

TCI board approves preferential placement of equity

24 lakh shares to be allotted to IDFC Premier Equity Fund at a price of Rs. 249 per share

New Delhi, 5st January, 2015: Transport Corporation of India Ltd., India's leading integrated supply chain and logistics solutions provider has decided to raise approximately Rs. 60 crore by allotting upto 24 lakh shares to IDFC Premier Equity Fund. TCI board of Directors approved allotment of these shares (which will be around 3.17 % of post issue capital) at an issue price of Rs. 249 per share.

The company will utilize the fund to partly finance its capital expenditure and future expansion plans which it intends to undertake to meet the growing market demand. The company has earmarked Rs. 500 crore towards the capital expenditure for the next 3 years to purchase new trucks, ships, develop hub centers and fulfillment warehouses and other misc. expenditure.

Commenting on the development, Mr. Vineet Agarwal, MD, TCI said, ***"We anticipate economic recovery in the coming years and believe that Indian logistics industry is at the turning point of its development. As part of this belief, we intend to deploy significant capital over the next few years to support the company's growth plans."***

He further added, ***"We are confident that with the support of IDFC Premier Equity Fund we will be able to delight our customers and further strengthen TCI brand promise."***

TCI is expecting increased demand for logistics services to come from e-commerce and other consumption driven sectors with growing per capita income. The trend of increased outsourcing of logistics services by non-traditional industries is also one of the prominent growth drivers for the company which is now witnessing demand for services like order processing, kitting and packaging.

The company is hopeful that implementation of GST will lead to rationalization of taxes on production, distribution and inventory management leading to the creation of a common market, increased demand for warehouses / hub centres and multi-modal movements between hubs.

Upcoming dedicated freight corridors and diamond quadrilateral project will reduce unit cost of transportation by speeding up movement by rail and road besides promoting bulk multi-modal movement.

IDFC Premier Equity Fund is a diversified equity fund that invests in companies across market caps. The fund follows a buy and holds strategy and usually, invests in companies that are at an early stage in their economic cycle.

About Group TCI: Group TCI, with revenues of over Rs. 2500 crore, is India's leading integrated supply chain and logistics solutions provider. TCI group with expertise developed over 5 decades has an extensive network of company owned offices, 10.00mn. Sqft of Warehousing Space and a strong team of trained employees. With its customer-centric approach, world class resources, State-of-Art technology and professional management, the group follows strong corporate governance and is committed to value creation for its stakeholders and social responsibilities. TCI was the first to launch several solutions in the logistics field. Its product offering includes:

TCI Freight: India's leading surface transport entity. This division is fully equipped to provide total transport solutions for cargo of any dimension or product segment. It transports cargo on FTL (Full truck load) / LTL (Less than truck load) / Small packages and consignments/ Over Dimensional cargo.

TCI XPS: A leading express distribution specialist, it offers a single window door-to-door & time definite solution for customers' express requirements. It services 13000 locations in India and 200 countries abroad.

TCI Supply Chain Solutions: TCI SCS is a single window enabler of integrated supply chain solutions right from conceptualization and designing the logistics network to actual implementation. The core service offerings are Supply Chain Consultancy, Inbound Logistics, Warehousing/ Distribution Centre Management & Outbound Logistics.

TCI Global: The global business division of TCI provides end-to-end logistics solutions across boundaries for all industry verticals. TCI Global offers freight forwarding & customs clearance activities from its international offices.

TCI Seaways: TCI Seaways has well equipped ships in its fleet and caters to the coastal cargo requirements for transporting container and bulk cargo.

TCI Developers Ltd: The real estate arm of Group TCI has been created to look into the development of commercial properties of TCI. These properties will be developed into office complexes, residential buildings, etc. depending on the best use of the property. It is also undertaking development of large modern Warehouses, Logistics Parks etc.

TCI Foundation: As the group's social arm, TCIF fulfils corporate social responsibility and runs charitable hospitals and schools for the under-privileged in the rural areas. It has also collaborated with the Bill & Melinda Gates Foundation & National Aids Control Organization to run programs on AIDS interventions and education among the vulnerable trucking community.