- Time sensitive distribution.



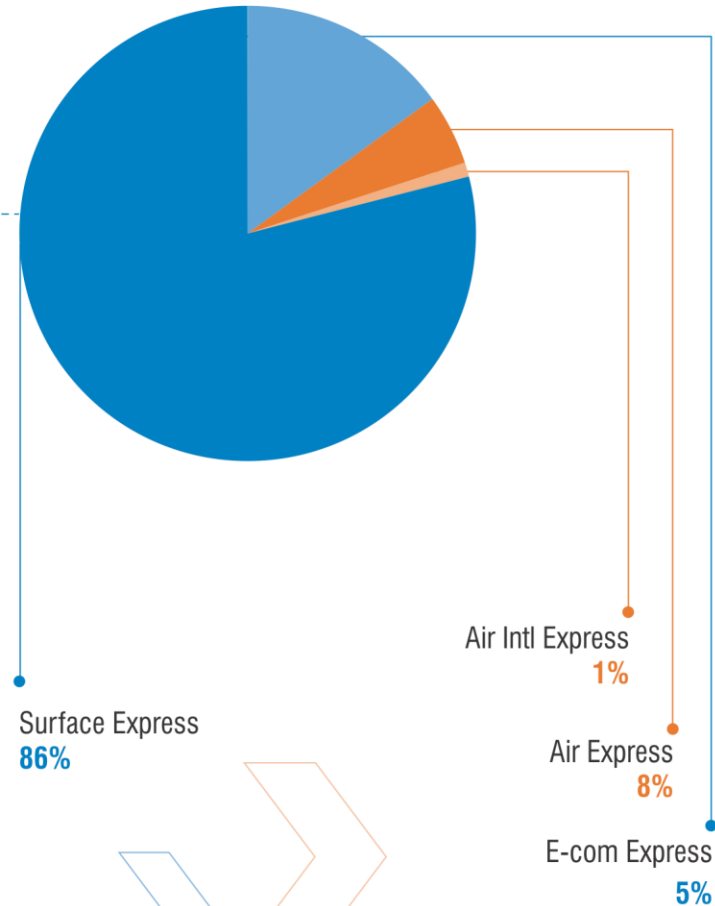
## REVERSE EXPRESS

- Customized Reverse pick ups.
- Effective Return Management.

### INDUSTRY VERTICAL



### PRODUCT MIX



Since our 86% revenue share comes from Surface express and Government push to improve road infra would support our business objectives.



# Value Added Services

**TCIEXPRESS**

— LEADER IN EXPRESS —

## COD

- Collection on Delivery for B2C

## Key Account Management (KAM)

- Customized Solutions as per the customer specification

## Sunday Delivery

- Sunday/Holiday delivery services

## EPOD

- (Scanned POD image available on the web on same day of delivery of the shipment)

## ODA

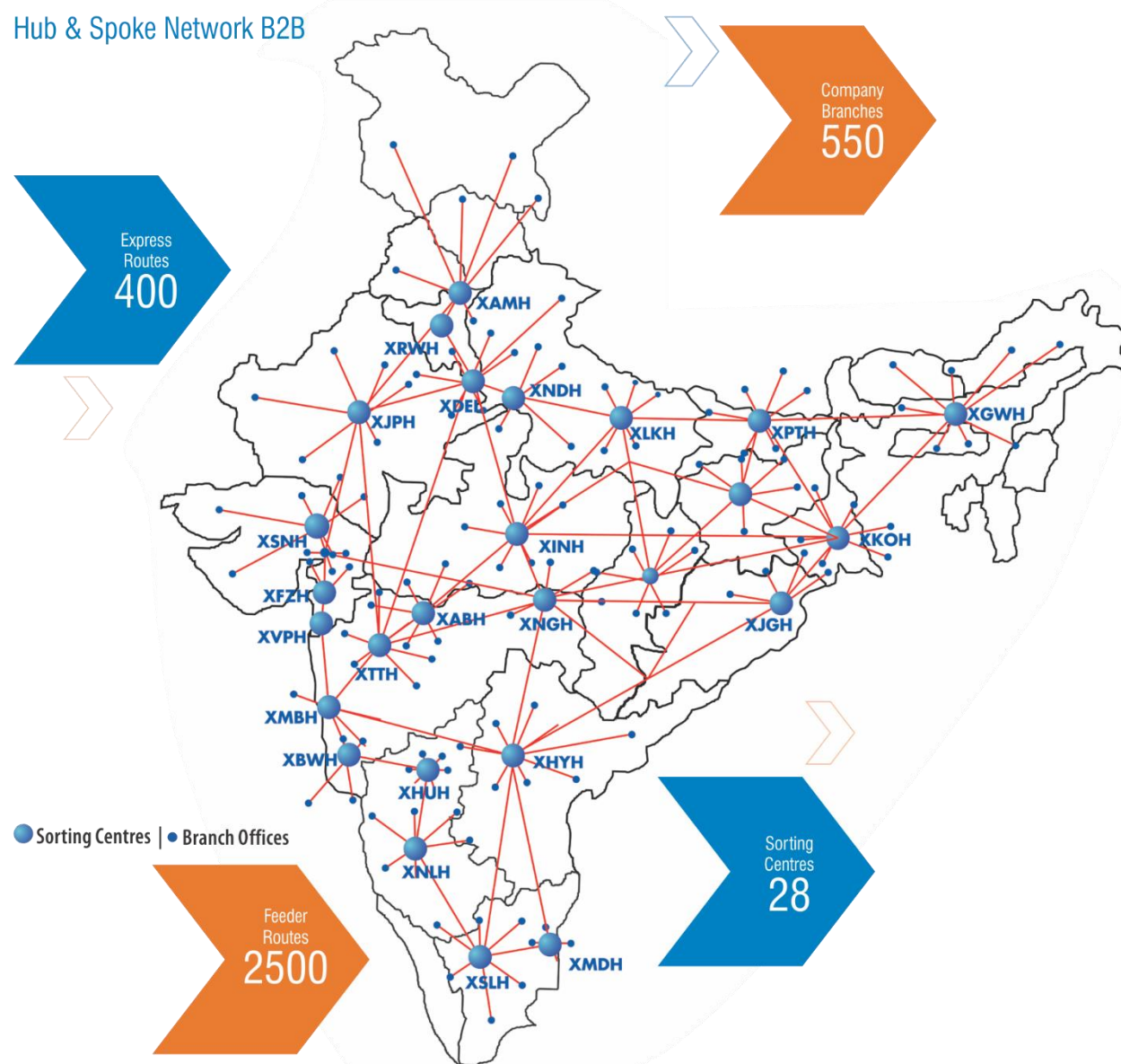
- ODA Services (Out of Delivery)

