Dated: February 09, 2026

Listing Department **BSE Limited** Phiroze Jeejeebhoy Towers Dalal Street-Mumbai-400001 Scrip Code: 540212	**Listing Department** **National Stock Exchange of India Ltd.** Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai-400051 Scrip Symbol: TCIEXP

Sub: Transcript of Earnings Call for the Quarter-3/9Months FY 2025-2026
Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir/Madam,

This is in furtherance to our letter dated February 03, 2026, whereby the Company had submitted the link to the audio recording of the Earning Call held post announcement of the Un-Audited Standalone and Consolidated Financial Results for the Q3/Nine Months ended December 31, 2025.

Pursuant to the Regulation 30 (6) read with Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015, please find enclosed the transcript of the said Earnings Call, for your information and records. The transcript of the earnings call is also available on the Company's website at https://www.tciexpress.in/investor-analyst-corner?invid=16&key=c74d97b01eae257e44aa9d5bade97baf

We request your good office to take the above information on records.

Thanking you,

Thanking you,
For **TCI Express Limited**

PRIYANKA Digitally signed by PRIYANKA Date: 2026.02.09 16:16:19 +05'30'

PRIYANKA
(Company Secretary & Compliance Officer)
Encl: as above

"TCI Express Limited
Q3 FY 2026 Earnings Conference Call"

Tuesday, February 03, 2026

MANAGEMENT:	**MR. CHANDER AGARWAL – MANAGING DIRECTOR,** **MR. MUKTI LAL – EXECUTIVE DIRECTOR & CHIEF FINANCIAL OFFICER,** **MR. PABITRA PANDA – CHIEF BUSINESS OFFICER**
MODERATORS:	**MR. VIKRAM VILAS SURYAVANSHI AND MR. HARSHIL SHAH – PHILLIP CAPITAL (INDIA) PRIVATE LIMITED**

Moderator: Ladies and gentlemen, good day, and welcome to the TCI Express Q3 FY 2026 Earnings Conference Call, hosted by Phillip Capital (India) Private Limited.

This conference call may contain forward-looking statements about the Company, which are based on the beliefs, opinions and expectations of the Company as on date of this call. These statements are not the guarantees of future performance and involving uncertainties that are difficult to predict.

As a reminder, all participants' lines will be in the listen-only mode. And there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call, please signal an operator by pressing "star" then "zero" on your touch-tone phone. Please note that this conference call is recorded.

I would now hand the conference over to Mr. Vikram Vilas Suryavanshi from Phillip Capital. Thank you, and over to you, sir.

Vikram Vilas Suryavanshi: Thank you, Muskan. Good evening, and a very warm welcome to everyone. Thank you for being on the call of TCI Express.

We are happy to have the Management with us here today for question-and-answer session with the investment community. The Management is represented by Mr. Chander Agarwal – Managing Director, Mr. Pabitra Panda – Chief Business Officer, and Mukti Lal – Executive Director and Chief Financial Officer.

Before we start with the call, we will have opening comments from the Management. I will hand over the call to Mr. Chander Agarwal for opening comments. Over to you, sir.

Chander Agarwal: Thank you. Good evening, everyone, and welcome to the Q3 and 9M Financial Year 2026 Earnings Conference Call of TCI Express Limited. Thank you for joining us today. I hope you and your families are doing well. Our Earnings Presentation for the quarter has already been shared on the Company's website and with the Stock Exchanges, and I trust you have had the opportunity to review it.

I will begin by sharing an overview of our operational performance and business progress during the Quarter and 9M ended December Financial Year 2026. Following this, our Executive Director and CFO – Mr. Mukti, will take you through the financial performance in detail.

During the Q3, the operating environment reflected a mixed trend across sectors. While certain industrial and export-linked segments showed moderation, domestic consumption and festive-led demand supported freight movement. Against this, TCI Express delivered a stable performance supported by disciplined execution, network expansion and steady traction across multiple business verticals.

On an overall basis, the Company reported 6% year-o-year growth for the quarter. Furthermore, as part of our ongoing commitment to shareholder value, we are pleased to announce an interim dividend of Rs. 7 per share, representing a payout of 350% on the face value.

