



# Everything **Logistics**

Transport Corporation of India Limited  
Annual Report 2020-21

# Across the Pages

## CORPORATE OVERVIEW

02-36

About Transport Corporation of India Limited (TCI)	02
Chairman and Managing Director's Message	05
Managing Director's Message	06
We Create Value	08
We Deliver Value	11
We Sustain Value	13
Board Profile	17
Financial Performance	18
Key Performance Indicators	20
Management Discussion and Analysis	22
Company Overview	36

## STATUTORY REPORTS

56-86

Board's Report	56
Report on Corporate Governance	71
Business Responsibility Report	86

## FINANCIAL STATEMENTS

93-149

Standalone	
Independent Auditor's Report	93
Balance Sheet	99
Statement of Profit and Loss	100
Statement of Cash Flow	101
Notes to the Standalone Financial Statements	103
Consolidated	
Independent Auditor's Report	140
Balance Sheet	145
Statement of Profit and Loss	146
Statement of Cash Flow	147
Notes to the Standalone Financial Statements	149

## NOTICE OF 26<sup>TH</sup> ANNUAL GENERAL MEETING

187-195



Scan the QR code below to view our previous years report

Please find our online version at <https://www.tcil.com/tcil/financial-reports.html>



### Investor information

CIN:	L70109TG1995PLC019116
ISIN:	INE688A01022
BSE Code:	532349
NSE Code:	TCI
Bloomberg Code:	TRPC:IN
Dividend Recommended:	65%
AGM Date:	3 <sup>rd</sup> August, 2021
AGM Venue:	Video Conferencing (VC) / Other Audio Visual Means (OAVM)

Disclaimer: This document contains statements about expected future events and financials of Transport Corporation of India Limited, which are forward looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis of this Annual Report.

# TCl: Everything Logistics

**Leadership. Dependability. End-to-end integrated supply chains solutions. Trusted delivery and fulfillment. Multimodal delivery capabilities.**

The very first words which come to mind when we say TCl. Naturally. Since we have traversed the remotest corners of India and the Indian subcontinent (quite literally!) with you over six decades and grown to be synonymous with everything logistics.

But.

What if we tell you that despite being front-runners, we are also highly agile? What if we tell you that we are as rooted in technology as we are in legacy? What if we tell you that almost all our processes are digitised and yet our strongest asset is our team? What if we tell you that despite the presence of strong constants that we pride ourselves on, our solutions to your problem are highly differentiated and customised?

A big company yesterday, a bigger company today.

Come take this journey with us and unlock your business potential with TCl - **“Everything Logistics”!**

# Everything About Us

**In our endeavour to provide end-to-end integrated multimodal logistics services, we make lives simpler for our customers. Our understanding of the customers' time and assets has made us valuable in the industry and synonymous to reliability.**

Transport Corporation of India Limited (TCI) is India's leading provider of integrated multimodal logistics and supply chain solutions with over 60 years of experience and expertise.

From one man – the Pioneer of the Freight Transport Industry – we are now a team of 4,000+ people, from one truck – we now have 9,000+ trucks in operation, from one office to 900+ offices. Today, we are serving more and more industries moving seamlessly across India and the neighboring countries.

The work done over the years has led us to be a distinguished logistics player with a significant regional presence.

We provide a range of end-to-end logistics and supply chain solutions in India and the SAARC region through multiple modes, including road, rail, and sea. Our vast expertise, robust network, infrastructure, and talented team underpin our operations.

Moving ahead, we will focus on delivering customized and technology-enabled logistics solutions that offer scalability and flexibility, thus meeting customer requirements.





6+

Decades of experience



180,000

TEUs in operation



900

IT-enabled own branch offices



8,000+

GP containers



Moving nearly  
2.5%

of India's GDP by value



9,000+

Trucks in operation



06

Coastal cargo ships



Operations

Across all ICDs



600+

ISO containers



3 AFTO

Automobile trains



12 Million  
sqft

Warehousing space



09

Major ports served



 **Vision**

The TCI Group aims to 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 the society, customers, vendors, employees, shareholders and the transport industry.

 **Values**

We believe that a brand is a living entity and that should get reflected in its behavior. Our behavior is governed by a set of values communicated by the acronym CORE.

