



May 13, 2019

To,

BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 001

The National Stock Exchange of India Limited

Bandra Kurla Complex,
Bandra East, Mumbai – 400 051

Scrip Codes:

Equity: 540798

Debt: 958280, 958281

Scrip Symbol: FSC

Dear Sir / Madam,

Sub: Presentation to Analysts/ Investors

Please find enclosed herewith the presentation being forwarded to Analysts/Investors on the audited financial results of the Company for the quarter and financial year ended March 31, 2019.

The aforesaid presentation shall also be available on Company's website at www.futuresupplychains.com

Kindly take the above information on your records.

Thanking you,

Yours faithfully,

For **Future Supply Chain Solutions Limited**


Vimal Dhruve
Company Secretary

Encl.: As above





Science of Supply Chain. *delivered.*

Future Supply Chain Solutions Limited

**FY19
Investor Update
May 13, 2019**

This report contains forward-looking statements, which may be identified by their use of words like ‘plans’, ‘expects’, ‘will’, ‘anticipates’, ‘believes’, ‘intends’, ‘projects’, ‘estimates’, or other words of similar meaning. All statements that address expectations or projections about the future, including but not limited to statements about the Company’s strategy for growth, market position, expenditures, and financial results are forward-looking statements. Forward-looking statements are based on certain assumptions and expectations of future events. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Although the Company believes that such forward-looking statements are based on reasonable assumptions, it can give no assurance that such expectations will be met. You are cautioned not to place undue reliance on these forward-looking statements, which are based on current views of the Company’s management on future events. No representation or warranty (whether express or implied) is given in respect of any information in this presentation.

All figures herein have been rounded off to the nearest integer.

Note

Pursuant to the approval by the National Company Law Tribunal at Mumbai and New Delhi, the Scheme of Arrangement for demerger of Fulfilment Business Undertaking and Last Mile Delivery Business Undertaking of wholly owned subsidiary (“Demerged Undertakings”) was given effect by the Company during the quarter ended December 31, 2018. Upon the said Scheme of Arrangement coming into effect, all the assets and liabilities of the Demerged Undertakings have been vested into the Company with effect from the appointed date as mentioned in the Scheme of Arrangement. Figures for the previous quarters / year have been restated, wherever required, to give effect to the said Scheme of Arrangement.

The Board of Directors of the Company at their meeting held on February 7, 2019 approved sale of Last Mile Delivery Business (“Division”) of the Company on a Slump Sale basis to Leanbox Logistics Solutions Private Limited (“Leanbox”), an Associate Company. The transaction is expected to be completed in 2019-20. Consideration of slump sale would be settled by allotment of shares to the Company by Leanbox thereby making it a subsidiary of the Company. Accordingly loss from the division has been shown as discontinued operation in all the reported periods/year and assets and liabilities of this division are classified as held for sale in the current year. The Contracts Logistics business under Vulcan Express (mainly the First Mile Business) has been clubbed under Contract Logistics revenue for the standalone entity.



Science of Supply Chain. **DELIVERED**



Business Overview



Standalone Financial Snapshot: Solid Fundamentals



33.1%

Q4 FY19 Revenue Growth; Q4 FY19 Revenue at ₹3,021 mn



30.1%

Healthy Q4 FY19 Gross Margins



14.2%

Strong Q4 FY19 EBITDA Margin



48.4%

Growth in Q4 FY19 EBITDA



33.8%

FY19 Revenue Growth; FY19 Revenue at ₹11,128 mn



113.0%

Strong FY19 Net Profit Growth



18.0%

FY19 ROCE

FY19 Net Debt / EBITDA

0.67x



Strong Balance Sheet

Growth numbers on Y-o-Y basis;

The above Financials have been restated to give effect to the Scheme of Arrangement for demerger of Fulfilment Business and Last Mile Delivery Business Undertaking of Vulcan Express from the appointed date. Loss from the Last Mile Delivery Business has been shown as discontinued operation in all the reported periods and assets and liabilities of this division are classified as held for sale in the current year. Please refer to the note on Slide 2 for more details.