Surface Express continued to remain the largest contributor to overall volumes. During the quarter, Surface Express resumed growth following a period of subdued performance. Performance was supported by customer additions, higher wallet share from existing enterprise accounts, and increased movement across sectors as automotive, defense, solar and electric vehicles. Business from MSME and pharmaceutical customers also improved during the period.

Furthermore, during the quarter, we saw an increase in business from key account management customers, reflecting deeper engagement and improved solution alignment. Customer acquisition remained strong with registered customer additions more than doubling on a year-o-year basis, supported by focused sales efforts and high field engagement. To strengthen network reach, five new branches were added in Q3 Financial Year 26. In addition, customer contract renewals are currently underway with revised pricing being implemented earlier than the usual cycle, supporting yield improvement going forward.

During the quarter, the Rail Express segment delivered 24% year-o-year growth, aided by higher pharma volumes and technology-led improvements in compliance and shipment visibility. The Air Express business also reported steady progress with domestic Air Express growing about 14% year-o-year on the back of customer additions, improved delivery performance and stronger regional connectivity, while international Air Express recorded nearly 28% growth driven by higher trade-in activity, customer wins in express and progress on cargo consolidation and global partnerships.

The C2C Express segment scaled further with 32% year-o-year growth, supported by wider manpower coverage and new customer acquisitions. The E-commerce Express business continued to gain traction, delivering strong growth with consistent volumes across the quarter, stable profitability and continued progress on B2C expansion, leadership strengthening and technology integration to support future scale.

From a people and process perspective, focused efforts are being taken towards organized business growth and cultural transformation across business associates and logistics staff. As frontline representatives of the Company, these teams play a critical role in customer interaction, service quality and operational outcomes. Structured training and engagement initiatives are expected to improve execution consistency and support long-term growth.

During the period, the Company has been certified under ISO certifications for ISO 9001:2015, ISO 14001:2015, and ISO 45001:2018. These certifications reflect our continued focus on quality, environmental responsibility and workplace safety. We are also pleased to share that TCI Express has been certified as a Great Place to Work for sixth consecutive year and recognized as India's most preferred brand for 2025-2026. These recognitions reinforce our focus on people, governance and long-term value creation.

Our corporate social responsibility initiatives continued during the quarter. Our health checkup camp was organized for employees at the corporate office in collaboration with Medanta Hospital, supporting preventive health care and employee well-being. The TCI Express Foundation's Jaipur Foot and Rehab Center in Lucknow supported 144 beneficiaries during the quarter by providing artificial limbs and assisted devices contributing to mobility and long-term rehab outcomes.

Looking ahead, the Company remains focused on strengthening its core surface network, expanding multimodal capabilities and deepening engagement across key customer segments. Continued investments in technology, network optimization and people development remains central to our strategy. Furthermore, during 9 Months Financial Year 26, the Company added more than 300 employees to align manpower with network expansion and service requirements. With a strong balance sheet, asset-light model and disciplined execution, TCI Express is well positioned to navigate near-term demand variability and pursue sustainable growth in the quarters ahead.

With this, now I'd like to hand over the call to Mr. Mukti to take you through the financial performance of the Quarter and 9Months ended Financial Year 26. Thank you.

Mukti Lal: Yes. Thank you, sir, and good evening, everyone.

I will now take you through the financial performance of TCI Express for the Q3 and 9M ended FY26.

As our Managing Director has already been covered the business environment, service initiatives and operational progress, I will mainly focus on the financial highlights.

For Q3 of FY26, income from operations was Rs. 314 crores compared to Rs. 296 crores in Q3 in last year same quarter, reflecting a year-o-year growth of 6%. On a sequential basis, we also increased revenue by 2% and total income for the Q3 was Rs. 317 crores for FY26.

EBITDA for Q3 was Rs. 37 crores compared to Rs. 33 crores in same quarter of last year. EBITDA margin for Q3 FY26 is 11.6%. Profit after tax for Q3 is Rs. 23 crores with a margin of 7.2%.

For the 9M period income from operation is Rs. 909 crores and compared to Rs. 901 crores in the corresponding period last year, by registering 1% growth in nine month period. Total income for the period stood at Rs. 919 crores. EBITDA for 9M is Rs. 109 crores with a margin of 11.9%, while profit after tax stood at Rs. 69 crores with a margin of 7.5%. The 9M performance reflects stable operating execution despite demand variability across quarters.