# CORE

**Customer focus**

We put customers at the center of what we do

**Ownership**

We work with the passion of an entrepreneur, we are self-motivated and take pride in belonging with the Company

**Responsive**

We respond adequately and timely to the ever-changing business and technological requirements

**Empathy**

We incorporate emotional intelligence into our day-to-day operations and create an enabling work environment ruled by respect for one & all

## Key Strengths

Our strengths are the stepping stones to our success. We are consistently optimizing our capabilities and competencies at every vertical, ensuring a firm footing for sustainable value creation.

Technology and automation-driven operations	Strong multimodal network, wide range of services	Unique positioning of 3PL/4PL supply chain management business
Complex supply chain design capability	CRISIL AA/Stable (Reaffirmed) Bank Credit Facilities	Large-scale modern warehousing
ICRA A+ Rating for TCI's commercial paper	Integrated multimodal capabilities	Capability to offer both LTL & FTL at national level

# Chairman and Managing Director's Message



**TCI remained active in delivering essentials such as food grains and pharmaceuticals, among others, through its diversified multimodal operations using the road, rail and coastal networks**



## Dear Stakeholders,

India is just coming out of the grip of the second wave of the pandemic, much intense than the first wave faced last year. My heart goes out to all those who have endured the loss of a loved one. I am confident we will eventually overcome the situation. In the meantime, I urge you to stay safe, strictly follow Covid rules, get vaccinated if you are eligible, and keep your spirits up.

Your Company navigated the disruptions caused due to the pandemic while promptly adapting to the 'New Normal'. TCI has always prioritized its employees' health and safety. And so, last year, when the Covid-19 pandemic hit the nation, your Company emphasised on its teams' well-being all the more. Your Company continued enabling its employees to support your Company's customers in their mission-critical operations. TCI consistently maintained its focus on effective capital and asset allocation, investment in the workforce, and cost optimization, which helps it maintain a steady growth path. TCI remained active in delivering essentials like food grains and pharmaceuticals, among others, through its diversified multimodal operations using the road, rail, and coastal networks. After the initial impact from lockdown-related disruptions in the first quarter, your Company swiftly returned to steady growth in profitability over the next nine months, exiting the year on a strong note.

## Your Company's Performance

Your Company faced turbulent waters during the past year. It was affected by the pandemic and the slowdown which

was being carried forward from FY 2019-20. Despite this, your Company delivered a stable performance. TCI's revenue stood at ₹ 282,786 Lakhs in FY 2020-21 as against ₹ 273,796 Lakhs in the previous year.

Your Company leveraged its experience over decades combined with technology and unwavering focus to deliver end-to-end integrated multimodal logistics solutions to customers.

The year 2020 was the centenary year of your Company's Founder, Chairman Shri. PD Agarwal (Shri PDji). It was a proud moment for TCI as your Company commemorated Shri PDji through the official release of a 'Customized My Stamp and Special Cover'. The stamp was released by the Department of Posts, Government of India, in the august presence of the Honorable Minister of Skill Development and Entrepreneurship (MSDE), Shri. Dr. Mahendra Nath Pandey, at New Delhi in December 2020. TCI has always shared a strong connection of over decades with the Andaman and Nicobar Islands. In the wake of the second wave of Covid-19, the TCI Group, extended support to the people of Andaman & Nicobar in their efforts towards fighting the pandemic. TCI, through its division TCI Seaways and its CSR arm TCI Foundation arranged and contributed 150 oxygen concentrators of 10 Litres capacity for the service of the people.

## Unlocking the Potential of Technology

The pandemic has exponentially accelerated change in the digital landscape and the adoption rate of technology. Integrating technology in the value chain of logistics and supply chain is one of the cornerstones of growth for the sector in the future. Technology provides visibility, cost efficiency, and ease of doing business. TCI is focused on delivering customer expectations with the support of technology and tools, going ahead.

## Outlook

Moving forward, strategic investments and Government initiatives to support the sector are expected to be crucial for the logistics industry in India. The requirement for contactless logistics services and the need to maintain physical distance remains the need of the hour. In the future, the demand will be fuelled by e-commerce, healthcare & pharma, consumption, and automobile sectors. With a strong network and dedicated team, the Company will continue to serve its customers and other stakeholders with renewed focus and commitment.

## Conclusion

As your Company continues to navigate the uncertainties posed by COVID-19, I would like to express my gratitude to all of TCI's employees, especially those in frontline roles who have shown remarkable resilience and worked tirelessly while ensuring seamless services to all customers. I would also like to thank all of TCI's stakeholders for their continued support and faith in your Company.

