

Driving
Express
Delivering
Results



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Forward-looking statements

Some information in this report may contain forward-looking statements which include statements regarding Company's expected financial position and results of operations, business plans and prospects etc. and are generally identified by forward-looking words such as "believe," "plan," "anticipate," "continue," "estimate," "expect," "may," "will" or other similar words. Forward-looking statements are dependent on assumptions or basis underlying such statements. We have chosen these assumptions or basis in good faith, and we believe that they are reasonable in all material respects. However, we caution that actual results, performances or achievements could differ materially from those expressed or implied in such forward-looking statements. We undertake no obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.



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In the present business environment, speed and timely delivery to markets is a very important factor. With customers on the look-out for logistics services that are finely tuned to suit their requirements, the need for a dynamic and time-sensitive delivery system has become imperative.

With our commitment to meet customer's needs and rise above time crunches driving us forth, we have been able to deliver results and raise the bar of service excellence.

We at TCI Express have been able to herald a new era in the logistics industry where we have adopted technological advancements that has given us an edge over our competitors and added value to our existing offerings to make us the network that delivers!



About Us

TCI Express is a prominent player in the express logistics industry providing Door-to-Door express Distribution services. Headquartered in Gurugram (NCR), India, our operations are pan-India, covering the length and breadth of the country.

Established as a multi-specialist express cargo division of Transport Corporation of India Limited in 1997, TCI Express was demerged as a separate entity in 2016. We possess deep industry expertise, logistics and solutions design capabilities and credentials across many sectors, which enable us to deliver complex and customized end-to-end supply chain solutions. We employ nearly 3,000 permanent and temporary employees across India.

Vision

TCI Express should be a customer-oriented, multi-technology, multi-specialist 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, shareholders and the transport industry.

Mission

- 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

Service offerings

The foundation of our business consists of services such as:



Surface Express



Domestic Air Express



International Air Express
(in B2B segment)



Reverse Express



E-commerce
(in B2C segment)

Sectors we serve



Automotive



Pharmaceutical



Energy Electrical Power



Electronics



Textiles



Information Technology



Retail



E-commerce

Our Infrastructure



Branches/ Networks

We have an extensive network of around 700 company owned branches.



Fleet

Our large, fully containerized fleet of Express, Feeder and Service Route Vehicles connects over 40,000+ pick-up and delivery locations respectively.



Hub & spoke model

Our well-connected routes helps us in speedy movement of the cargo through the Hub & Spoke Distribution Model.



Customer care center

We have a dedicated Customer Care Center that ensures quick and prompt response to all customer queries and our online tracking allows them to know the location of their package at any given time.

Express Service

At TCI Express, we have always remained committed to our customers and focused on providing value to them through a range of services across our portfolio. We are well placed in the industry to benefit from positive industry trends, with a unique service offering and geographic footprint, and the opportunity to realize untapped cost efficiencies.

Surface Express

We offer solutions for customer's express needs by providing door-step pickup and delivery along with offering consumer friendly value added services. Our offerings include:

- Express pickup and delivery in India at 40,000+ Locations
- IT integration with customers
- Day-definite delivery
- Sunday and holiday deliveries
- Cash on delivery



Domestic Air Express

We offer 24x7 customer services as well as time sensitive express deliveries. Deliveries to all metro cities are done in 24 hours and mini metros and A-class cities in 48 hours. We take pride in providing the following services to our customers:

- Door-to-Door / Door-to-Airport services
- Collection on Delivery (COD)
- Airport-to-Airport / Airport-to-Door services
- Sunday and holiday services
- Multimode services (Unique combination of air and surface modes)
- Late pickup and deliveries
- Unique arrangement of space with all domestic carriers



International Air Express

We offer time sensitive movement of small packages (samples) and Commercial shipments from all major ports of India. Our service extends to around 208 countries across the globe. Our offerings include:

- Free 7 days storage facility at origin locations in our own sorting centers for export consignments
- Charter Services provided
- 3rd country shipment services
- Consolidation of shipments undertaken to help the exporters
- Pickup from Exporter's premises arranged for port-to-port shipments
- Urgent deliveries of shipments by hand through trained manpower provided under our First Flight Out Service
- Value added services like AD Code Registration, Issue of Country of Origin Certificate, Legalization of Documents, Fumigation, GSP Certificate, etc.
- Bulk Mailer Services are provided with customization to help exporters



Reverse Express

We offer reverse logistics services in an efficient and economical manner by way of transfer of goods from location of the end user to that of the manufacturer. We differentiate ourselves through the following offerings:

