












Transport Corporation of India Limited

Earnings Presentation FY 2017-18

 MOVING INDIA'S
GROWTH STORY.



Group Overview

SBU's and Services	TCI's Joint Venture/Subsidiaries	Other Group Companies
 <p>TCI Freight</p> <p>FTL/FCL, LTL & Over-dimensional cargo services through Road, Rail & Sea.</p>	 <p>JV with CONCOR (49%) to provide end to end multi modal solutions.</p>	 <p>Demerged in 2016 , undertakes time sensitive and high value express services by road & air across 40,000 pickup and delivery locations.</p>
 <p>TCI Supply Chain Solutions</p> <p>A Single-window solutions enabler from Conceptualization to Implementation</p>	 <p>JV with Mitsui & Co (51%) for Auto supply chain solutions for Toyota and other Japanese auto companies in India</p>	
 <p>TCI Seaways</p> <p>Leading player in Coastal Shipping , NVOCC & Project Cargo</p>	 <p>100% Subsidiary , undertakes End-to-end transportation and C&F services and country specific Logistics solutions</p>	 <p>Demerged in 2011 , undertakes development of the properties of TCI group It also develops large scale Warehouses, Logistics Parks etc</p>
	 <p>100% Subsidiary End-to-end transportation and C&F services and country specific Logistics solutions</p>	

Group Information



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

Board of Directors

Name

Designation

Mr. S M Datta

Chairman (Non-executive independent director)

Mr. D P Agarwal

Vice Chairman & Managing Director

Mr. Vineet Agarwal

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 Sankar

Non-executive independent director

Mrs. Urmila Agarwal

Non-executive director

Mr. M P Sarawagi

Non-executive director

Mr. Chander Agarwal

Non-executive director

Corporate Governance



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 Drivers

GST

- Rationalized Supply Chain
- Shift of business from unorganized to organized sector
- Increased Multi modal movement
- Large scale warehousing
- Bulkier movement between hubs

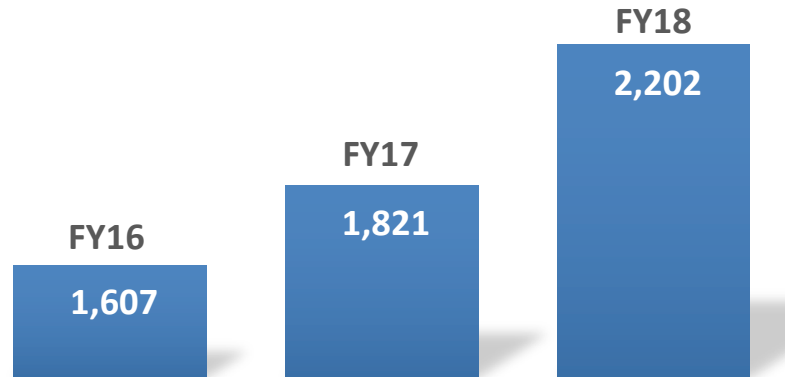
Logistics Infrastructure Development

- Reduce unit cost of Transportation
- Ease of doing Multimodal movement
- Development of Warehouses/Hubs in the vicinity of corridors
- Opportunities for multi-location and multi services players

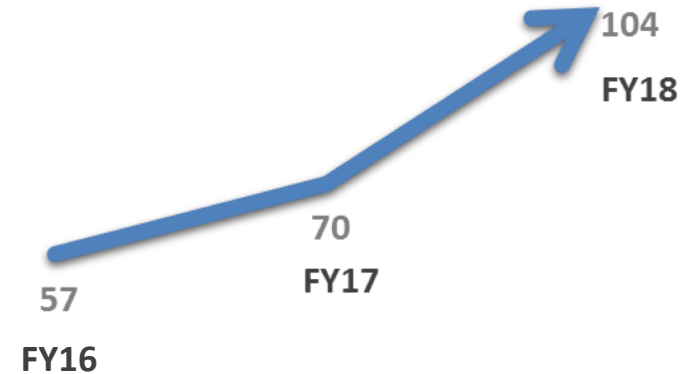
Increased outsourcing of Logistics

- Logistics cost optimization
- Technology penetration into logistics solution
- Larger scope for value added services e.g. order processing, packaging, kitting etc