Regards,

**D. P. Agarwal**

*Chairman and Managing Director*

# Managing Director's Message



“  
**Today, TCI is a leading integrated multimodal logistics player providing end-to-end services. From road logistics to rail and coastal, from warehousing to delivering to the SAARC nations, TCI encompasses everything. We are Everything Logistics**  
 ”

## Dear Stakeholders,

It has been a challenging year for everyone. There was already a slowdown continuing from FY 2019-20, and the Covid-19 pandemic only made the environment even more difficult. Despite the situation, TCI delivered a steady performance. Your Company has always been guided by a set of strong values right from the time it was founded. I feel proud and privileged to be a part of an organization whose ethos emanates from its core values. At TCI, the priority is always towards putting the customer above all. Your Company believes in investing in people, and empowering them to make their own decisions, take ownership, be responsive, and constantly try new things.

## The Highs and the Lows

The fiscal started on a low note, with Covid-19 bringing the economy to a near standstill. The entire supply chain was disrupted, barring a few essential industries. TCI remained active delivering essentials like food grains, farm equipment, pharmaceuticals, polymers for PPEs, sanitizers, and chemicals, among others, through its diversified multimodal

operations using the road, rail, and coastal shipping networks. The Indian economy recovered some ground due to pent-up demand and the shift seen in consumer preferences in the new normal. With retailers going hyper-local and consumers starting to prefer online purchases increasingly, there is a growing need for being present across omnichannel platforms. A dynamic supply chain is essential to respond to rapidly changing customer needs. Hence, there is a rising need for agile supply chains with robust back-end infrastructure. Today, every aspect of the logistics process is gradually getting repurposed, reconsidered, and digitized and FY 2020-21 will be known as the year of digital with increasing adoption of digital technologies in the sector. There will be a growing need to focus on productivity, efficiency, and digital technology deployment in the times to come.

## FY 2020-21

During the year, TCI managed to maintain the momentum of profitability. There was increased demand from e-commerce, automotive, certain capital goods, and other sectors from the H2 of FY 2020-21.

The Net Profit After Tax (PAT) was recorded at ₹ 15,042 Lakhs during the year, a growth of 5.05% YoY. The Company generated an EBITDA of ₹ 30,682 Lakhs, which was 7.35% higher than the previous year. Operating EBITDA margin for the year stood at 10.85%, against 10.44% in FY 2019-20, while PAT margin grew to 5.32% and 5.23%.

The Q4 of FY 2020-21 was a record quarter in your Company's history. All of TCI's divisions, i.e., Supply Chain, Seaways and Freight Business, grew by 40%, 23%, and 20%, respectively. At the same time, TCI's joint venture Company engaged in rail transport, TCI-CONCOR, grew by around 70%. Your Company's multimodal strategy, including integrated logistics and multimodal, has helped immensely. All the segments of your Company have performed well due to a continuous focus on building strong customer relationships, a superior multimodal network, and diversified portfolio of value-added services from design to execution. The emerging business units have also shown good traction. In addition, your Company's emphasis on improving operating efficiencies has led to cost optimization and profitability growth. Many customers prefer sending their transport via multiple modes to bring their costs down and move towards sustainable and green transportation.

During the year, TCI's investment in multimodal logistics was enhanced by adding three Automobile Trains under the Indian Railways AFTO scheme to carry completely built automobiles seamlessly. TCI Bangladesh, a 100% subsidiary of TCI, became the first Company to handle two trains carrying value-added goods and automobiles in Bangladesh



at Benapole, a major land port. The pandemic increased opportunities for Cold Supply Chain services resulting in enhanced demand for transportation in reefer vehicles, temperature-controlled warehousing, and many other areas. TCI, through its subsidiary TCI Cold Chain Solutions Limited, has entered into a joint venture with Mitsui & Co. Limited (Mitsui). Mitsui enjoys global expertise in logistics and supply chain management. It is believed that the synergies created by bringing together the respective resources and capabilities of the two companies will further help create more value for the customers.

As the country experienced the second wave of the pandemic on a never-seen-before scale, TCI stepped in to deliver mission-critical logistics. Since March 2021, TCI has handled over 10,000 Tonnes of liquid medical oxygen (LMO) from source to destination with total visibility following all safety guidelines. Your Company is also delivering vaccines, medicines, essentials and food grains, and oxygen concentrators, amongst other items, to the most needed locations around the country.

Throughout the year, the TCI workforce has been on ground supporting the drivers, who remain a critical link in the entire supply chain. TCI is grateful to the transport community. They

have kept the wheels rolling in a collective effort and helped strengthen logistics to deliver essential critical care supplies where it was needed, on time.