Key Operating Highlights

Key Operating Metrics	Unit	FY18	FY19
Number of Containerised Vehicles ¹	#	622	768
Contract Logistics			
Warehouse Area ²	Mn sq. ft.	4.58	7.66 ³
Revenue Per Square Feet	₹ per month	113	113 ⁴
Express Logistics			
Total Weight Handled	'000 tonnes	164	195
Temperature Controlled Logistics			
Number of Pallets	#	9,650	8,439

Note: 1. For Contract Logistics and Express Logistics as of March 2018 and March 2019 respectively

2. Includes one distribution center of customer operated by FSC with area of 0.29 mn. sq. feet of warehouse space

3. Includes 0.48 mn warehouse space of Vulcan that has been integrated with FSC during FY19

4. Revenue for Contracts Logistics business under Vulcan Express has been clubbed under Contract Logistics revenue for the standalone entity



On-boarded 12 new customers under contract logistics and many more across other service areas in FY19

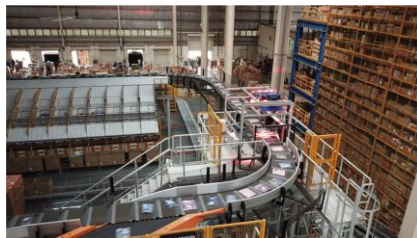
Customers added during Q4 FY19 include a leading tyre brand and a leading lubricant manufacturer



Added 3.08 million sq. ft. of warehousing space during FY19* supported by strong revenue visibility

Clear visibility of an additional 2-5 – 3.0 million sq. ft. of warehouse space expansion planned for FY20

* Includes 0.48 million of warehouse space of Vulcan Express that has been integrated with FSC during FY19



Contract Logistics#

Warehousing, distribution and value-added services

70%



Express Logistics

Point-to-point, full and part truck-load, time-definite transportation services

14%



Temperature Controlled

Cold-chain warehousing & transportation for perishable products

3%



LMD & Agility Solutions

Last mile delivery & agility solutions primarily for e-commerce sector

9%

Percentage of Consolidated FY19 Revenue *

* Basis revenue without adjustments for intra company transactions between key service offerings

The Contracts Logistics business under Vulcan Express has been clubbed under Contract Logistics revenue for the standalone & consolidated entity.

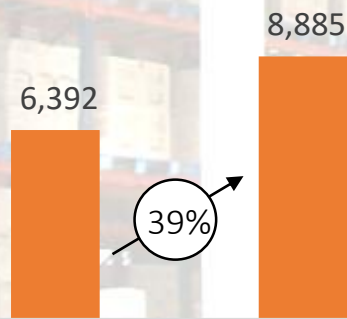
Contract Logistics: Consistently Delivering Strong Growth

Service Offering

- Integrated Technology-enabled Warehousing
- Transportation & Distribution
- Supply Chain Solutions
- Value-Added Services



Strong Revenue Growth*

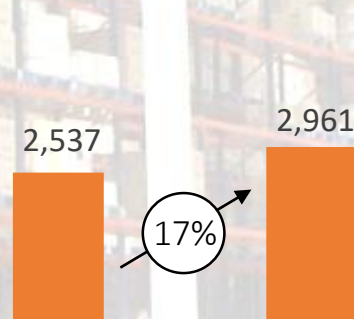


FY18

FY19

■ Revenue (₹ mn)

Healthy Gross Profit Growth



FY18

FY19

■ Gross Profit (₹ mn)



96

Distribution Centres



7.66 mn sq. ft.

