
TCI
LEADERS IN LOGISTICS
corporate presentation 2013-14

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.

Vision And Heritage

Market Position	• Started as a 'one man, one office, one truck' company in 1958. • India's leading integrated supply chain & logistics solutions provider • Continuous and strategic diversification in value added and new areas of logistics.
Best-in-Class Operations	• Fleet of 7,000 trucks/trailers/reefer vehicles • 9.75 Mn sq. ft of warehousing space • Skilled work force of 6,500 with 20,000 outsourced positions
Pan India Network	• Strong distribution network provides access to large & growing aftermarket • 1,400 company owned branches nationwide, covering 99.45% of the GDP & 17,000 locations within India and abroad. • Transporting 2.5% by value of India's GDP
Strong IT Forte	• In-house ERP: EDI Capable • Web based Track and Trace through GPS

Corporate Governance

LEADERS IN LOGISTICS

Bombay Stock Exchange Limited

The edge is efficiency

Listed Entity

MANAGEMENT SERVICE

ISO 9001

Rated and Certified

Engaged in vocational training to women, providing artificial limbs to disabled, running schools & dispensaries in remote areas.

Corporate Social Responsibility

Non Discrimination Policy

- The Company has strong Corporate Governance, coupled with shareholders friendly approach
- Regular conference calls and annual meet with shareholders and analysts
- Timely and proper disclosures through comprehensive annual reports and corporate presentations (readily available on the Company’s website)

Management Body

Unique to Logistics industry with high degree of professionalism

Management Body

Executive Committee

Core Committee (Divisions)

Long term strategy, policy making
MD, EDs, Legal, Accounts & Finance, Human Resources, IT and Divisional Heads

Operational reviews/ Business strategy
CEOs, MD, EDs, Finance, Operations & Regional Heads

Board of Directors

Name	Designation
Mr. S M Datta	Chairman
Mr. D P Agarwal	VC & MD
Mr. S N Agarwal	Non-executive director
Mr. O S Reddy	Non-executive independent director
Mr. Ashish Bharat Ram	Non-executive independent director
Mr. K S Mehta	Non-executive independent director
Mr. M P Sarawagi	Non-executive director
Mr. Vineet Agarwal	Managing Director
Mr. Chander Agarwal	Jt. Managing Director
Mrs. Urmila Agarwal	Non-executive director

Industry Dynamics & SBU Snapshot

	TCI Freight	TCI XPS	TCI Supply Chain Solutions	TCI Seaways	TCI Global
Industry Scenario	Mature, Fragmented, Low barriers to entry, low cost	Growth, niche, high entry barriers, cost efficiency	Nascent, knowledge based, very high barriers, single window	Growth, high entry barriers, low cost	Mature, medium entry barriers, Single window across boundaries
Industry Growth	5-8%	8-12%	20-30%	10-15%	0-5%
% of Total Revenues *(FY 13-14 H1)*	39% (381 cr.)	29% (290 cr.)	25% (247 cr.)	5% (53cr.)	2% (15 cr.)
TCI EBIDTA Margins	3-5%	8-10%	10-12%	11-15%	----
TCI Growth Pattern	0-5%	8-12%	20-30%	10-15%	----
ROCE	8-12%	45-50%	25-28%	7-15%	----

Note: TCI Global represents Overseas operations only, Domestic operations since suspended.

TCI Freight Division

- One of India's premier organized freight services provider with pan India presence
- Around 2400 trucks and trailers, both owned and leased, provide freight movement services on a daily basis

Road	Rail	Over dimensional cargo
Provides full truck load (FTL), less than truck load (LTL) and parcel services 600 owned offices Large client base	Provides different types of services such as containers, parcel van, wagons and special automotive wagons	Provides logistics solutions for over dimensional, bulk and heavy cargo Project management Own hydraulic axles and trailers

Rail Logistics JV

51% equity stake

Container Corporation of India Ltd

49% equity stake

Potential Benefits:

- Integration of rail and road cargo movement.
- Establishing synergy between two rail and road giants.
- JV company provides end to end multi modal solutions.
- Reduce turnaround time significantly for movement of goods
- Total Paid up Equity- Rs 3.00 Cr, FY 13 Net Revenues- Rs 17.66 Cr. , has turned around & made marginal profit also.