### Outlook

Moving forward, your Company will continue to offer customized, technology-driven supply chain and integrated multimodal logistics solutions. Thus, unlocking the business potential of the Company's customers. Last year, TCI had a Capex of around Rs. 110 Crores, and this year, it is a bit more aggressive, and your Company has taken a target of around Rs. 225 Crores. TCI has a proposal of buying an additional ship and containers, depending on the market situation. As always, your Company is ready to adapt and innovate to deliver sustainable results for all its stakeholders.

Thank you for your trust, and TCI looks forward to your continued support on the journey ahead.

Warm Regards,

**Vineet Agarwal**

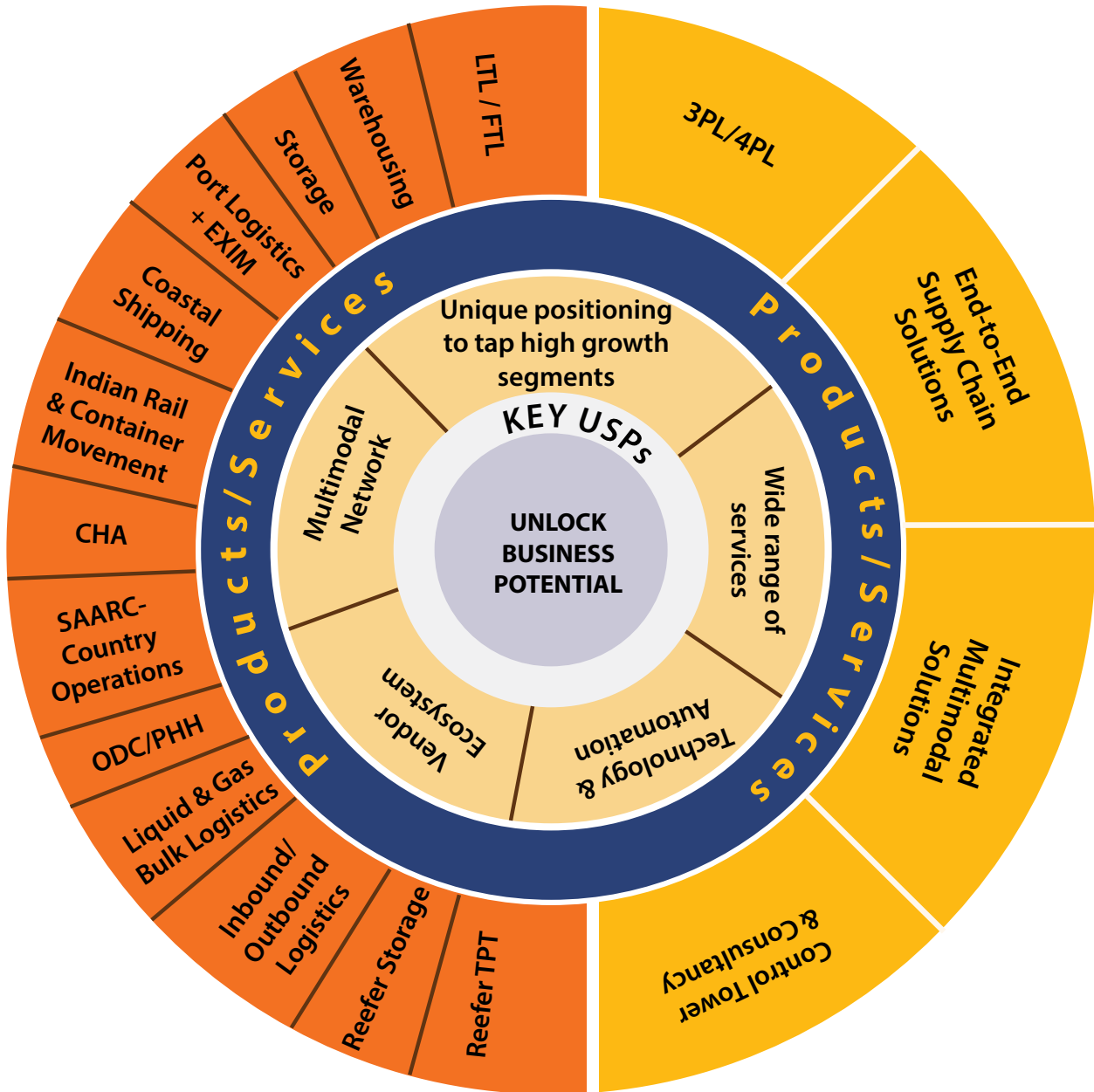
Managing Director



# We Create Value

## Wide Range of Customized Services





TCI creates value for its customers through its extensive range of customized end-to-end solutions. Serving almost every industry from pharma, FMCG to E-Commerce, the Company is uniquely positioned to focus on high growth segments maximizing value for its customers, helping them unlock their business potential.