- › Pickup from anywhere in India from 3,000+ points
- › Centralized monitoring
- › To and fro movement of goods for repair and return (B2B / B2C)
- › Key MIS as per customer needs

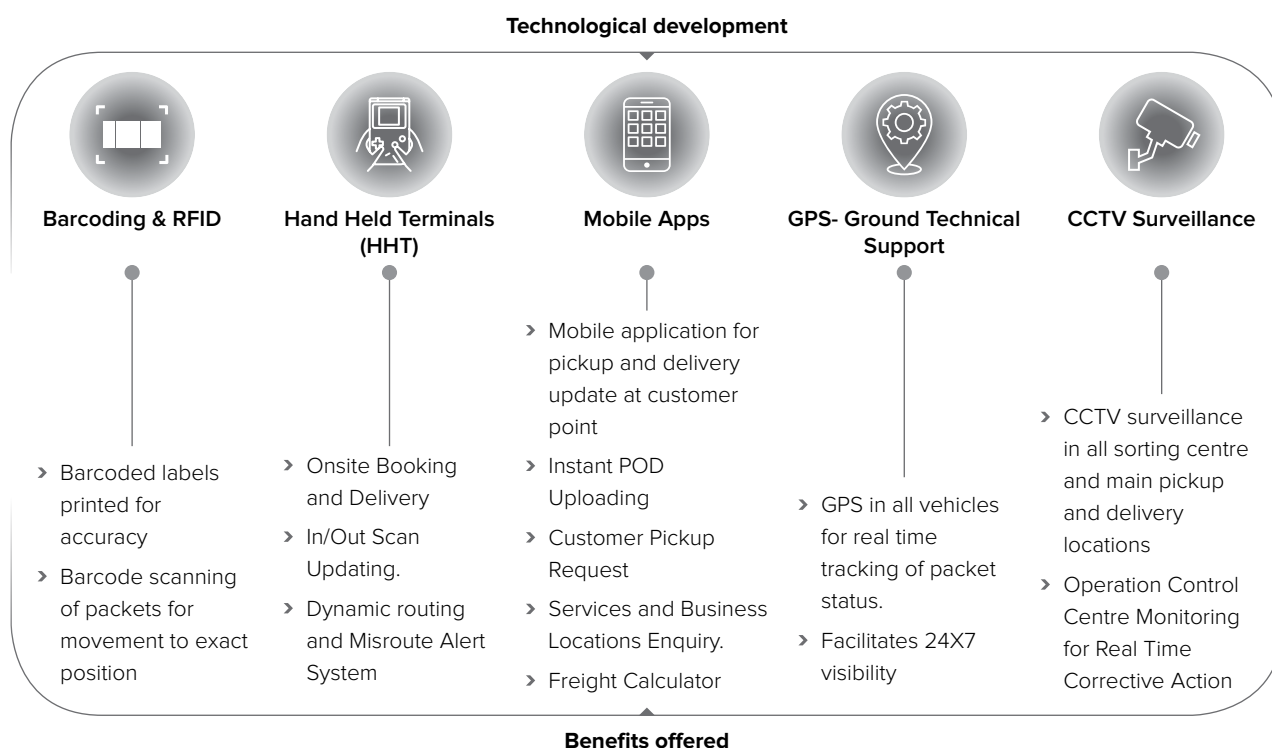
E-Commerce

We offer in-city distribution of goods through GPS enabled fleet of Route Vehicles which facilitates optimum on time delivery. Our offerings include:

- › Vendor to warehouse and inter warehouse
- › Packaging material distribution
- › Warehouse to customer
- › Fulfillment centre to last mile
- › Intra-city distribution
- › Cash collection
- › IT integration with customers
- › Sunday and holiday deliveries

Technology Benefits Offered

The logistics market has an intrinsic growth dynamic fuelled by a variety of global trends, one of which is technology. In the present days, the new digital savvy population wants more transparency in the supply chain and greater ease of doing business. Our technological developments help us address these demands efficiently.