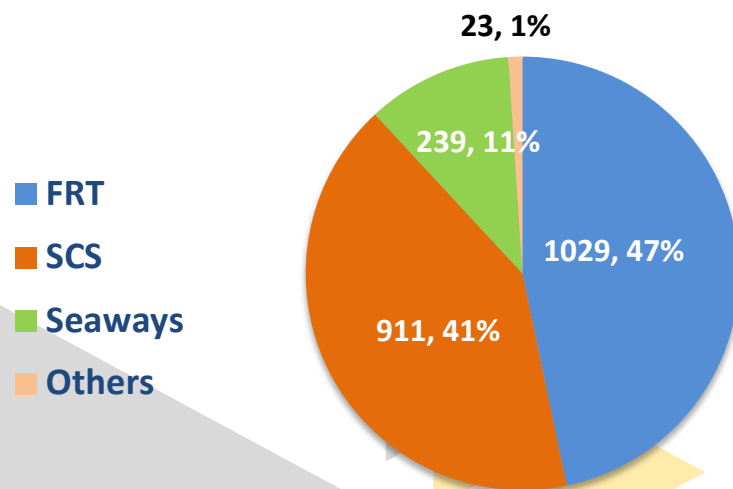
FY2017-18 Standalone Highlights



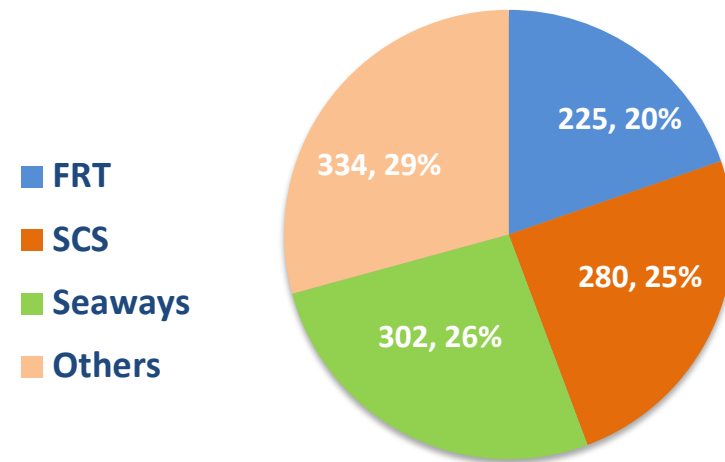
21%
Revenue Growth



48%
PAT Growth







Business Mix



Capital Employed Mix

Division-wise Stand-alone Financial Performance

Figures are in Crs

	 TCI Freight	 TCI Supply Chain Solutions	 TCI Seaways	 TCI # Corp. & Others	Total (2017-18)	Total (2016-17)
Revenue	1029.1	911.0	239.2	23.0	2202.3	1822.0
% Growth	12.0%	23.7%	61.8%	18.9%	20.9%	12.9%
EBIDTA	38.8	94.2	82.5	17.4	232.9	174.0
% of Revenue	3.8%	10.3%	34.5%	NA	10.6%	9.5%
EBIT	30.2	60.6	59.1	15.6	165.5	116.2
% Growth over LY	42.3%	35.3%	54.8%	NA	42.5%	19.0%
Capital Employed	225.5	279.6	302.2	333.6	1140.9	1014.7
ROCE %	13.9%	21.7%	22.4%	N.A	15.4%	12.3%

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

Key Operational Highlights



3,500 (120)

Trucks & Trailers in operation (owned)



700

IT Enabled Owned Offices

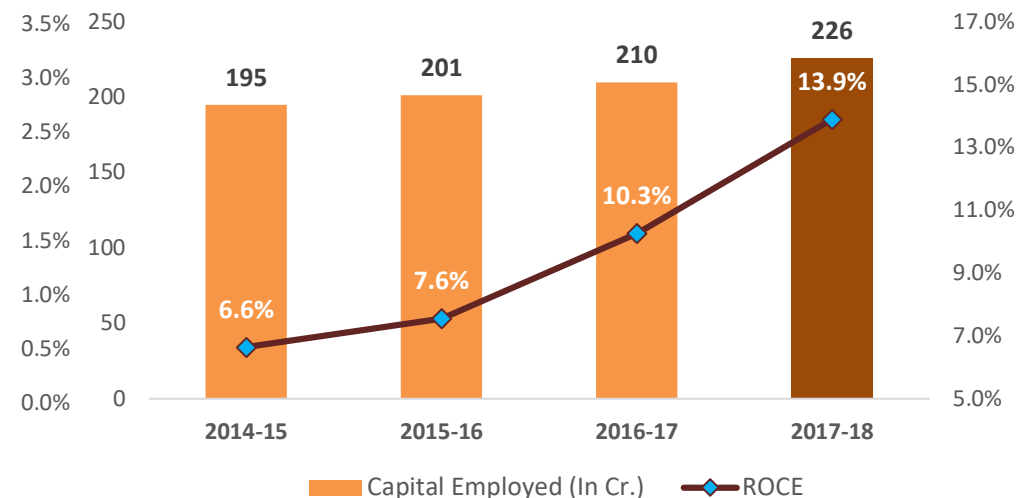
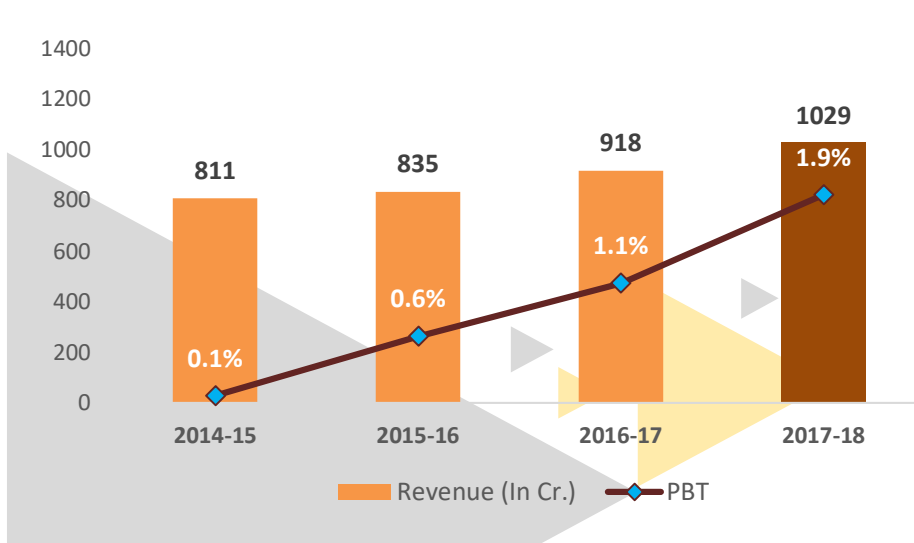