# Express Network

**TCI EXPRESS**

LEADER IN EXPRESS

Hub & Spoke Network B2B



# New Age Sorting Centers

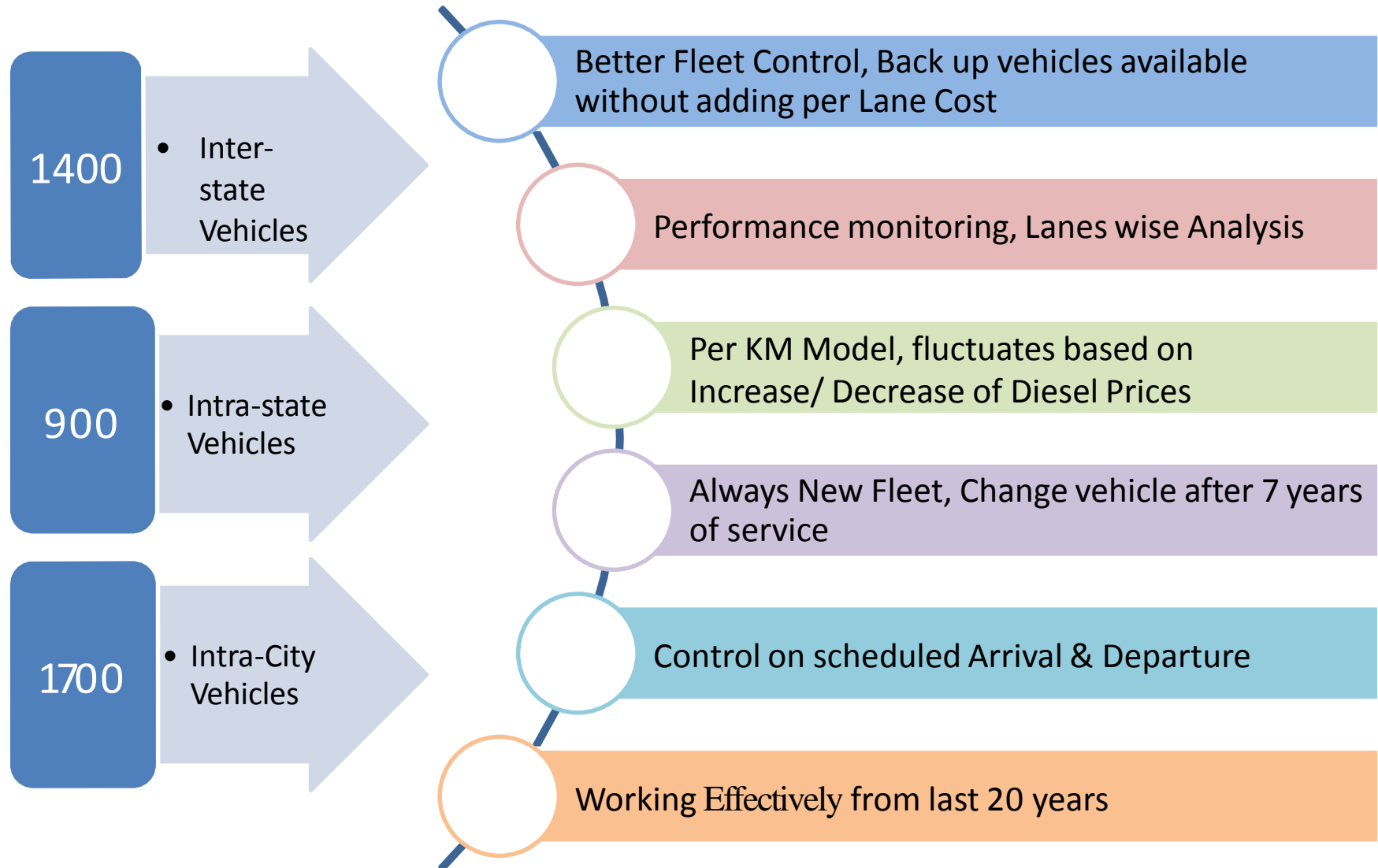
**TCI EXPRESS**

LEADER IN EXPRESS



Strictly Private and confidential

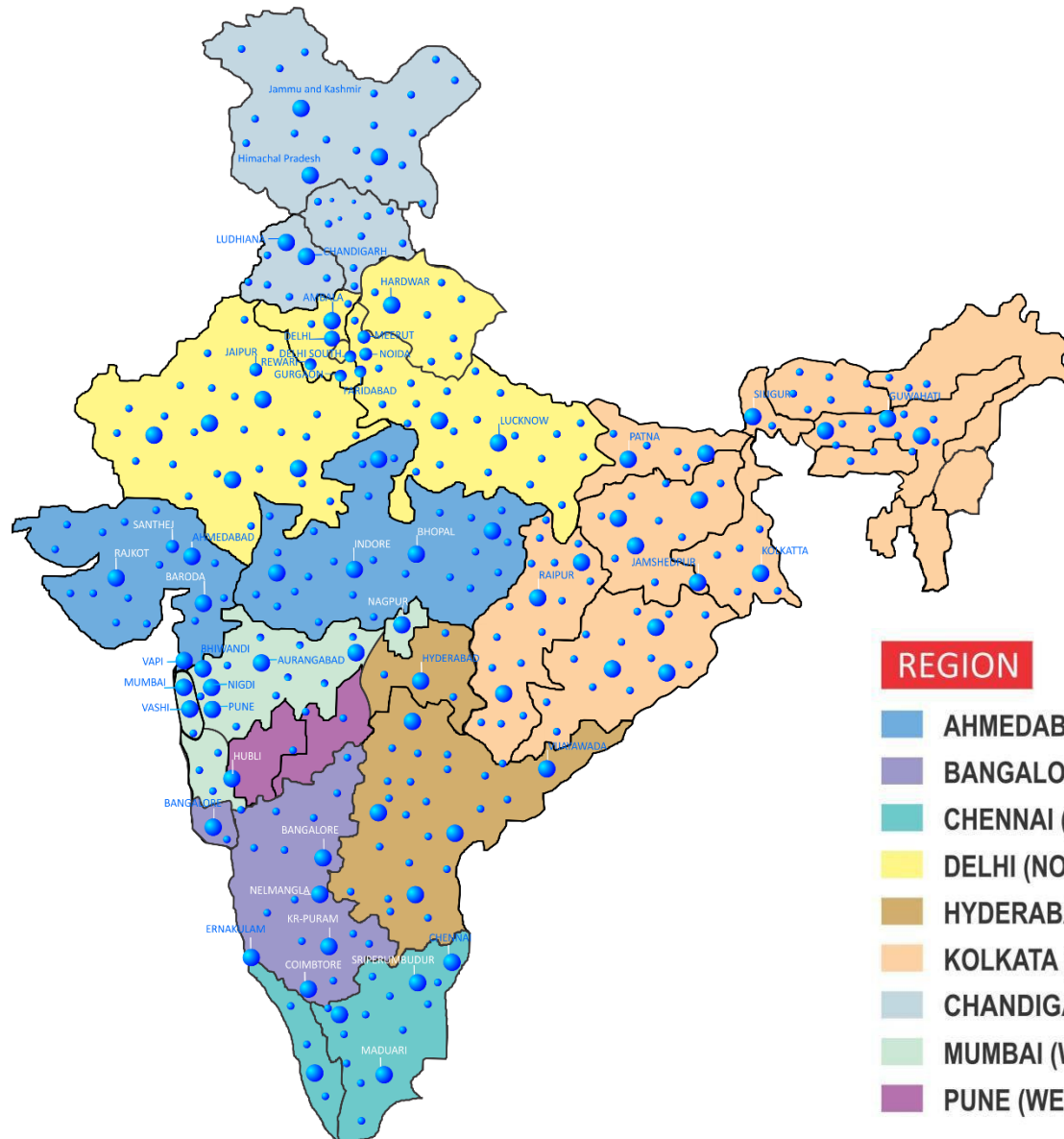




# Organization Setup

**TCI EXPRESS**

LEADER IN EXPRESS



- Zonal Offices
- Branch offices

Strictly Private and confidential

# Key Technological Implementation

# TCI EXPRESS

LEADER IN EXPRESS

## Barcoding & RFID

- ✓ Accurate dispatch & billing



- Barcoded Labels printing for Accuracy.
- Barcode Scanning of packets on movement of packet for exact position.

## Hand Held Terminals (HHT)

- ✓ Scanning for speed and accuracy



- Onsite Booking, Delivery, In/Out Scan Update.

Dynamic routing & Misroute Alert System

## GPS: Ground Technical Support

- ✓ Real-time Vehicle & shipment visibility



- GPS in all vehicles for real time packet status.
- Provides 24X7 visibility



- CCTV surveillance in All Warehouses and Main Pickup and Delivery Locations.
- Operation Control Centre Monitoring for Real Time Corrective Action.