TCI Freight Division: Financials

Rs. In Crores

	2013-14 (H1)	2012-13 (H1)	%increase over last yr's (H1)	2012-13 (Audited)
Revenues	381.18	364.33	4.62	777.65
EBDITA	5.32	12.33	-56.85	23.27
EBITDA Margin %	1.40	3.38		2.99
PBIT	1.40	8.30	-83.13	14.98
Capital Employed	195.06	177.62	9.82	202.71

Division's share of overall business consistently reducing:

	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13
Share in total Revenue	52%	52%	46%	43%	40%

Outlook:

- Projected growth of around 5-10%

TCI XPS Division

- The division provides express door-to-door service for time sensitive and high value documents and parcels
- The company operates through dedicated XPS trucks & vendors
- 10% business is through air cargo

Domestic & International	Value Added Services	USP
13000 locations in India & 200 countries	Diplomat (non service location) Delivery	Packages: 5-50 kgs
Air (chartered space from Airlines)	Holiday Service	Air cargo: all dimensions
Surface: Road & Rail	Freight on Delivery	Well positioned hubs
200,000 customers	Money back guarantee scheme	Key Account Management system

TCI XPS Division: Financials

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Rs. In Crores

	2013-14 (H1)	2012-13 (H1)	%increase over last yr's (H1)	2012-13 (Audited)
Revenues	289.91	264.48	9.62	555.96
EBDITA	21.66	21.65	0.05	45.49
EBITDA Margin %	7.47	8.19		8.18
PBIT	19.48	19.50	-0.10	41.05
Capital Employed	83.06	80.76	2.85	87.28

Outlook:

- Business growth projected at 10-15%
- Focusing on improved customer services by improving investments in infrastructure and key account management.

TCI Supply Chain Division

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- SCS division provides inbound/outbound logistics and supply chain solutions right from conceptualization to implementation
- The division operates with a customized fleet of 1100 own trucks including 38 refrigerated trucks
- Auto sector currently contributes to 70% of total SCS revenue
- Replicated best practices in Supply Chain Solutions from JV with Mitsui

Supply Chain Consulting
Design of Supply chain strategy from procurement to distribution

Cold Chain :
Transport solutions for perishable cargo in Pharma, Foods & Chem. by Reefer vehicles

Supply Chain Execution
Lead Logistics Provider

Key Account Management
Group Services

Warehousing :
Distribution Centers, Cross Docks & In-Plant

Marquee Customers
Maruti, GM, Tata Motors, Hero, Bajaj, Hindustan Unilever, Samsung, Scoda Group

Auto	Retail & CP	Hi-Tech	Telecom	Healthcare	Cold Chain	Chemical

Auto logistics JV

49% equity stake

Mitsui & Co. Ltd

51% equity stake

Synergy with TCI

❑ Lead logistics partner for Toyota Kirloskar Motors Ltd. in India

❑ Complete logistics solutions from inbound to outbound transportation across India and abroad

TCI SCS Division: Financials

Rs. In Crores

	2013-14 (H1)	2012-13 (H1)	%increase over last yr's (H1)	2012-13 (Audited)
Revenues	247.33	247.41	-0.03	519.17
EBDITA	23.36	28.04	-16.69	60.06
EBITDA Margin %	9.44	11.33		11.57
PBIT	12.35	17.93	-31.12	38.13
Capital Employed	149.67	159.93	-6.42	158.78

Outlook:

- Planned growth of 5-10%
- Maintain margins by efficiencies, cost control and competitiveness
- Significant pipeline potential contracts

TCI Seaways Division

- This division provides coastal shipping services for transporting container and bulk cargo along the eastern cost of India

Ships Owned	Coastal Shipping Services	Other Services
04 domestic ships with capacity of 2500 – 4500 DWT, including Project Ships equipped with own cranes: Total capacity of 15634 DWT	Scheduled services from East coast to Andaman and Nicobar Neighboring countries	Chartering of Vessels Stevedoring & MTO License NVOCC with own & leased containers

TCI Seaways: Financials

Rs. In Crores

	2013-14 (H1)	2012-13 (H1)	%increase over last yr's (H1)	2012-13 (Audited)
Revenues	53.01	46.81	13.25	93.92
EBDITA	11.19	5.43	106.08	13.26
EBITDA Margin %	21.11	11.60		14.12
PBIT	8.85	3.10	185.48	8.59
Capital Employed	83.91	84.62	-0.84	88.95

- 1 Dry-dock in part took place in Q1/FY 14.

Outlook:

- To look for diversifying outside the Port Blair sector.
- Will look for another ship to augment capacity

TCI Global - Strategy

- TCI Global is a new initiative to target international business through subsidiaries in South East Asia/South America/Africa.