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Strategic Hubs

- Growth predominantly stems from increase in Volume
- Margins improved with focus on large client and key account management with value added services.
- Successfully implemented GST and E-way bill complaint system across all branches
- LTL/Sundry Business shall continue to grow

Financial Performance at glance



TCI Supply Chain Division

Key Operational Highlights



12 Mn. Sqft.

Warehousing Area Managed



4,000 (1350)

Fleet in operations (Owned)

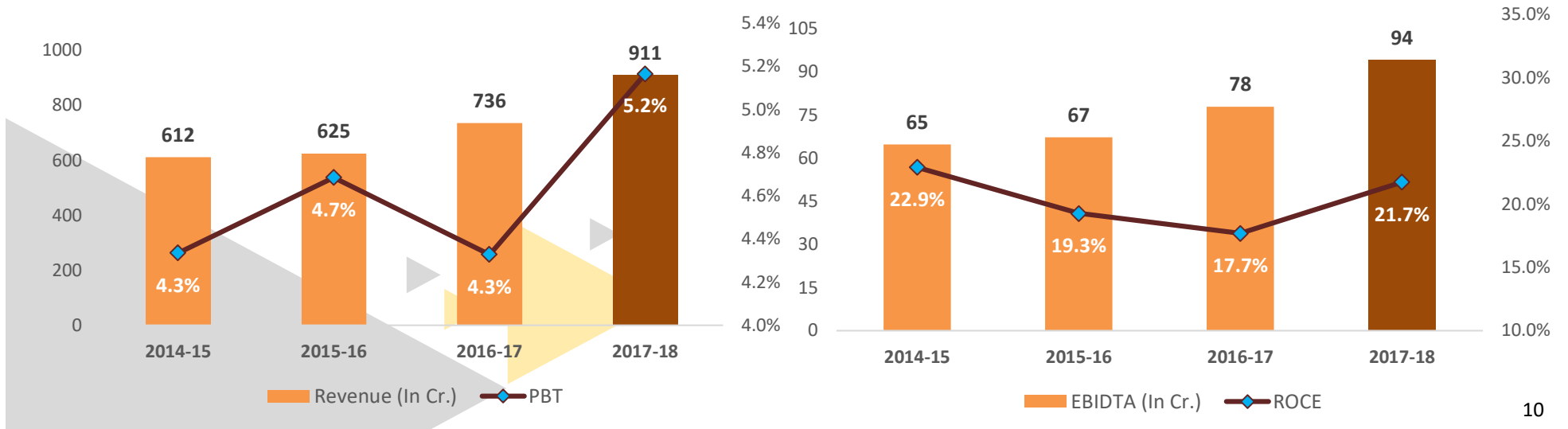


5,000+

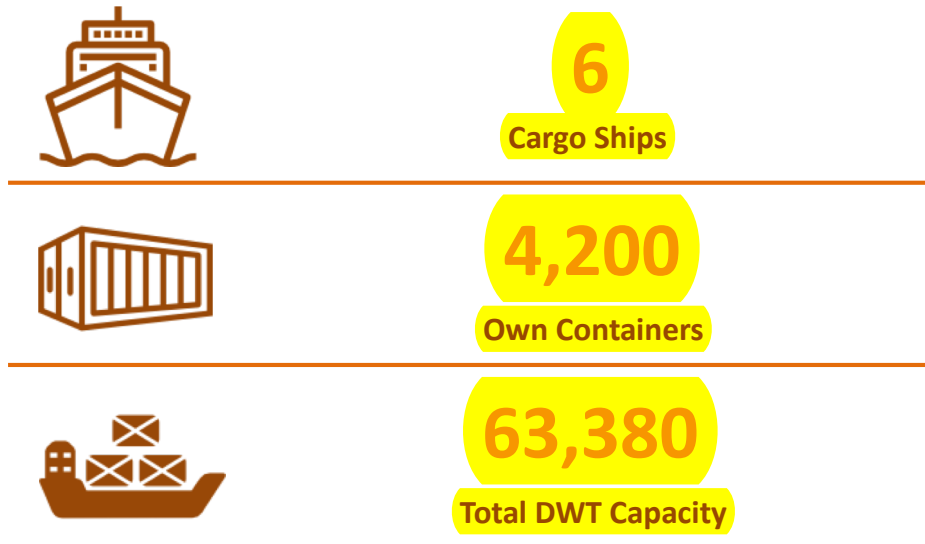
Pickup per day

- Clocked 24% revenue growth by successfully tapping sectorial trends in Automotive, Retail, E-commerce and FMCG etc.
- Leverage its strong position in harnessing potential business opportunities post GST supply chain restructuring
- Focusing on portfolio enhancement in 3PL and 4PL

Financial Performance at glance

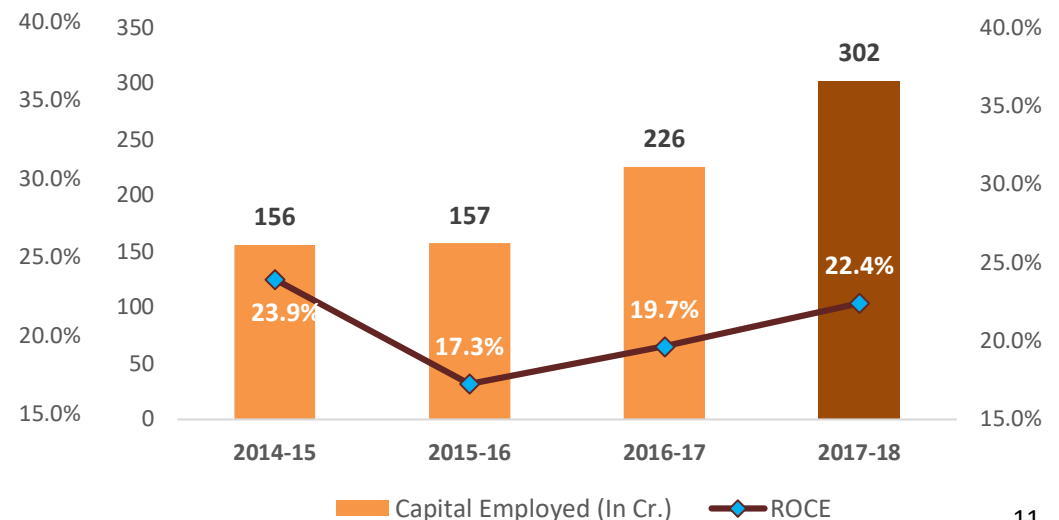
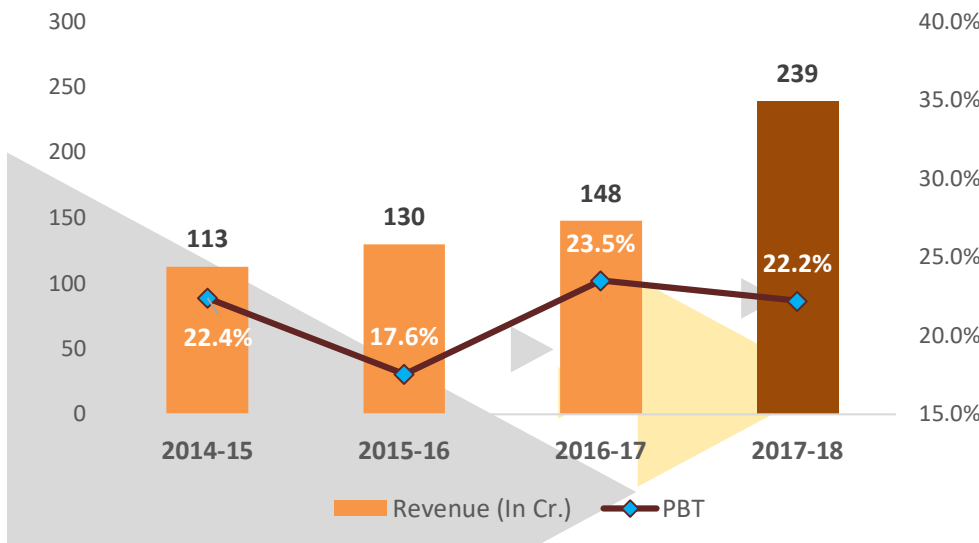