Warehouse Space#



₹113

FY19 Average Revenue Per Square Feet per Month*

Above Data As On March 31, 2019

Includes 0.48 million of warehouse space of Vulcan Express that has been integrated with FSC during FY19

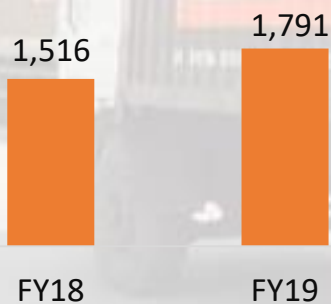
* Revenue for Contracts Logistics business under Vulcan Express has been clubbed under Contract Logistics revenue for the standalone entity

Service Offering

- Point-to-Point Part & Full Truck Load Transportation
- Time-definite Transportation Services
- Real-time tracking

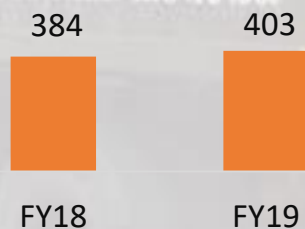


Revenue



■ Revenue (₹ mn)

Gross Profit



■ Gross Profit (₹ mn)



14 / 134

Number of Hubs & Branches
(Including Franchisees)



12,345

Pin Codes Covered



195k Tons

Weight Handled in FY19

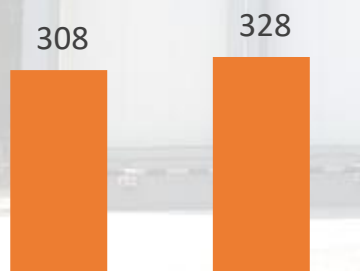
Above Data As On March 31, 2019

Service Offering

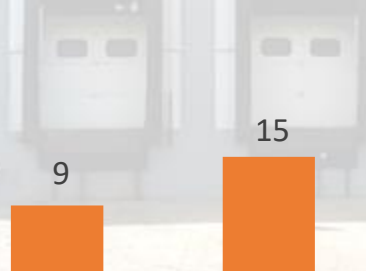
- Cold chain Warehousing
- Reefer Transportation & Distribution
- Solution Design & Route Planning



Revenue



Gross Profit



4

Temperature Controlled Distribution Centers



8,439

Number of Pallets



101

Owned Reefer Trucks

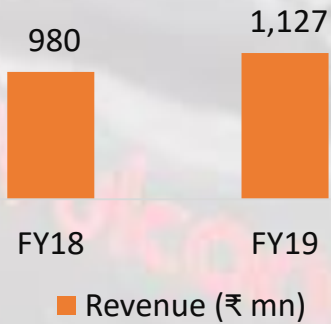
Above Data As On March 31, 2019

Service Offering

- Last mile delivery for E-commerce
- Agility solutions comprising warehousing and transportation
- Reverse logistics
- Value added services such as cash on delivery