Domestic Branches/Foreign WOS	Activities abroad
3 Operating International WOS at, Indonesia, Brazil and Nigeria.	Local Distribution & Mine Logistics. Custom clearance, International inbound & outbound freight handling.

Other Divisions

Energy division

Rs. in cr.

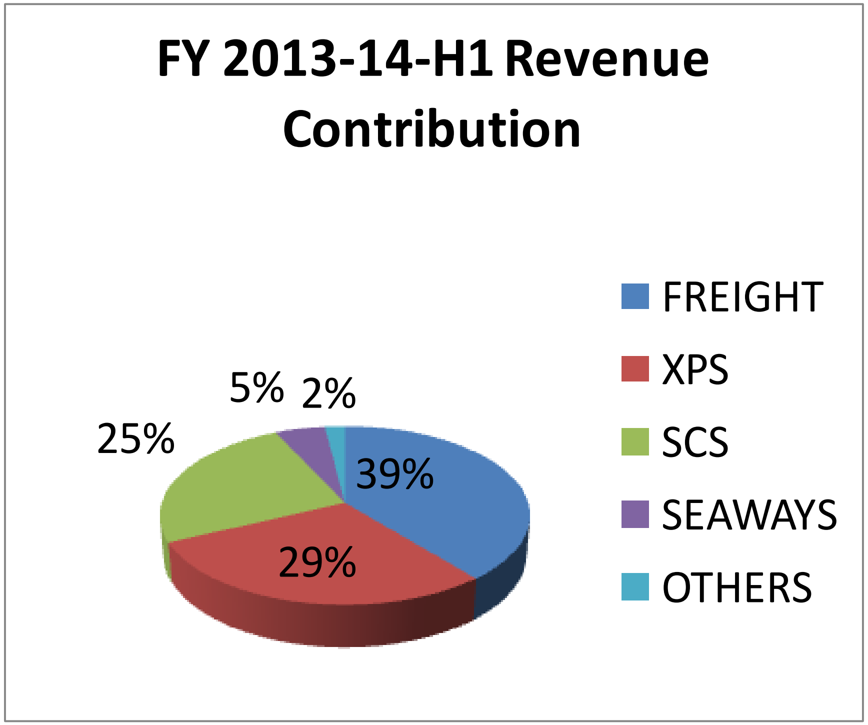
	2009-10 (Audited)	2010-11 (Audited)	2011-12 (Audited)	2012-13 (Audited)	2013-14 (H1)
Cumulative capacity	11.50 MW	11.50 MW	11.50 MW	11.50 MW	11.50 MW
Capital Employed	41.83	39.85	37.44	34.58	35.48
EBIDTA	6.48	5.16	6.01	6.27	5.15

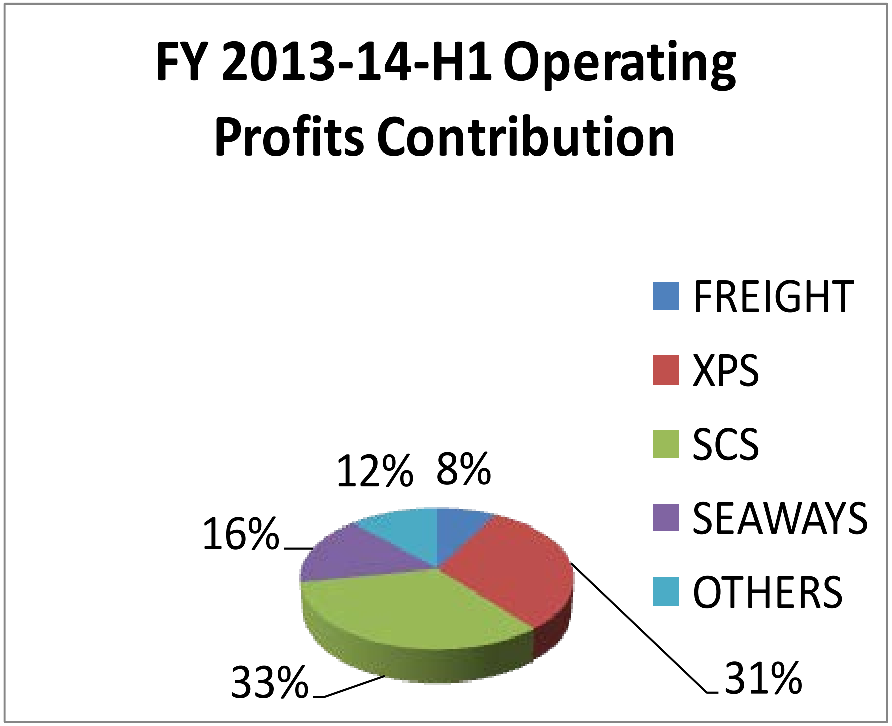
- Planning to invest Rs 90 lacs in solar warehouse project in FY 2013-14