Key Operational Highlights



- Clocked 62% revenue growth by successfully deploying an additional ship at West Coast of 13760 DWT capacity
- Acquired one more ship of 23260 DWT and to be deployed at West Coast in Q-1 FY19
- Increased focus on providing multimodal solutions for cargo originating from Northern States to Southern.
- Strong positioning at East coast to leverage opportunities out of increased infrastructural activities in Andamans

Financial Performance at glance





169 Cr
Revenue

469 Cr
Revenue



23%
Y-o-Y Growth

15%
Y-o-Y Growth



25 Cr
Capital Employed

180 Cr
Capital Employed



Key Operational Highlights

- Operates on asset-light model
- Provides door to door multimodal solution for container cargo.

- LSP for Toyota India
- Continuously focusing on non-TKM customers to diversify auto-business portfolio.

Key USP's of the Company

Multimodal
Integration
capabilities

Auto supply
chain
designing
and solutions

Large-scale
warehousing

Technology
driven
operations

Efficient use of various divisions
for seamless movement

Multimodal Transportation



Vendors/Suppliers



Movement by Road



Movement by Rail

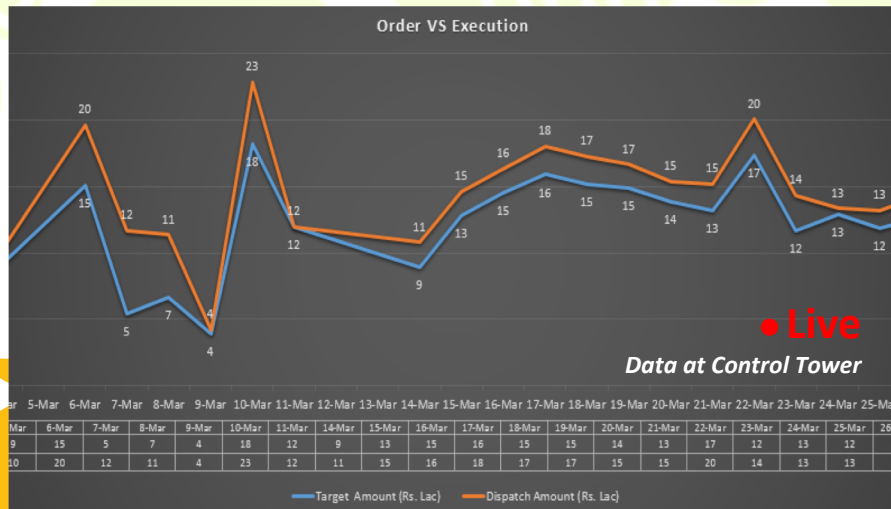
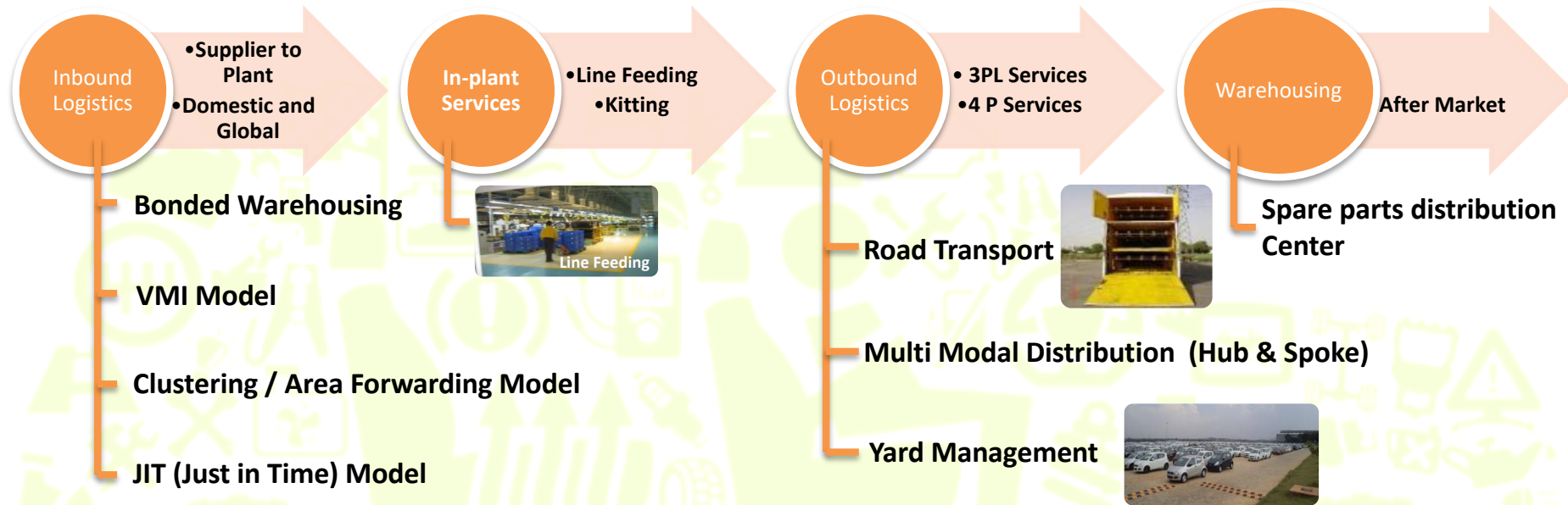