From a return and efficiency perspective, return on capital employed for 9M stood at 19.6%. Current ratio remained healthy at 3.38 times, highlighting strong liquidity and balance sheet flexibility.

Working capital management remained again stable during this quarter. Receivable days has maintained at 60 days, payable days at 39 days, resulting in net working capital cycle of 21 days. The increase in working capital days compared to the previous quarter is largely linked to the festive season volumes and timing of collections and remains well within the manageable levels. Further, we will be try to reduce in time to come in by next quarter.

The Company continued to operate with a debt-free balance sheet. The net cash position remained strong at Rs. 146 crores, supporting ongoing investment and operational requirements.

Cash flow from operations for the 9M FY26 was Rs. 29 crores. During the same period, the Company incurred capital expenditure of Rs. 45 crores, primarily towards branch expansion, sorting center infrastructure and IT upgrades.

Free cash flow for the 9M stood at Rs. 15 crores. Additionally, the Company revised its projected Capex to Rs. 400 crores from the earlier plan of Rs. 500 crores in five years tenure, which will be finished in FY27, so it will be revised from Rs. 500 crores to Rs. 400 crores. So remaining period we will be done almost like Rs. 150 crores in one and a half years' time.

From a service performance perspective, Surface Express remained the largest contributor to revenue, while rail, air, C2C and e-commerce segment supported overall growth during the quarter. As mentioned earlier, investments across multiple services and technology platform aimed at improving operating leverage over the medium-term.

To summarize, the Q3 and 9M performance reflects steady revenue growth, disciplined cost control, stable margins and strong balance sheet. Our priorities remain focused on prudent capital allocation, maintain liquidity and strengthening cash flows.

With this, I conclude my remarks. We can now open the floor for the question-and-answer. Thank you very much.

Moderator: Thank you very much. We will now begin the question-and-answer session. Anyone who wishes to ask questions may press * and 1 on their touch telephone If you wish to remove access from question queue you can press * and 2. Participants are requested to use handset while asking a question. Ladies & Gentlemen we will wait for a moment, while the question queue assembled. The first question is from the line of Kanish Jain from Bastion Research. Please go ahead.

Kanish Jain: Hi, Thank you for the opportunity. Congratulations on a great set of numbers. Am I audible?

Mukti Lal: Yes, You are an audible Kanish continue.

Kanish Jain: Sir, I have a few questions. The first one is on the SME side. Given the current headwinds faced by the SMEs, could you help us understand how sticky our SME clients are to the express model versus shifting to 3PL or other affordable models? Also so far, have we seen any SME clients move away from us?

Mukti Lal: Sorry, what I understand, your voice is not clear. So you are talking about SMEs, again, they are facing the headwinds and how like they performing and how they like giving the business to us, right?

Kanish Jain: Yes, sir. And also that since they are facing headwinds, so is there any probability that they will shift from express model to affordable models like 3PL or other models?

Mukti Lal: No. SMEs are not hit much. What kind of SMEs we are dealing with that they are like prudent one and then fully compliant. And they have like full supply chain and businesses across India, we are helping them to deliver everywhere. So, our ratio is maintained with them, and we are getting the business from them regularly. And currently, ratio with them is around 49%, and we will keep continuing.

And again, you have seen like in a recent budget, government is also highly focused on to help these SMEs and they also are marking some fund to get the direct packages from the SME customers and all. So the government is also worrisome about their existence in the system continuously. And that's why we since inception are also focusing on SME customers. So, we will keep continue there.

And really, they are not like moving from express industry to other models. They have to keep continuing with the express because the model gives the guarantee to deliver on time and with damage free and all. So this way it's nothing to be worrisome and is very well going on.

Kanish Jain: Okay. And so far none of our SME client has left us?

Mukti Lal: No, no, not at all.

Kanish Jain: Okay. Sir, I just wanted to have an understanding about the back-end infrastructure. If we were able to win a contract that significantly increases the capacity utilization, would our existing back-end infrastructure be able to absorb and service this incremental volume? Or would it require further expansion of Capex?

Mukti Lal: Yes. So basically, you need to see three aspects. One is like we have existing infrastructure for the surface and other services like air and rail and C2C. So we are creating an additional infrastructure to give excellent services to customers. So we are creating infrastructure for rail service independently. We are creating an infrastructure for air, domestic and international also separately.