Demerger of Real Estate & Warehousing Division

- Demerged its Real Estate & Warehousing Division into TCI Developers Ltd (TDL) by a scheme of arrangement. TDL was listed on the NSE and BSE on April 19, 2011.
- Real estate arm has been created for development of the commercial properties of TCI.

Divisional Performance





Standalone results

Income Statement

Particulars (in Cr.)	2012-13	H1 2012-13	H1 2013-14
Freight	1847.00	874.12	918.78
Other Sales & Services	104.23	53.41	58.24
Other Income	5.40	2.27	4.35
Total Income	1956.63	929.80	981.37
Revenue growth %	6.79%		5.55%
Operating expenses	1580.34	747.42	794.20
Other expenses	226.01	108.75	116.47
Total Expenses	1806.35	856.17	910.67
EBITDA	150.28	73.63	70.70
EBITDA Margin %	7.68%	7.92%	7.20%
Interest Expense	32.17	16.95	14.99
Depreciation	42.08	20.00	20.83
Exceptional Item	0.37	-0.33	0.00
PBT	75.66	37.01	34.88
PBT Margin %	3.87%	3.98%	3.55%
Taxes	23.71	10.27	7.78
PAT	51.95	26.74	27.10
PAT Margin %	**2.66%**	**2.88%**	**2.76%**

Balance Sheet

Particulars (in Cr.)	2012-13	H1 2012-13	H1 2013-14
1. Shareholders Funds			
Share Capital	14.57	14.57	14.59
Reserves & Surplus(excl. Rev. res)	375.89	358.64	403.44
2. Non Current Liabilities			
Long term Borrowings	58.06	73.21	41.96
Deferred tax Liabilities (net)	31.39	31.99	31.09
Other long term liabilities	0	0.21	0
3. Current Liabilities			
Short term borrowings	232.3	205.46	220.74
Trade payables	71.05	81.08	81.66
Other current liabilities	51.66	57.84	66.24
Short term provisions	35.12	23.16	33.38
TOTAL	**870.04**	**846.16**	**893.11**
1. Non current Assets			
Fixed Assets	379.98	375.93	375.92
Non current Investments	33.23	33.60	37.77
Long term loans and advances	24.39	29.17	23.54
Other non current assets	0.74	2.55	0.74
2. Current Assets			
Inventories	2.15	1.49	2.24
Trade Receivables	356.21	331.54	354.37
Cash & cash equivalents	16.48	14.58	23.13
Short term loans and advances	56.41	55.92	74.94
Other current assets	0.45	1.38	0.45
TOTAL	**870.04**	**846.16**	**893.11**

Notes: (A) In FY 2012-13:

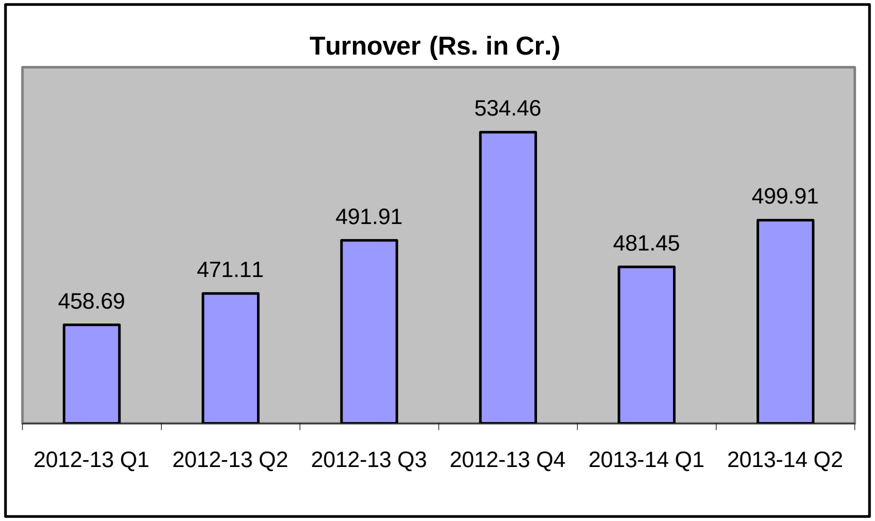
(I) Exceptional Item of Rs 37 Lacs includes Rs 70 Lacs against diminution in value of overseas Investment minus Rs 33 Lacs towards excess provision written back.