Revenue



Gross Profit



14.48 mn

No. of Last Mile Deliveries Completed During FY19



Over 2,200 Pin Codes

Last Mile Delivery Network

Above Data As On March 31, 2019



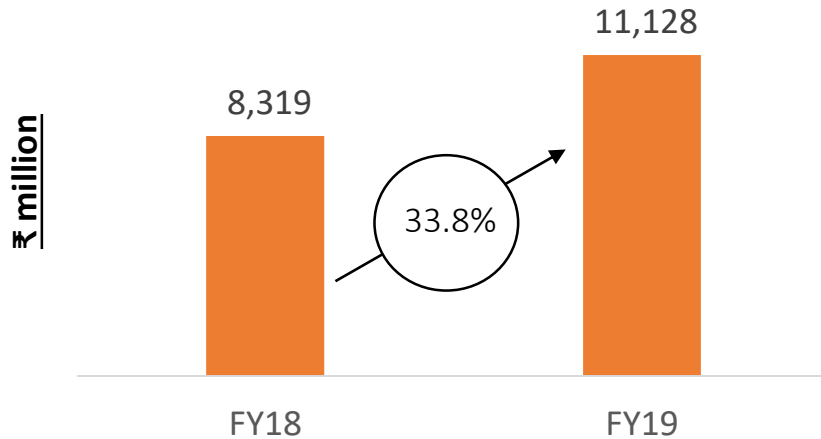
Financial Update



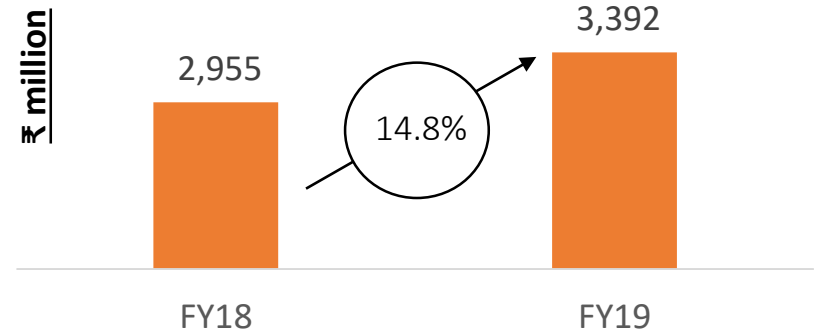
Strong Financial Performance Track Record (Standalone)



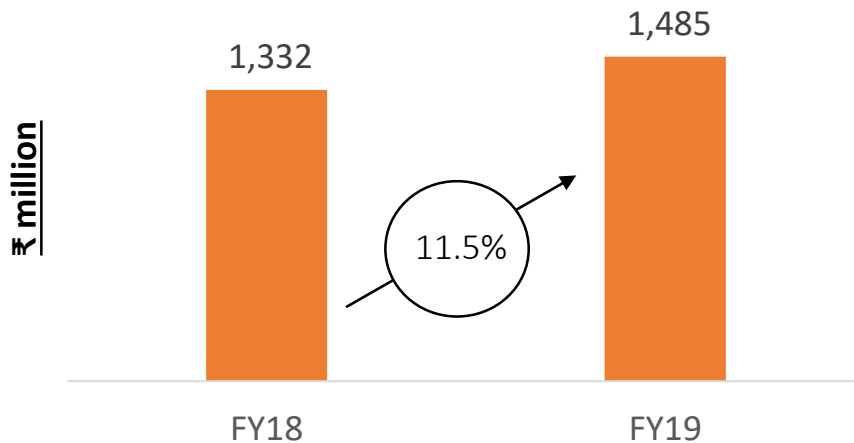
Revenue Growth



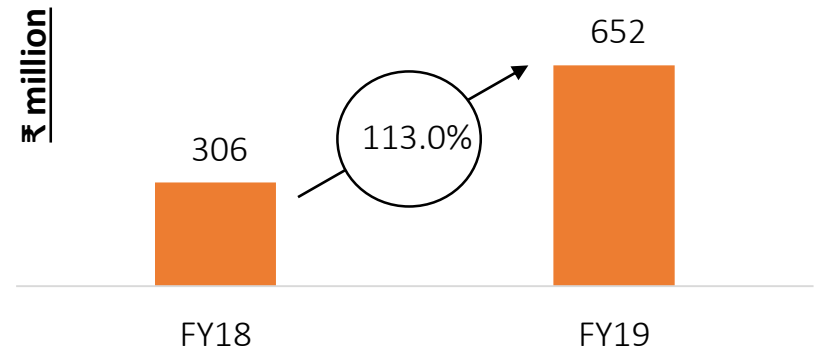
Gross Profit Growth



EBITDA Growth



Profit After Tax



The above Financials have been restated to give effect to the Scheme of Arrangement for demerger of Fulfilment Business and Last Mile Delivery Business Undertaking of Vulcan Express from the appointed date. Loss from the Last Mile Delivery Business has been shown as discontinued operation in all the reported periods and assets and liabilities of this division are classified as held for sale in the current year. Please refer to the note on Slide 2 for more details.

