

CHAIRMAN'S MESSAGE



AT TCIE Express, our overarching purpose is to redefine the concept of express services by taking the business of our customers ahead on the one hand and making deep investments in a multi-technology, multi-specialist transport system on the other.

What makes this commitment different is our attempt to extend to excellence and values across every role and function, addressing the growing aspirations of our large family of stakeholders, which comprises the society, customers, employees, vendors, shareholders and the transport sector.

D. P. Agarwal,
Chairman

Economic momentum

The Indian economy reported steady growth during the year under review. Even as the country's GDP grew 6.7%, slower than in the previous year, growth accelerated to 7.7% in the last quarter of 2017-18, indicating that the country had decisively turned the corner.

As GST implementation stabilized, the benefit of reforms became more evident. Major infrastructure projects were announced and implemented, widening the market for our services. The Make in India initiative strengthened the manufacturing sector, creating a bigger need for companies to source raw materials and deliver finished products more efficiently, integrating our role deeper into customers. There was increased demand from export-import cargo, pharmaceutical, textile, auto and auto ancillary, small-medium enterprise and engineering segments for our express delivery services.

During the year under review, the government's reforms addressed the regulatory framework, strengthening the role of the country's logistics sector. The GST and E-Way bill reforms helped create an efficient streamlined logistics process. The inclusion of

logistics in the Harmonised List of Infrastructure sub-sectors simplified norms related to investments in the sector. The government made it easier to commission multi-modal logistics facilities, encouraging future-facing infrastructure investments.

Capitalising on reform

TCIExpress, the category leader, is expected to capitalize on the country's landmark macro-economic transformation.

We believe that the need for a prioritized movement of logistics will only increase, strengthening the rationale for our presence in the sector. Robust economic recovery will increase the need for goods transportation from one point to another, widening our express logistics market.

There are a number of reasons why TCIExpress expects to report sustainable growth from this point onwards.

The company possesses the widest network (704 out of India's 712 districts) across any time-definite express distributor in India, providing a seamless multi-regional transfer of consignments and a dependable customer value proposition.

Over the years, the company made cutting-edge IT

investments to optimize logistics costs on the one hand and maximize the use of business-strengthening tracking on the other.

We built scale through operational integration comprising proactive investments in self-owned sorting centres and offices architecture around a hub-and-spoke model.

We specialized in the time-definite express distribution segment, creating an organisation around a focused culture of urgency.

We are respected not merely as vendors but partners, reflected in multi-year relationships across customers, strengthening our revenue visibility.

We created a scalable foundation in our people commitment marked by empowerment, accountability, emotional ownership and performance delivery.

Outlook

At TCIExpress, we look forward to the future with confidence. As the transportation sector gravitates towards the organized segment following GST implementation, we are optimistic of carving a disproportionate share of the growth. In doing so, we believe we will continue to enhance

value for all our stakeholders.

I acknowledge the contribution of my fellow members on Board, management, employees, customers and bankers. I must assure them that the Company is on the verge of entering a new orbit.

D. P. Agarwal
Chairman,

TCI Express Limited



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