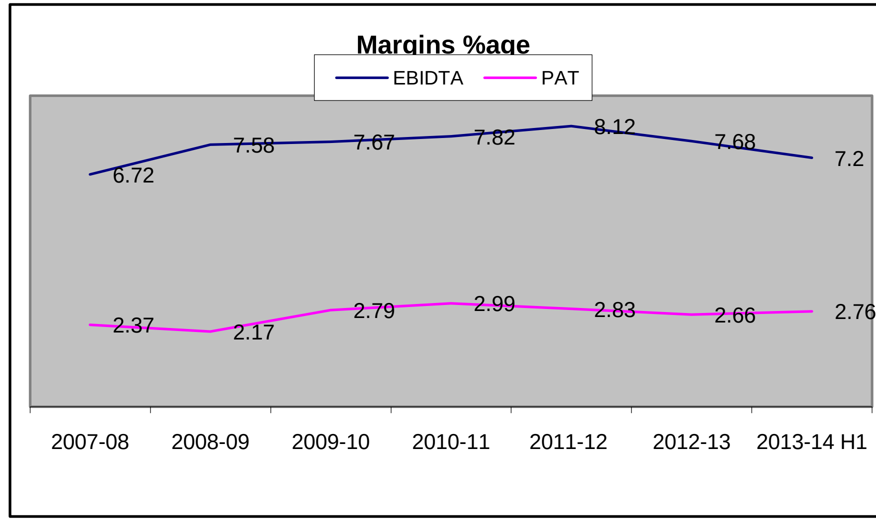
(II) Other income includes profit of Rs. 120 Lacs on sale of a ship.

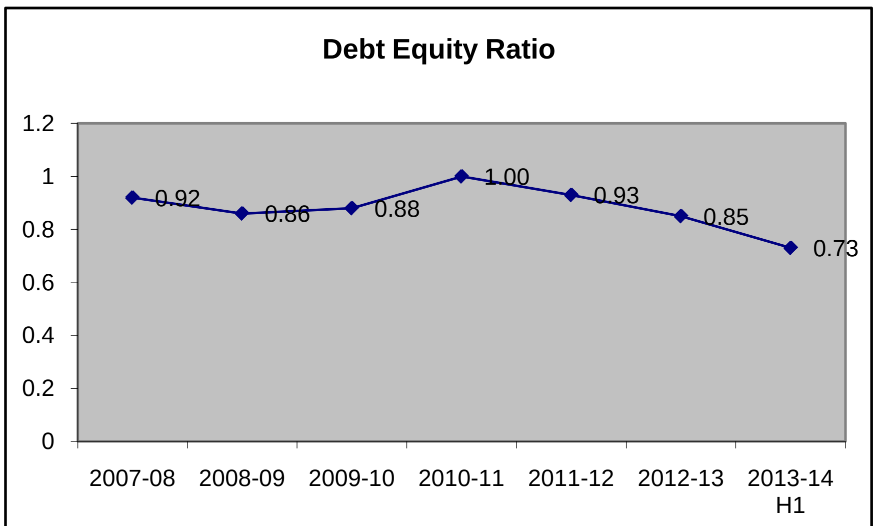
(B) In FY 2013-14,Other income includes Rs 3.92 Cr being Dividend recd from Transystem Logistics, the JV arm of TCI & Mitsui.