And our MD has mentioned, we are hiring new people for the sales and operation both. So, we are future-ready for wherever we like win any contract, we can get that almost like once we will get like 30%, 40% revenue growth in existing infrastructure it's okay, we will do that. But infrastructure is also like in a two way. One is my fleet, and another one is our sorting centers and branch network. So sorting center and branch network is fine, but fleet will be added wherever it's required because it's a variable component. In existing fleet, our utilization level is around 83% plus.

So this way, it can be increased to 2%, 3% in existing one. But whenever we add the like new customer on a very particular line, then we have to add the additional capacity accordingly, or like we shift the capacity from low capacity to higher capacity in existing trucks. So like, again, supposing we are utilizing 16, 17 tonnes truck, then we can move to 25 tonnes truck, or supposing 9 tonnes then we can be move to 18 tonnes. So this way it's happening and it is a very dynamic one. So that is not a challenge. Wherever we will grow faster, then we are ready with that.

Kanish Jain: Okay. And lastly, I wanted to understand the Company's priority between improving capacity and top line versus improving margin. For instance, if an institutional client order volume that can significantly increase utilization and top line, but at the cost of lower realization, would the Company accept the trade-off? Or would we prefer to let the order go and continue to focus on SME clients which offer higher margin but lower utilization and top line?

Mukti Lal: Yes. Our approach is always to get the profitable business continuously. So, we will keep a balance, and we maintained that balance since more than last two decades, where we are getting business in 50%, 50% from SME and 50% from the bigger customers. So that tendency in that vision we will be going ahead also with even newer services, rail and C2C we will give that way. So, we will keep continuing with that because, again, SME customer is giving the good prices and low volume, obviously, bigger customers are giving the volumes and slightly low prices. So we have to keep both and keep continuing with that method actually.

Kanish Jain: But if you look at institutional clients, the revenue from them are more sustainable, like if you look at operating leverage, if we focus on that, then we would also be able to achieve margins from them, right?

Mukti Lal: So you are talking about SME?

Kanish Jain: No, I am talking about institutional client.

Mukti Lal: No. So institutional client, yes. So, it is always better to have the SME and both together actually. That's why if you see my customer concentration is not so high with one or two customers. As we mentioned from time to time, my top 25 customers are not giving more than 15% revenue to us. So this way, we have very low concentration on a particular customer, so we are not depending upon that, because always big customer or institutional client is always squeezing margins and squeezing the prices. So they are like sometimes very highly fragmented to be moved to other service player if they are offering some reduced prices and all.

But in express industry, fortunately, this is a very good thing where they do not compromise on a service level and usually they are not moving much due to price reduction and all. So that's why you seen like realization per unit is not decreasing in this industry in spite of high competition and all. So this is not like impacting that way. And it's good to have SME and institutional client both in this way.

Kanish Jain: No, I just wanted to have understanding of what is the Company's priority? Is it top line or is it maintaining margin?

Mukti Lal: No, no, both.

Chander Agarwal: Can we take another next question, Mukti.

Mukti Lal: Yes, please. Kanishk, we have the both priorities. We have to grow with the profitability only. We will not do the growth for the only revenue top-up.

Kanish Jain: Okay, sir. Thank you.

Moderator: Thank you. The next question is from the line of Ravi Kumar Naredi from Naredi Investments. Please go ahead.

Ravi Kumar Naredi: Thank you to give me this opportunity. Sir, our competitor, one number peer, since it is delhivery, how they damaged our earnings service last three years by incurring losses, so what you expect in the next one year?

Mukti Lal: So, we do not want to comment on particular competition. But you see their results also, so every competition has their own space and own fill, but we are very clear on our sense. We will keep the revenue growth with the profitability only. And this market is very big because we were in a slightly subdued revenue growth in last five, six quarters because our focus and our dependence was on only one particular segment only, surface, that was the biggest one. But now we face this thing and then we started the newer services also. And then you see in the results in this quarter, every other services has been increased phenomenally very well.