## Mobile Apps



- Mobile App for Pickup and Delivery Update at Customer point
- Instant POD Uploading.
- Customer Pickup Request
- Services and Business Locations Enquiry.
- Freight Calculator

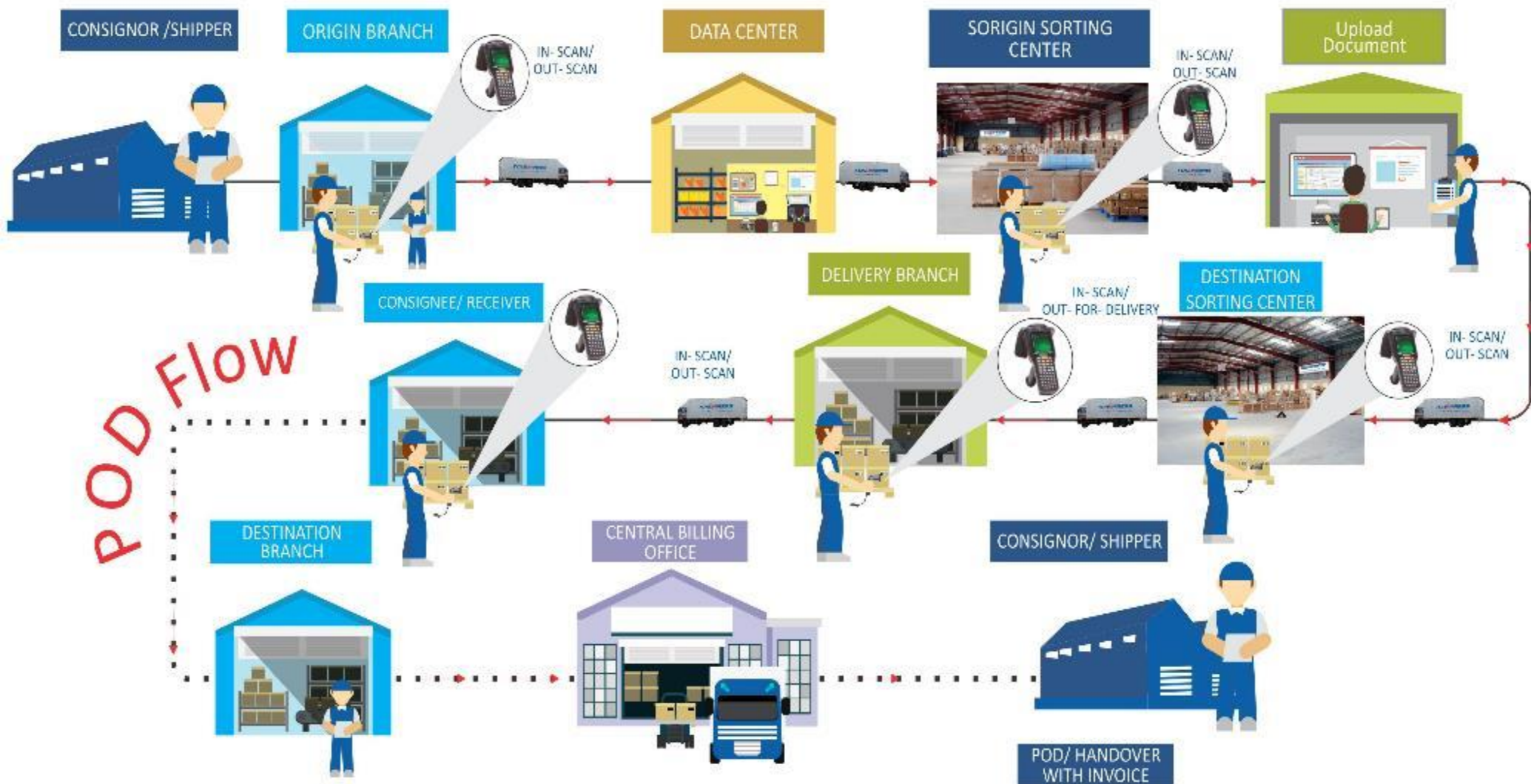
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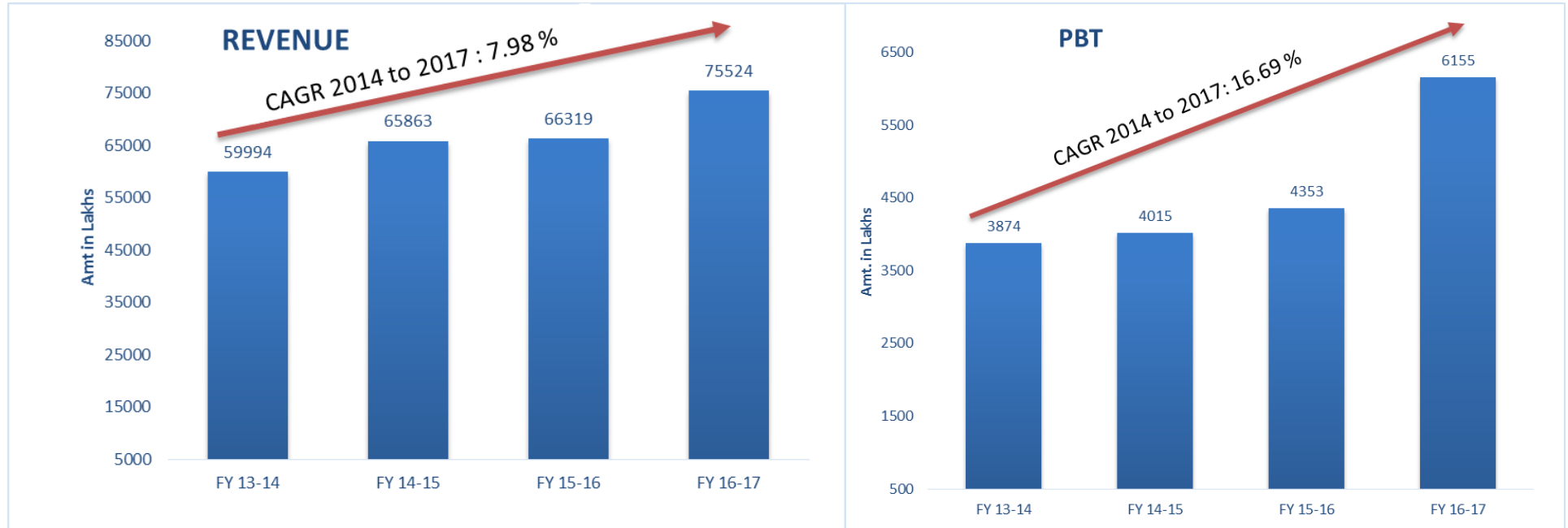
# Shipment Process Flow- Using Technology