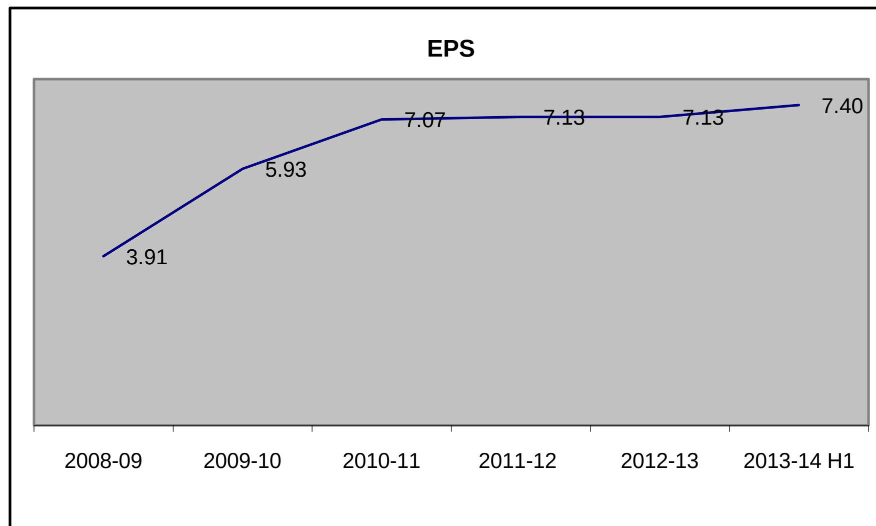
Financial Performance

Because of Top ratings from credit agencies, good financial record and high creditworthiness, the company's Average interest cost is around **10.00%**









Capital Expenditure Plan

Rs. In Crores

	2006-12 Actual	2012-13 Actual	2013-14 Actual H1	Total Actual	2013-14 Proposed
Hub Centers & Small warehouses	138.93	24.07	25.89	188.89	126.00
Wind power	9.00	0.00	0.00	9.00	0.00
Ships & Containers	73.34	0.00	0.00	73.34	40.00
Trucks & Cars	160.93	36.53	10.08	207.54	55.00
Others	52.68	5.71	2.50	60.89	9.00
Total	434.88	66.31	38.47	539.66	230.00

*Almost 90 Cr. of capex is from the previous year which did not happen for want of land clearances and search for ship. So the proposed budgeted capex for FY 2013-14 includes the same.

Funding Pattern:

Sources of finance for the Capex in FY 2012-13

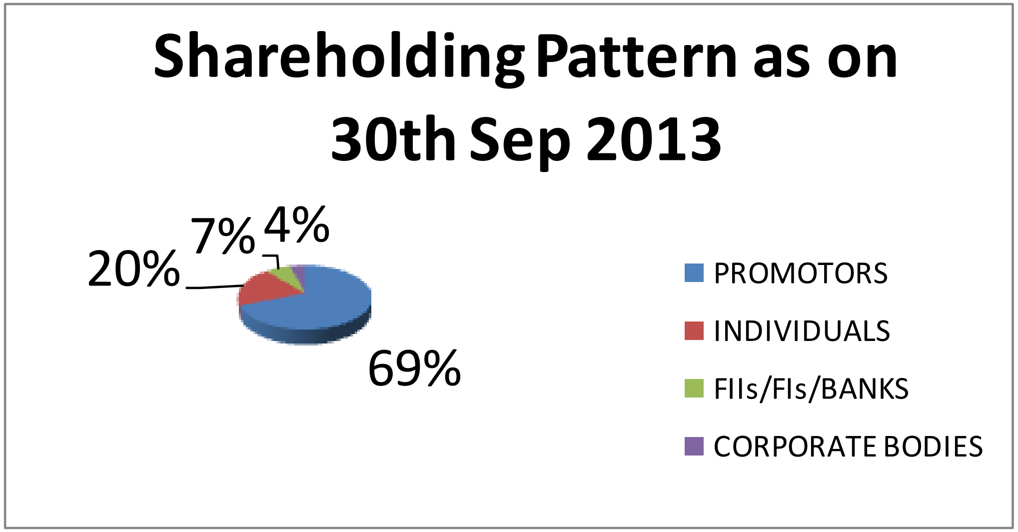
Rs. In Crores

	Debt	Internal Accrual	Total
FY 2013-14	170	60	230

Market Summary

Market Summary (Rs In Crore)

Market Cap as on 30th Sep`13	360
Debt	306
Enterprise Value	666
P/E	6.66
EV/EBITDA	4.71
52 Week High	89.70
52 Week Low	43.95



Consistent dividend track record

Particular	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08
Dividend ratio	50%	50%	45%	40%	30%	30%
Dividend payout ratio	16.30%	16.40%	14.83%	15.59%	17.87%	17.87%

Future Outlook

Revenue	TCI XPS & TCI SCS continues to be main growth drivers.
Cost	Operational efficiency key to maintain cost control.
Growth Strategy	• Economic reforms, Implementation of GST and infrastructure investment: Logistics sector to be in higher trajectory. • Ambitious Capex and expansion plans

THANK YOU