So it means it's not that we will be like less focusing on our surface, this is like biggest one. So we will keep growing simultaneously, but these newer service slightly higher. And obviously, surface will be in the more than double-digit growth in times to come. So we are not saying any competition can like harm for particularly can we get the business on lower prices and all, this is not the case actually, because this industry people are not behind the rates, rather they want good services.

Ravi Kumar Naredi: Because I am shareholder since last six years and went to see your Delhi sorting center too, but results are not up to mark. But you are doing hard work, that is the thing. Sir, Air Express, Chander, you said growth comes to 24%. Earlier, say before four years, you were not sure for air cargo due to airport and airline handling problem. But now you are working, saying a different story. Is it so,

Mukti Lal: Chander Sir.?

Chander Agarwal: Can you repeat the question, please?

Ravi Kumar Naredi: Sir, Air Express grew 24%. Earlier, say before four years, you were not sure for air cargo due to airport and airline handling problems. But now you are working, saying a different story. Is it so?

Chander Agarwal: Well, you have to also see that the business environment evolves, it changes. It cannot be static. So if the air cargo business was slow before COVID, after COVID it took off. And it's starting to now slow down again. But we have now enough base. We have developed a very strong base where even with the lower volume growth, we will still be able to show growth. So I think it's all fundamental to how the Company can change itself from the environment it is doing business in at the moment. So, do not think that we are affected, we have to go as per how the market changes.

Ravi Kumar Naredi: Right. And what is your commentary for FY27?

Chander Agarwal: Mukti?

Mukti Lal: Yes. 2027, so we are looking for 15% plus kind of volume growth. And with the 2% price hikes, so 17%, 18% kind of revenue growth we are looking for. And accordingly, profit margin like PAT level, we will be increasing it in the range of 20% plus. Because we are like in a phase of expanding our team and creating separate capabilities for each services like for rail, for C2C, for air and international. So we are creating that one. We are refocusing back to on B2C segments also, again, not like targeting big giant companies, but again, small B2C players for the delivery. And we also focusing on D2C, which is also increasing in this market. So we are looking for kind of 15% growth in FY27.

Ravi Kumar Naredi: Okay. Thank you.

Moderator: Thank you. The next question is from the line of Dhruvin from SKP Securities. Please go ahead.

Dhruvin Kadakia: Hello, sir. I just have three, four very small questions to ask. First, from a product mix point of view, how do we expect our product mix to be in the next two years? Like if you have to give me a breakup between Surface Express, your international air, domestic air and e-commerce, like how would you split your revenues in terms of percentages?

Mukti Lal: Yes. So overall, like in this quarter and by I think FY 2026 end, nothing will change much. So we will be finishing around 18.5% to 19% in other services and 81% in surface. And of that, in this 19% chunk we are including rail, air, domestic and international, C2C and e-commerce part. So this is the part of that. And because these are, again, a few other very small and we just launched two, three years back. So biggest chunk is C2C and then followed by air and then rail and then e-commerce.

Dhruvin Kadakia: So e-commerce as a percentage is how big a chunk?

Mukti Lal: It is very low, again, 2% and 2.5%. Earlier it was around 4.5%, then we reduced the chunk from, again, big guys and all. So we reduced selling to 2.5%

Dhruvin Kadakia: Is it the same as international Air Express? International air is also around that range?

Mukti Lal: Yes, yes, it is also around 2%, yes.

Dhruvin Kadakia: All right. Okay. Sir, second question, in terms of volume and realization per tonne, what would be your guidance for FY27 and FY28 going forward?

Mukti Lal: So in this year we target to increase the yield by at least 100 basis points, 1% basically. And next year we are targeting 2%, again, next year also 2%. So by like FY 2028, we will be in a situation to increase my realization by 5%, and that directly adds to our profits.

Dhruvin Kadakia: Okay. Last couple of questions. So what was the volume numbers in this particular quarter?

Mukti Lal: The volume number is, 2,55,000 metric tonnes in this quarter we achieved. And in nine months, total is around 7,37,000 metric tonnes.

Dhruvin Kadakia: Okay, sir. Last question, Your Rs. 500 crores Capex plan, which was supposed to end, I think, till FY27. And then in the last call we decided that we will push it to FY28. So, by FY28 can we assume that this Rs. 500 crores Capex will be fully incurred? Or is there something new coming up or some postponement or something expected?