Stakeholder Engagement and Value Creation



Government



Shareholders and Investors



Customers

Engagement issues

- › Compliance with industry regulations
- › Contribution in shaping industry policy



- › Sufficient return on investments
- › Open and timely information about the Company's financial position and outlook
- › Increased dividends



- › High quality, reliable and responsible delivery service
- › Understanding customer needs and managing customer service relations
- › On-time delivery
- › Competitive pricing

How we engage

- › Job creation and retention
- › Fair and sustainable business practices
- › Providing regular and transparent information
- › Compliance with taxation policies



- › Publication of financial results as well as quarterly investor presentations
- › Regular engagement with key shareholders
- › Annual General meeting
- › Annual reports



- › Regular interactions with key customers
- › Consistently providing high quality delivery services
- › Meeting of sales and marketing head with the top 25 customers every quarter wherein their feedback and suggestions are obtained
- › Interim and full year performance reviews
- › Customer satisfaction surveys

Value Created

~125

Paid to exchequer in FY 2018-19 on account of direct and indirect taxes (₹ in Crores)

19.02

Earnings per share in FY 2018-19 (₹)

2.40

› Interim dividend per share paid during the year 2018-19 (₹)

0.60

Final Dividend per share recommended by Board for FY 2018-19 (₹)

~2,00,000

No. of customers

20,000+

› No. of customers added in the past 3 years



Suppliers

- › Timely renewal of contracts
- › Long lasting relationship
- › Cost effective pricing



Employees

- › Good leadership, management and supervision
- › Equality and transparency within the organization
- › Occupational safety, well-being and a good working environment
- › Career development
- › Competitive remuneration and benefits packages



Communities

- › Good corporate citizenship
- › Sustainable business practices



Media

- › Reliable and up-to-date information about the Company's operations
- › An open communications culture

- › Timeous Payment
- › Training programs
- › One-on-One meetings
- › Interaction in ordinary course of Business

- › Review and audit of working conditions
- › Implementation of policies and procedures where required
- › Interim and full year performance reviews
- › Continuous personal development
- › Workforce transformation
- › Equitable remuneration and recognition
- › Organize various training and development programs

- › Employment opportunities
- › Sponsorship and donations
- › Support for key community developments
- › Health and wellness camps

- › Publication of financial results and comments
- › Interviews and discussions with the media channels
- › Respond promptly, accurately and comprehensively to media enquiries.

~50,000

No. of Suppliers

85.86

Employee Benefit expenditure in FY 2018-19 (₹ in Crores)

3,000

Employee strength as on 31st March 2019

1.00

Spent towards corporate social responsibility (CSR) activities in 2018-19 (₹ in Crores)

Regular

and timely communication with all stakeholders

Chairman's Message

Dear Shareholders,

The fiscal 2019 was yet another remarkable year for TCI Express. We were successful in achieving results as per our expectations and posted strong organic growth across all business areas. During the year, the Indian economy remained the fastest growing major economy across the globe, despite several challenges. The country's revenue receipts reached an estimated ₹28-30 trillion, supported by various initiatives undertaken by the government such as infrastructure development and reforms such as Goods & Services Tax (GST) which boosted the growth of the economy. GST proved to be a significant milestone for the logistics industry as it helped in propelling the country's overall development. Besides, it also reduced the unemployment in the sector by providing employment to more than 22 million people. Prior to the implementation of GST, inter-state movement of goods in the country attracted several taxes and clearances. This included a system of check-points in place for collection of these taxes, including Octroi, LBT (local body taxes) and Entry Tax. This resulted in delay in deliveries as each of the check points and numerous paper work increased the transit time. Added to these complexities were the regulatory procedures which varied across the states. All these taxes were then subsumed under GST, thereby reducing the complexity in compliances and resulting in faster transit times, improved predictability and higher efficiencies for surface transport. This transformation is highly beneficial to the logistics industry players having pan India operations. The sector growth was also benefited from digitization, globalization and favourable demographics.



The express logistics industry has a significant fragmented supply market where the compliance with taxation and other regulatory compliances is observed to be complex. Due to GST, the new taxation regime, all firms having a turnover of more than ₹ 2 million are mandated to be GST compliant. This is expected to lead to a shift to organized sector. As a result of these favourable measures, the industry is now becoming one of the fastest growing sectors. Also, with the recent emergence of e-commerce and subsequent surge in consumer demands, the express delivery industry across the globe has undergone a transformation. Technology is also contributing to the growth of the sector, with Big Data, IoT, Artificial Intelligence, Blockchain and drone delivery, addressing existing challenges and maximizing both efficiency as well as growth.

At TCI Express, we have always been ahead of the curve and future ready. Our technologies and processes have also been in line with the changing dynamics of the industry. Over time, we have evolved through our consumer orientation approach to ensure that we meet their requirements, thereby, growing not only in terms of operations but also in matching the growing scale of business needs of our customers.

Our operations take place through a wide network across the country with about 700 company branches and 28 sorting centers serving 708 districts in India. We also pride ourselves as an organization for our strong values and ethics which have been deep-rooted in us since our inception. Our long standing customers are the testimony to this fact.

I am also pleased to report another year with stellar performance achieving