Movement by Sea



Factory/Delivery

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

Large-scale Modern Warehousing

Auto

Retail & CP

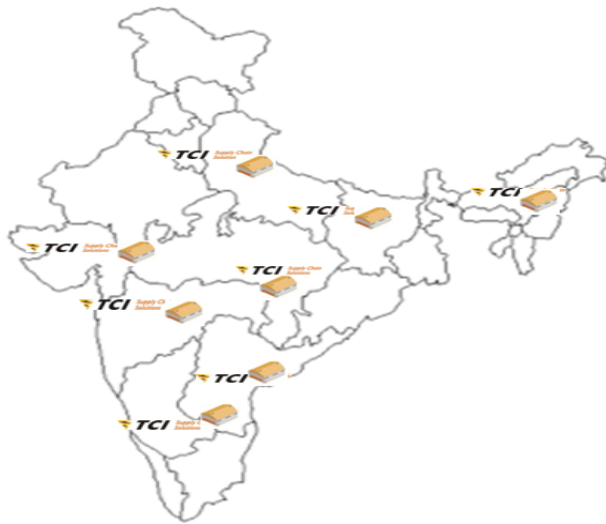
Hi-tech

Chemicals

Healthcare

Cold Chain

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



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



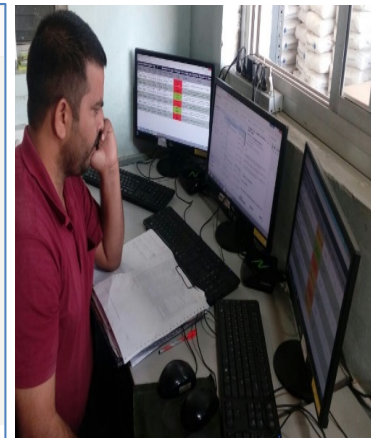
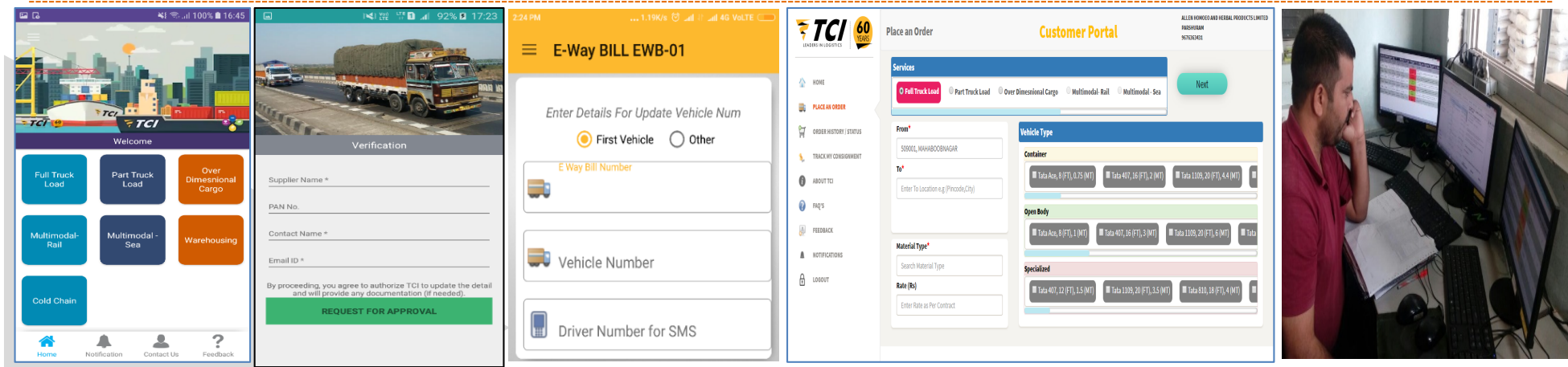
Well documented and Refined processes for Receipt , Put away , Picking, Documentation and Shipping