Mukti Lal: Rightly said. Well, we will keep like by 2027, Rs. 400 crores and then additional Rs. 100 crores by 2028. So you rightly said, by 2028 we will consume this Rs. 500 crores fully. We are on that mark.

Dhruvin Kadakia: Alright. Thank you so much. That's all from my side.

Moderator: Thank you. The next question is from the line of Anurag from Equirus Securities. Please go ahead.

Anurag Katta: Hi Good evening. Am I audible?

Mukti Lal: Yes, Anurag

Anurag Katta: Yes sir, just capacity utilization details for the quarter would be great.

Mukti Lal: Yes. So capacity utilization in this quarter we have around 83.25%, because we were supposed to be higher, but somehow like after Dipavali there's a dip in volumes and then again picking up in December and all. So that's why it's happening around 83.25%.

Anurag Katta: Okay, sir. Thank you.

Moderator: Thank you. The next question is from the line of Koundinya from Jefferies. Please go ahead.

Koundinya Nimmagadda: Hi, it's Koundinya here. Thanks for the opportunity, sir. Sir, just trying to understand what is the scenario? Like how is the momentum on the ground in the Q4? Can you put some color on how is Jan and Feb, what is the outlook like? You also spoke about potentially taking early price hikes, so what gives you that confidence to take price hikes now? If you can speak a little bit about that, please?

Mukti Lal: Chander sir, you want to comment on that?

Chander Agarwal: You can go ahead, Mukti.

Mukti Lal: Yes. So, Koundinya, basically this environment has improved a lot in the sense of freight movement, in the sense of volume growth for the express industry. And you have seen the other competition number also, everyone is increasing.

So, third thing is like cost pressure has like stabilized now. But again, labor cost still is on an increasing trend because government also want to regularize that and want to be given a social security and all. So, that is going on and is also very clear by applying labor laws implementation there.

So, with that and business environment now is a good news where like tariff has also reduced from 25% to 18% and this penalty tariff is also removed. So I think overall business scenario, and as you have seen like economy is also growing, special thing where government is also putting very high emphasis on SME customers because government knows SME is a key segment for the Indian logistics also, and for the Indian growth also, obviously, Indian economic growth also. So that's why they are putting in extra fund to grow that.

They also want to create a different cluster for the manufacturing for the different, different kinds of different manufacturing. So overall, like we also put into a new segment like we signing the contract for the EV vehicle companies, we also signed the contract with the solar, we are also signing contract with electronics companies also. And we also focusing on as we expand on a new geographies for the other services.

So overall environment, I see growth is also coming from, this is a good thing, coming from the Tier 2, Tier 3 cities. People have the more income into hands to like consumption for that. So overall scenario looks great. And again, one segment which we really facing challenges was lifestyle and textile industry, which is I think they will be also we have the boost up with these kind of like tariff has removed from that. So I think hopefully, that industry will be start to doing well.

So a scenario like January month was also getting good. PMI is also, as you have seen, improving. So we will be also sync with that. And certainly, all the segment I am saying, verticals, like moving ahead, defense segment is also like new companies coming up, existing companies are also producing more and all. So hopefully, environment is very positive and interest rate is also very low, as you have seen. So I think inflation is also low.

So customer is also intends to like give slight hike to prices. So that environment has also built up. So now we are building up our capabilities and surely we will achieve what we like promising for the Q4 and then subsequently go on.

Koundinya Nimmagadda: Sir, where do you think, I mean, you did speak about 15% target for FY27. In FY 2026, where do you think that growth will end? Because after two quarters of weakness this quarter, you came back now finally at 5% growth, which is like a decent number. So where do you think you will end the year at on the volume front?

Moderator: Management line has been dropped it. wait will connected with the Management.

Koundinya Nimmagadda: Sure.

Moderator: We connected with the Management line.

Mukti Lal: There was some technical glitch and this line has been connected, now we are back.

Koundinya Nimmagadda: No worries, sir. You were speaking about the growth momentum. I mean, I was asking about where you can potentially end FY6 at?

Mukti Lal: So yes, I just mentioned on quarter, we will be finish high single-digit or like might achieve double-digit growth in this quarter.