**TCIEXPRESS**

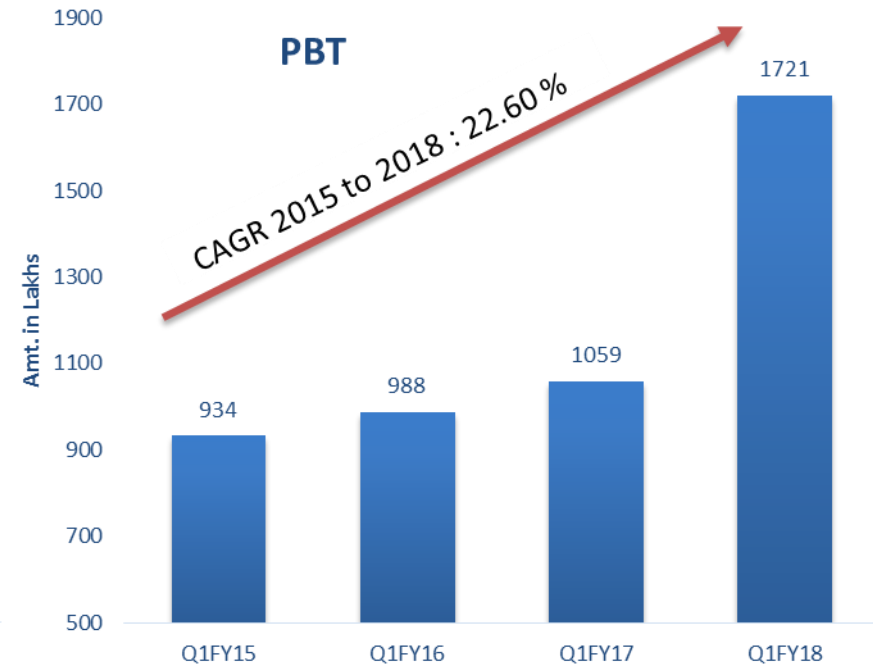
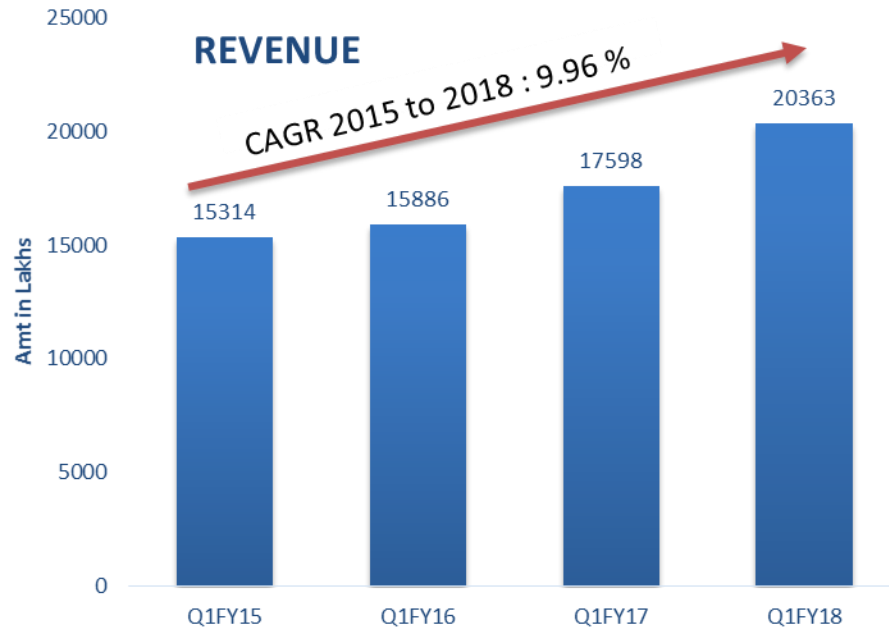
LEADER IN EXPRESS