Summary of Financial Statements – Standalone Profit & Loss Statement



Particulars (In ₹ million)	Standalone Profit & Loss Statement For Period				
	Q4FY18	Q3FY19	Q4FY19	FY18	FY19
Revenue From Operations	2,270	2,983	3,021	8,319	11,128
Cost of Logistics Services	1,511	2,084	2,111	5,364	7,735
Gross Profit	759	899	910	2,955	3,392
Gross Margin (%)	33.4%	30.1%	30.1%	35.5%	30.5%
Employee Benefits Expense	219	263	247	831	977
Other Expenses	250	246	233	792	930
EBITDA	290	390	430	1,332	1,485
EBITDA Margin (%)	12.8%	13.1%	14.2%	16.0%	13.3%
Depreciation & Amortization Expense	206	104	114	456	417
EBIT	84	285	316	876	1,068
EBIT Margin (%)	3.7%	9.6%	10.5%	10.5%	9.6%
Other Income	16	24	12	114	56
Finance Costs	21	60	62	87	161
Profit Before Tax From Continuing Operations	79	249	266	903	964
PBT From Discontinued Operations, Net of Tax	(124)	(52)	(105)	(597)	-312
Profit Before Tax	(46)	197	160	306	652
Income Tax	0	0	0	0	0
Profit After Tax	(46)	197	160	306	652
PAT Margin (%)	(2.0%)	6.6%	5.3%	3.7%	5.9%

The above Financials have been restated to give effect to the Scheme of Arrangement for demerger of Fulfilment Business and Last Mile Delivery Business Undertaking of Vulcan Express from the appointed date. Loss from the Last Mile Delivery Business has been shown as discontinued operation in all the reported periods and assets and liabilities of this division are classified as held for sale in the current year. Please refer to the note on Slide 2 for more details.

Summary of Financial Statements – Consolidated Profit & Loss Statement



Particulars (In ₹ million)	Consolidated Profit & Loss Statement For Period	
	FY18	FY19
Revenue From Operations	9,378	12,284
Cost of Logistics Services	6,442	8,860
Gross Profit	2,936	3,424
Gross Margin (%)	31.3%	27.9%
Employee Benefits Expense	1,118	1,173
Other Expenses	977	1,040
EBITDA	841	1,211
EBITDA Margin (%)	9.0%	9.9%
Depreciation & Amortization Expense	497	454
EBIT	345	757
EBIT Margin (%)	3.7%	6.2%
Other Income	126	58
Finance Costs	160	178
Profit Before Tax	310	636
Income Tax	0	0
Share of Profit (Loss) in Associate Company	(6)	(21)
Profit After Tax	305	615
PAT Margin (%)	3.2%	5.0%

The above Financials have been restated to give effect to the Scheme of Arrangement for demerger of Fulfilment Business and Last Mile Delivery Business Undertaking of Vulcan Express from the appointed date. Loss from the Last Mile Delivery Business has been shown as discontinued operation in all the reported periods and assets and liabilities of this division are classified as held for sale in the current year. Please refer to the note on Slide 2 for more details.

Summary of Financial Statements – Balance Sheet

Particulars (In ₹ million)	Standalone		Consolidated	
	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19
Equity	5,348	6,003	4,803	5,422
Gross Debt	330	2,178	330	2,178
Cash & Bank Balance	797	1,177	797	1,243
Net Debt	(467)	1,001	(467)	935
Capital Employed	4,881	7,005	4,336	6,357
Fixed Assets	3,199	4,761	3,210	4,835
Investments	631	631	94	73
Other Non Current Assets (Net)	708	1,143	708	1,156
<u>Current Assets - A</u>				
Trade Receivables	2,591	3,487	2,596	3,696
Other Current Assets	256	227	261	202
Assets Classified as Held for Sale	0	363	0	0
Total Current Assets	2,847	4,077	2,857	3,898
<u>Less: Current Liabilities – B</u>				
Trade Payables	1,764	2,367	1,795	2,618
Other Current Liabilities and Provisions	739	973	739	987
Liabilities Classified as Held for Sale	0	268	0	0
Total Current Liabilities	2,504	3,608	2,534	3,605
Net Current Asset (A-B)	343	470	323	293
Total Net Assets	4,881	7,005	4,336	6,357

The above Financials have been restated to give effect to the Scheme of Arrangement for demerger of Fulfilment Business and Last Mile Delivery Business Undertaking of Vulcan Express from the appointed date. Loss from the Last Mile Delivery Business has been shown as discontinued operation in all the reported periods and assets and liabilities of this division are classified as held for sale in the current year.



THANK YOU

Investor Relations Contact

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