Koundinya Nimmagadda: Nice. Understood, sir. And sir, secondly, I see that your employee costs a bit have gone up. I mean, while you usually are very prudent on cost, this time it appears the costs have gone up. I mean you did speak about adding some sales force and all. Maybe can you speak a little bit more, give more granularity on what is the kind of addition that you saw on the sales side? And what is the expected revenue growth or something, what are your plans out there? If you can speak a bit more on that, please?

Mukti Lal: So, a good question. So basically, this cost also includes the labor code impact also, which is around Rs. 60 lakh which is included here. Though we were prepared long time back where we like tuning all the like everything. So this time the gratuity impact was there and that we have taken into consideration. So that's why it looks like inflated there.

Koundinya Nimmagadda: Sir, sorry for interrupting you, sir, Rs. 60 lakhs is of past pay or is it like a recurring thing that you included here?

Mukti Lal: No, no, it's a past impact, means overall impact. Onetime impact is there. And then sales team, like we are creating a sales for each different product separately. And that's why we hiring the people, and that's why Mr. Chander Agarwal also mentioned, we are creating like cultural adoption also because we hiring people from the outside world and then inculcating our culture with them. So we are giving high skill training and high like culture training into companies. So we will build up. We are also planning to increase the number from 300 to 500 by March end. So this is our planning to be build up the teams.

Koundinya Nimmagadda: Understood Sir, Lastly I think there was an announcement that you know you are creating new related party policy and in pursuant the link is not working can you help us to understand what is about?

Mukti Lal: Sorry

Koundinya Nimmagadda: I mean in the press release, along with the results, there was an approval for new related party policy. There was some link given, but that link is not working. If you can help us understand what is the new policy about, related party transactions?

Mukti Lal: So, it is a recurring nature actually, there is nothing new on that. Government is like, SEBI is from time to time defining the new rules and there's no significant change happening there. So, if you can give that link, I do not know where it is missing. So there is nothing new change on that. They changed over the period a few things, but nothing new has been changed. There's some definition has been changed, some things happened on that. But nothing much on that. So, we will check that link and then revert back on that, please.

Koundinya Nimmagadda: Sure, sir. Thank you very much. Looking forward to positive growth momentum from you.

Moderator: Thank you. The next question is from the line of Ashwin Reddy from Samatva Investments. Please go ahead.

Ashwin Reddy: Yeah, Hi Good Evening, Thank you for the Opportunity**.** The last time that we had raised prices? Because right now you talked about the price increase, right, which you plan to do. So, when was the last time that we'd taken a price increase?

Mukti Lal: Yes. So price increase actually is very dynamic. So I think we had taken price hikes two years back in FY23, and then intentionally not taken because environment was not conducive for that. And in this year everyone has talked about passing on basically because toll tax has increased, labor cost has increased. So price inflation is there for the overall industry. So we also like want to pass on. But yes, last time we had taken in FY23.

Ashwin Reddy: Got it. And you talked about the retail sector not being strong yet. What percentage of our revenue comes from this sector now?

Mukti Lal: It's around 49%. So we keep continuing like in the 50%, 51%.

Ashwin Reddy: Yes, sorry, what I meant is not the SME versus the institutional. What I meant is in the end user industries, the client industries, I thought you mentioned the retail sector has not done so well for you. So what percentage of the revenue is this sector for you?

Mukti Lal: For us, revenues from that segment is around 8.5% in overall basis.

Ashwin Reddy: Okay. And what would be the top five sectors for you? And what is the combined contribution from the top five sectors for you?

Mukti Lal: Yes. Top 5 is contributing 55% revenue to us, and these top five are like auto, pharma, engineering, electronics and textile. So these are the segments we are getting this revenue from, 55% from these segments.

Ashwin Reddy: Got it. Thank you so much.

Moderator: Thank you. The next question is from the line of Chandramouli Jagannathan, an individual investor. Please go ahead.

Chandramouli **Jagannathan:** **Hello** Sir, your market cap now is about Rs. 2,000 crores. I mean when it was about Rs. 6,000 crores, you gave a buyback. Buyback I am talking about. Now the buyback tax also has kind of the recent budget became a little attractive. There is any plan that you can think of because the valuation is so attractive?

Mukti Lal: Yes, you rightly said, because now government has changed some tax part again. I think these are like investor-friendly now. So, we can think over. We will internally discuss and whenever it's required, we will be do that. And last time also, our promoter has not participated on that, and it was even on Rs. 1850 per share was there. So you rightly said it's like conducive time.