# Key Metrics of last 4 Years



# Key Metrics of Q1 for last 4 years





# Key Balance Sheet Items

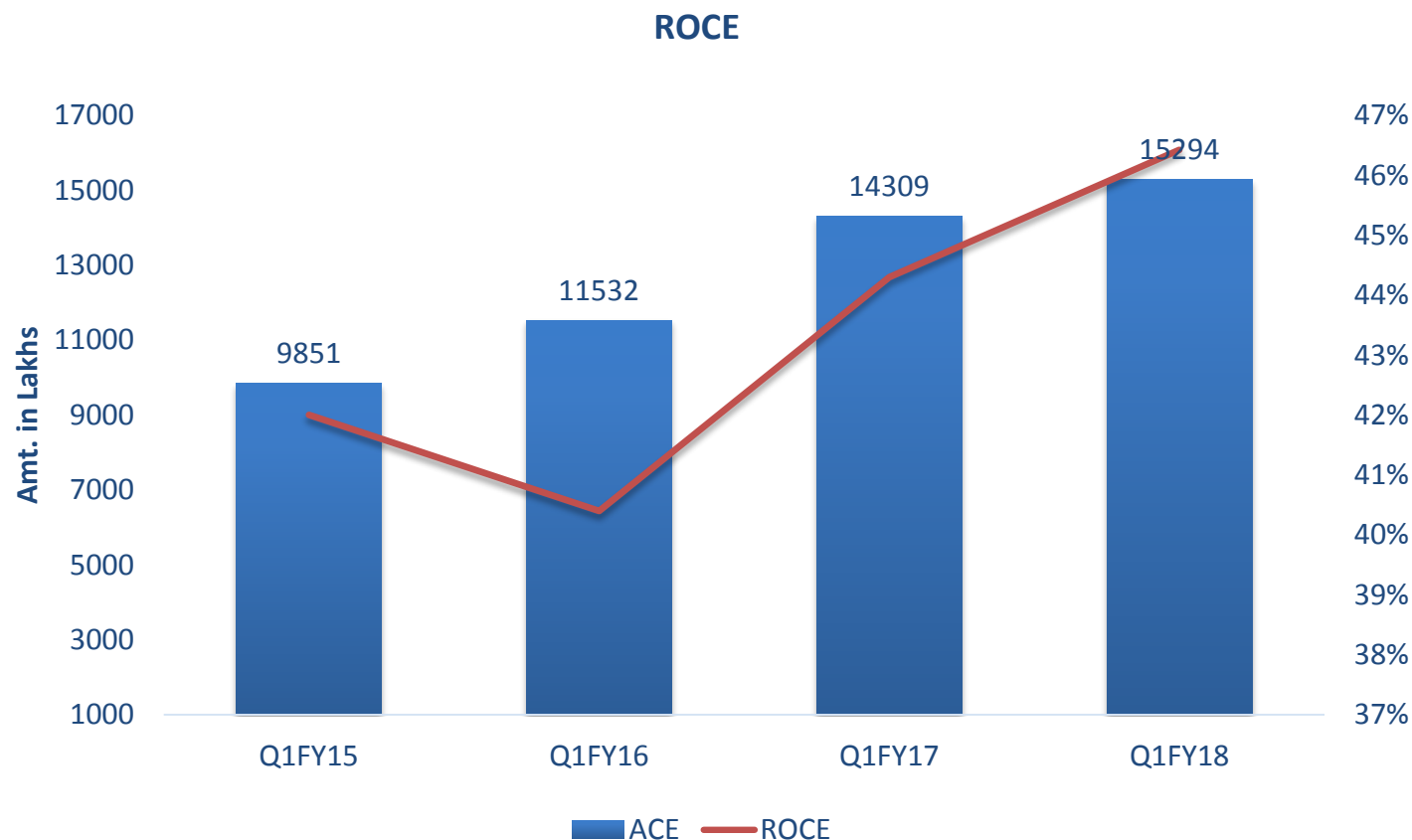
Figs In Lakhs

Particulars	2014-15	2015-16	2016-17	Q12017-18
<b>Net Worth</b>	11543	12298	16000	17301
<b>Non-Current Liabilities</b>	30	294	346	385
<b>Current Liabilities</b>	2857	7258	8894	10036
<b>Total</b>	14430	19850	25240	27722
<b>Fixed Assets</b>	1460	7282	10628	11009
<b>Non-Current Assets</b>	335	284	412	656
<b>Current Assets</b>	12635	12284	14200	16057
<b>Total</b>	14430	19850	25240	27722