Warehousing



Cross dock operations





Consolidated Financial Results

Figures in Crs Income Statement

Particulars (Rs in Cr.)	2016-17	2017-18	2017-18 (CONSOL)
Freight	1629.50	1979.11	2150.12
Other Sales & Services	172.16	196.02	196.02
Other Income	20.32	27.14	18.17
Total Income	1821.97	2202.27	2364.31
Revenue growth %	12.88%	20.87%	20.94%
Operating expenses	1454.09	1748.95	1906.81
Other expenses	193.91	220.51	226.59
Total Expenses	1647.99	1969.46	2133.40
EBITDA	173.98	232.81	230.92
EBITDA Margin %	9.55%	10.57%	9.77%
Interest Expense	27.41	29.92	32.21
Depreciation	57.81	67.33	68.65
Exceptional Item	0.00	4.00	0.00
Share in Net Profit (loss) of JV	0.00	0.00	22.42
PBT	88.75	131.56	152.48
PBT Margin %	4.87%	5.97%	6.45%
Taxes	18.49	27.82	28.66
PAT	70.26	103.74	123.82
PAT Margin %	3.85%	4.71%	5.24%

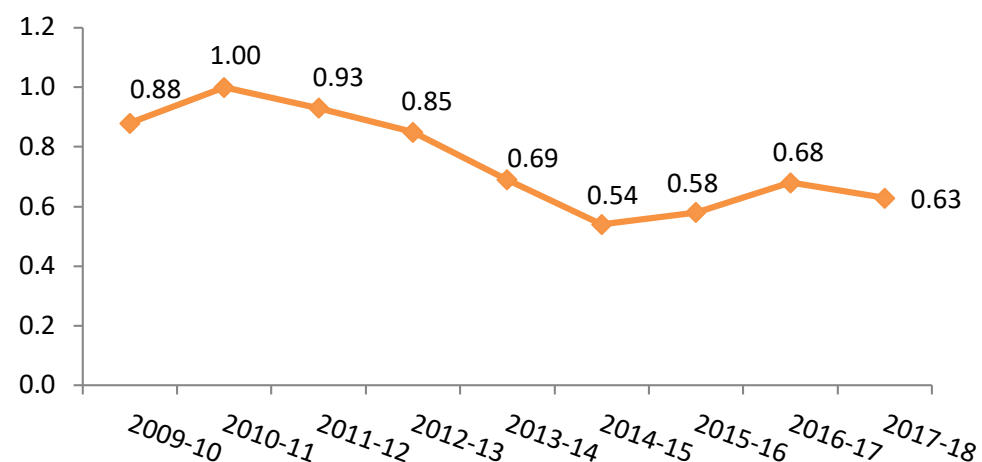
Balance Sheet

Particulars (Rs in Cr.)	2016-17	2017-18	2017-18 (CONSOL)
1. Non current Assets			
Property, plant and equipment	531.84	623.01	625.23
Capital work-in-progress	56.81	56.32	56.32
Intangible assets	0.68	0.57	0.57
Investments	29.78	31.29	104.36
Long term loans and advances	12.63	13.58	17.89
Other non current assets	55.63	31.57	31.40
2. Current Assets			
Inventories	2.51	3.31	3.31
Trade Receivables	331.65	389.67	424.85
Cash & cash equivalents	18.41	12.96	14.23
Loans and advances	10.72	12.55	13.64
Other current assets	81.11	102.73	105.95
TOTAL	1131.77	1277.56	1397.75
1. Shareholders Funds			
Share Capital	15.32	15.32	15.32
Reserves & Surplus	565.59	661.62	751.12
2. Non Current Liabilities			
Long term Borrowings	140.39	151.44	151.44
Deferred tax Liabilities (net)	39.17	44.27	44.47
Other long term liabilities	2.03	1.80	1.80
3. Current Liabilities			
Short term borrowings	225.58	228.62	243.85
Trade payables	53.64	79.04	81.66
Other current liabilities	84.82	89.97	102.55
Short term provisions	5.23	5.48	5.54
TOTAL	1131.77	1277.56	1397.75

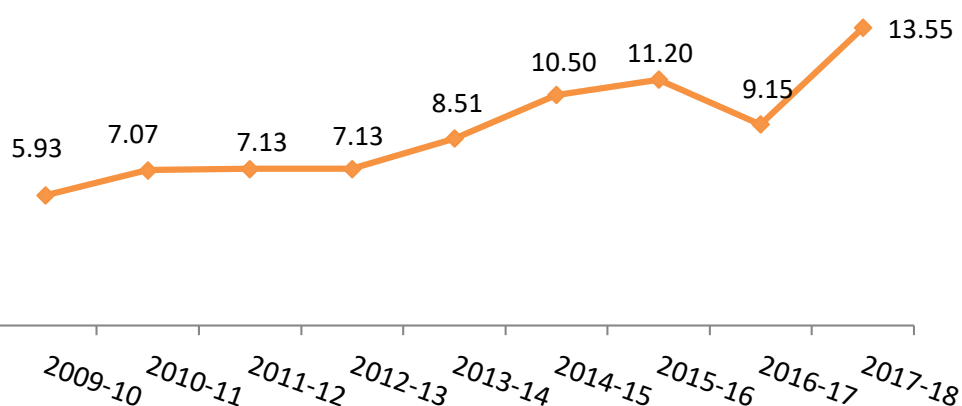
Financial Performance

Top ratings AA- (CRISIL –Bankline Credit) , A1+ (ICRA-Commercial Paper), good financial discipline and high creditworthiness, TCI's average interest cost is below 9%