So we will be thinking on it. But right now there is no discussion is going on. And if we found better because taxation was not like investor friendly, so that's why the market has also declined for the all buybacks and all. So we can think over. But right now, there is no proposal for that.

Chandramouli**. Jagannathan:** And then sir, you are saying your capacity utilization is about 83%. What is the maximum that you can utilize? And will there be operating leverage when the capacity utilization crosses 85% and above?

Mukti Lal: Yes. So there is always a scope to improve. So we can reach 85%, 86% by not disturbing or reducing service level with the customers, so we can do 85%, 85.5%. But beyond that if we want to be skewed at or improve utilization, then we have to somehow compromise on the services, which we cannot do. So, I think ideal thing is 85% to 86%. But again, I am saying it is a very dynamic one, again. Supposing whenever we reach on a highest capacity utilization, then we will again move to another truck, which is a higher capacity truck. Like, again, I mentioned in various calls, where 16-tonne truck can be moved to 25-tonne truck then, then again we have the scope to be improve the utilization level for that. So ultimately, per unit cost is coming down.

And that way since long we are doing that, and we have very high flexibility because we completely outsource our fleets. So we have very high flexibility in our hands, and we can do that within even less than one month's time. So that's why it's highly dynamic, and we can do whenever is required for that purpose.

Chandramouli **Jagannathan:** Okay. Sir, now you are doing an EBITDA of about 10%, 11%, but your peak EBITDA was about 16%. So will you go back to that in the mid to long-term, is there any possibility?

Mukti Lal: Yes, So we are certainly trying to achieve that back to this normal number of 15% plus because, again, why this EBITDA has been impacted, which is, again, one reason is revenue. Second one, because we are building up the capabilities for the other services, so we have to spend the money on creating the network like for the rail, for Air Express and all, And once we will be like, again, you have seen the numbers where we are getting the high revenue from these segments. So once we will get the like utilization level of this network will be increased, then certainly we will improve our EBITDA very fast.

In past we also did the same way. I think in two years' time we improved 400 basis points. So this way will be come again, and we trying for that. Now we, again, in a Phase to build up the capabilities. And I think we will be taking a balanced approach. We are not putting high cost on a particular segment and then getting the losses and all. Rather, we are going in a very gradual manner where we building up the capabilities also and we maintain the profits also. So this way, we will be certainly back to this margin territory back of like 15% plus, sure.

Chandramouli **Jagannathan:** So approximately, I mean, how much time will it take, two to three years? I am asking about the mid to long-term perspective.

Mukti Lal: Yes, I think we will do in the next two, three years. Next year we will be targeting to be in the range of 13% plus. And then subsequently, in each year we can be increased 100 basis points very easily. So, again, I think by FY28 or FY29 we will achieve 15% plus.

Chandramouli **Jagannathan:** No, I am saying you are in a consolidation phase where you have invested some of the money in the last two, three years, those things are yet to give you growth, right?

Mukti Lal: Sorry, I did not get what you are saying?

Chandramouli**. Jagannathan:** No, I am saying, whatever that you have invested in the last few years, maybe two, three years, those the other new segments are yet to give you results.

Mukti Lal: Yes, yes, you rightly said because these are again in a very inception phase. So we are trying hard to building up the capabilities and to get the revenues from that. So we are getting good traction in all like new services and obviously. Surface segment, again, our wide segment, so we are getting new verticals business, we are enhancing our wallet share with the existing customers. So we are putting all our efforts wherever we can get the revenue, but with the profit margins, obviously. So we will do that.

Chandramouli **Jagannathan:** Okay, got it. Thank you.

Moderator: Thank you. Ladies and gentlemen, as that was the last question for the day. I would now hand the conference over to Mr. Harshil Shah from PhillipCapital. Thank you, and over to you, sir.

Harshil Shah: On the behalf of PhillipCapital, e thank the management of TCI Express for giving us an opportunity to host the call and taking out time to connect with the investors. Thank you all for being on the call.

Mukti Lal: Thank you.

Moderator: Thank you. On behalf of PhillipCapital (India) Private Limited, that concludes this conference. Thank you for joining us. And you may now disconnect your lines.