# Return on Capital Employed

**TCI EXPRESS**

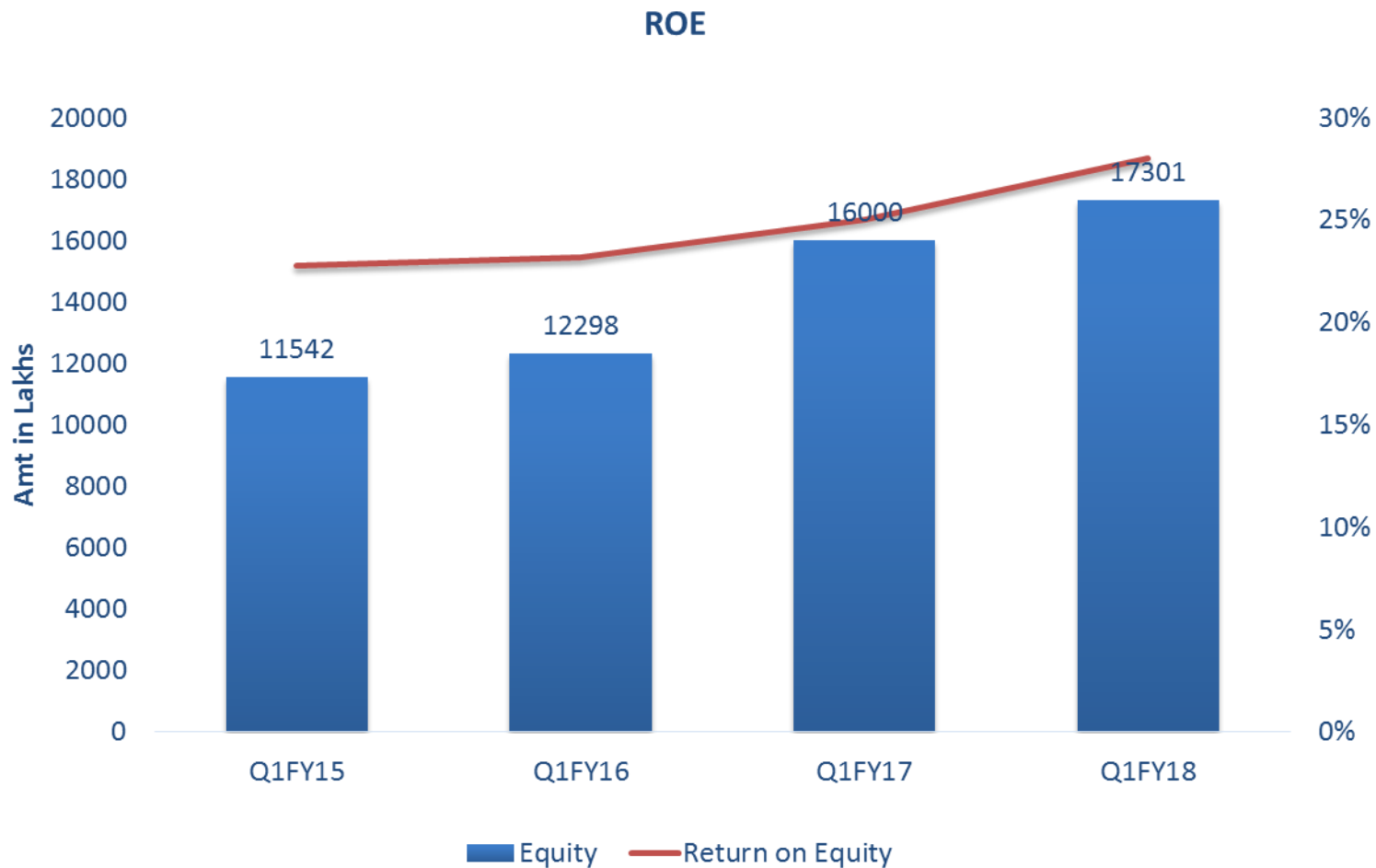
LEADER IN EXPRESS



# Return on Equity

**TCI EXPRESS**

LEADER IN EXPRESS



# Financial Position: Q1FY 18

**TCI EXPRESS**

LEADER IN EXPRESS

Figs In Lacs

Particulars	Q1 ( FY17-18)	Q1 ( FY16-17)	FY 16-17	FY 15-16
Revenue	20317	17564	75387	66319
Other Income	46	34	137	15
Total Income	20363	17598	75524	66334
Revenue growth %	15.71	11.49	13.85	0.65
Operating expenses	15547	13857	57632	50763
Other expenses	2924	2526	11129	10114
Total Expenses	18471	16383	68761	60877
EBITDA	1892	1215	6763	5457
EBITDA Margin %	9.29	6.90	8.95	8.23
EBITDA growth %	55.72	17.81	23.93	7.70
Interest Expense	54	57	187	525
Depreciation	117	99	431	579
PBT	1721	1059	6145	4353
PBT Margin %	8.45	6.02	8.14	6.56
Taxes	509	364	2073	1526
PAT	1212	695	4071	2827
PAT Margin %	5.95	3.95	5.39	4.26
PAT growth %	74.39	7.14	44.00	7.70

Particulars	As on 30 <sup>th</sup> June 2017	As on 30 <sup>th</sup> June 2016	As on 31st Mar 17	As on 31st Mar 16
<b>1. Shareholders Funds</b>				
Share Capital	766	761	766	761
Reserves & Surplus	16535	12414	15235	11537
<b>2. Non Current Liabilities</b>				
Long term Borrowings	69	43	52	58
Deferred tax Liabilities (net)	317	235	294	235
<b>3. Current Liabilities</b>				
Short term borrowings	2036	1532	3053	3975
Trade payables	4539	4112	3780	2316
Other current liabilities	1899	1459	881	769
Short term provisions	1562	547	1179	199
<b>TOTAL</b>	<b>27723</b>	<b>21103</b>	<b>25240</b>	<b>19850</b>
<b>1. Non current Assets</b>				
Fixed Assets	11009	7337	10628	7282
Non current Investments	0	0	0	0
Long term loans and advances	656	381	412	284
<b>2. Current Assets</b>				
Inventories			0	0
Trade Receivables	12362	11694	11492	10539
Cash & cash equivalents	1587	825	878	1091
Short term loans and advances	2109	866	1830	654
Other current assets	0	0	0	0
<b>TOTAL</b>	<b>27722</b>	<b>21103</b>	<b>25240</b>	<b>19850</b>

Strictly Private and confidential



# Capital Expenditure Plan

	Assets as on 31 <sup>st</sup> March, 2017	Addition During Q1FY 2017-18	Total Fixed Assets as on 30 <sup>th</sup> June, 2017	Proposed CAPEX For FY2017-18
Sorting Centers- Land & Construction	9187	744	9931	5000
Cars	299	48	347	100
Plant & Machinery	708	26	734	200
IT (Hardware & Software) Equip.	502	107	609	200
Office Equip.	299	9	308	300
Furniture & Fixtures	373	9	382	200
Total	11368	943	12311	6000

# Live on GST



**Operations** : Already registered in 30 States/UTs. Geographically realigned our Branches and Controlling to support state wise operations.