Debt – Equity Ratio



Earnings per Share (in Rs)



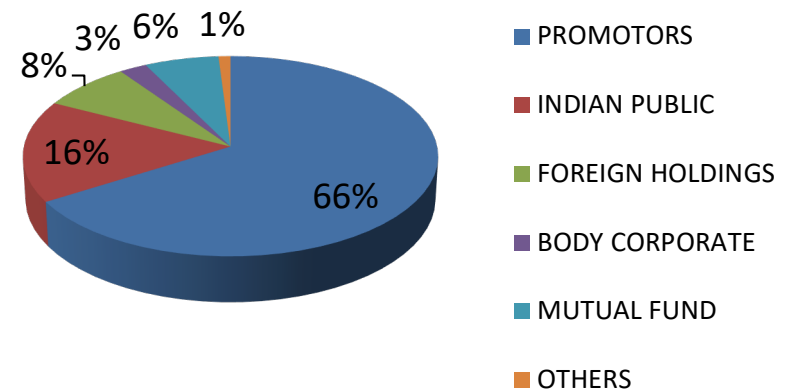
	UOM	# 2015-16	2016-17	2017-18
Debt Service Coverage Ratio	Times	2.21	2.34	2.81
Return on Capital Employed	%	11.5	12.1	15.4

Re-stated after Excluding XPS undertaking

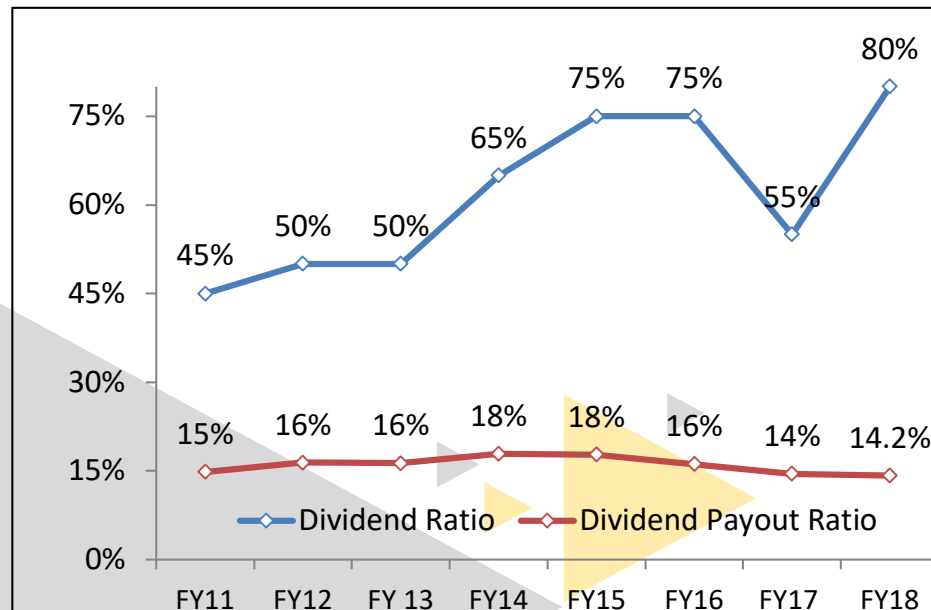
Market Summary

Market Cap as on 31 st Mar`18	Rs Crs	2071.0
Debt	Rs Crs	424.2
Enterprise Value	Rs Crs	2481.9
P/E	Nos	20.0
EV/EBITDA	Nos	10.7
52 Week High	Rs/share	349.0
52 Week Low	Rs/share	228.1

Shareholding Pattern as on 31st March 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 87,825 Market Value of Investment Rs. 27,42,825
Investment given 34% CAGR return by March'2018

Capital Expenditure Plan FY19

Rs. In Crores	Total Actual (FY 2006-07 to 2015-16)	2016-17 Actual	2017-18 Actual	2018-19 Proposed
Hub Centers & Small warehouses	339.4	17.9	31.3	60.0
Wind power	9.0	0.0	0.0	0.0
Ships & Containers	155.8	65.1	58.7	78.0
Trucks & Cars	304.2	27.6	37.8	86.0
Others (W/H Equip., IT etc.)	81.7	14.5	5.6	26.0
Total	890.1	125.1	133.4	250.0

Funding Pattern:

Estimates of sources of finance for the Capex in FY 2017-18

Rs. In Crores	Debt	Equity	Free Cash Flows	Total
FY 2017-18	147	0	103	250

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.