**Information Technology** : In house ERP has been modified to facilitate the state wise Revenues/Expenses recognition, reports and other requirements to upload returns under GST regime.



**Accounts** : State wise set of books of accounts have been started and monitored centralized by corporate office. Line itemwise reconciliation with customers/suppliers, tax deposition and return filing would be controlled from corporate office.

**Marketing** : Discussion held with maximum no. of customers for their operation and billing requirements after GST regime. E-bill facility has been initiated for customers. We have prepared first set of bills under GST regime on 31<sup>st</sup> July.



## Impact on Macro economic changes In India

### GST

- Rationalizing the impact of taxes on Production, Distribution and Inventory management.
- Would lead to faster movement of goods, increase consumption.
- Consolidation of warehouses and emergence of point to point model
- Increase in manufacturing hubs.
- Positive impact for TCIEXPRESS

### DFC/Diamond quadrilateral

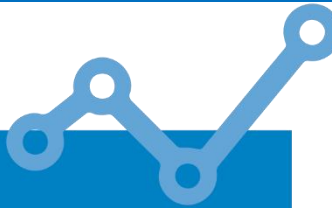
- Creation of additional dedicated rail freight capacity.
- Will reduce unit cost of transportation since movement would be from road to rail.
- Increased bulk multi modal movement for improved productivity & efficiency.
- Will result in development of logistic Warehouses in the vicinity of Freight Corridor.
- No impact on TCIEXPRESS.

### Increased outsourcing of Logistics

- Growth in trend towards outsourcing of logistics in non traditional industries.
- Bringing in more focus from Industry perspective.
- Positive for TCIEXPRESS.

### E-commerce driven growth in consumption

- With increased per capita disposable income, consumption driven sectors will grow.
- Sectors like Fashion, Lifestyle, Telecom and consumable durables etc. will get a boost .
- Positive for TCIEXPRESS.




### 1 Diesel Price Fluctuation

- Diesel price fluctuation is the most uncertain cost of operation and has been sporadic in last 4 years.
- To mitigate the impact, TCIEXPRESS has added DFS (Diesel fuel surcharge) in its contracts, both with vendors and customers.



### 2 Delay in Inter State Check Posts

- The inter-state movement of goods in India is subject to multiple taxes and clearances.
- Implementation of GST is expected to streamline the processes and reduce a lot of these delays.



### 3 Lack of infrastructure

- Infrastructure has remained a concern for Express Industry, be it cargo terminals at airports or road conditions.
- Government of India has taken multiple initiatives so as to reduce the gaps.



### 4 Unorganized local players

- Unorganized local players have always been a threat to the industry.
- Post GST, TCI EXPRESS might see some consolidation to happen.



# Our Esteemed Clientele – Vertical wise

**TCI EXPRESS**

LEADER IN EXPRESS

50

50

Automobile

Pharma

Electrical /  
Energy

Retails

Telecom &  
Engineering

E com

E com



S  
M  
E  
S

# BOARD OF DIRECTORS

**TCIEXPRESS**

— LEADER IN EXPRESS —



**D.P. Agarwal**  
Chairman & Director



**Chander Agarwal**  
Managing Director



**Vineet Agarwal**  
Director



**Phool Chand Sharma**  
Whole Time Director & CEO



**Murali Krishna Chevuturi**  
Director



**Prashant Jain**  
Director



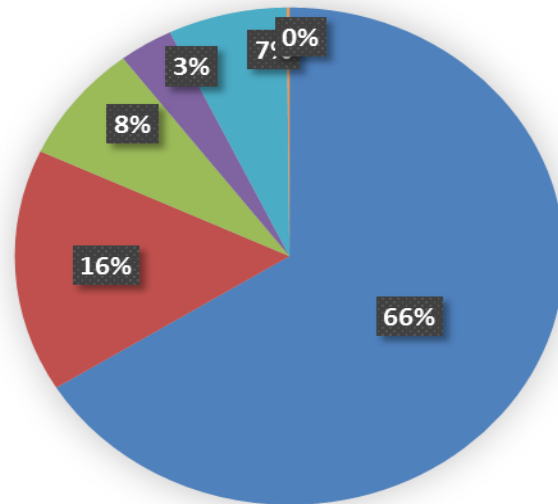
**Ashok Kumar Ladha**  
Director



**Taruna Singhi**  
Director



### Shareholding Pattern as on 30th June 2017



- Promoters
- Indian Public
- Foreign Holdings
- Body Corporate
- Mutual Fund
- Others

Total dividend in F Y 2016-17 – 80% ( 40% interim and 40% Final ).  
Dividend payout ratio (including taxes ) 18.10% - ( Rs 7.37 cr/ Rs 40.71 cr )

## SBU's and 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.



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

## Other Group Companies



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



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



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

TCI Transportation Company Nigeria Ltd.

A JV between Indorama Eleme Petrochemicals Ltd. and TCI Global





# The Beginning