### VERTICALS SERVED

- |  |  |
|--|--|
|  Automobiles    |  Retail and CP            |
|  Hi-tech (ICE)  |  Healthcare and Lifestyle |
|  Cold Chain     |  Aviation & Defense       |
|  E-commerce     |  Chemicals                |
|  Iron and Steel |  Food Grains              |

### BENEFITS FOR CUSTOMERS

-  Single Window Solution
-  Operational Cost Efficiencies
-  Trusted Delivery & Fulfillment
-  Economies of scale

# We Create Value

## Serving Almost Every Industry

<b>Automobile</b>	In auto and auto ancillary industry, TCI offers innovative solutions for complex logistics requirements covering the entire supply chain from production to after markets.
<b>Chemical</b>	TCI understands the unique requirements of chemical shipments. Its dynamic, safe and cost-effective multimodal logistics solution for all bulk liquid and dry chemicals includes movement of hazardous and non-hazardous chemicals via road-rail and sea through usage of ISO containers. 'Responsible Care' is the mantra of safe and environmentally conscious management, as we seek to build HSE standards in the chemical industry.
<b>E-Commerce</b>	TCI provides fulfilment services and middle-mile transportations.
<b>Engineering</b>	In this sector, TCI provides logistics solutions for lightweight and heavy-duty consignments and ensure professional handling of goods.
<b>FMCG</b>	TCI provides seamless integrated transportation and multimodal solutions, led by experts who understand the unique requirements and standards of the industry whether it is managing modern distribution center or cold storages. The Company leverages this knowledge to build its solutions around customer needs, allowing it to serve some of the leading brands.
<b>Omni-channel retail</b>	TCI provides efficient and flexible logistics services from distribution and fulfilment centers. It provides end-to-end supply chain visibility to first-mile supplier pickups and last-mile deliveries by drawing all the necessary (transport, warehousing and management) services together into a complete, optimized package. It has state-of-the-art automated systems, which cover sorters, conveyors, ASRS, deep shelving. These are some of the offerings for handling high volume/high throughput requirements.
<b>Oxygen and vaccine logistics</b>	TCI delivers and stores vaccines through a highly coordinated approach, backed by trained people and certified infrastructure. The Company has complete knowledge of the minute details, such as packaging, storing, timing, specific handling requirements, and more. TCI moved Liquid Medical Oxygen (LMO) from source to destination in customized vehicles with an oxygen bullet/capsule on it, equipped to store liquefied gases at very low temperatures with total visibility while following all safety guidelines.
<b>Pharma and healthcare</b>	TCI provides end-to-end supply chain and cold supply chain services. This encompasses Ambient and Cold Warehousing, Primary Transportation, 3PL, CFA and DC management. Temperature-controlled transportation coupled with last-mile deliveries ensure convenient transportation. Specialized handling and transportation of medical devices, including MRI machines and CT scanners.
<b>Textile</b>	TCI extends transportation, warehousing, consol and deconsol services.

# We Create Value

## Unique Positioning to Incubate High Growth Segments



### CHEMICAL + PHARMA

- » Multimodal solution for movement of hazardous and non-hazardous bulk liquid and dry chemicals
- » Own strategic assets - ISO tanks, gas tankers, dry bulk containers
- » Responsible care, ITCO, PESO and drugs license
- » Chemical and GDP compliant warehouses



### AGRI + VALUE CHAIN

- » Multimodal solutions comprising last-mile deliveries
- » 3PL solutions, yard management, OBL, spare parts WH
- » Offers hub-spoke solutions



### E-COMMERCE

- » Distribution/Fulfilment Centers
- » Middle mile
- » Value-added services such as kitting, packaging among others
- » High quality, six sigma operations



### COLD CHAIN

- » Dedicated team under JV with Mitsui
- » Quality operations with cold and dry solutions
- » 100 fleets (76 own), 9,000 pallet position



### SAARC

- » Own subsidiaries in Nepal and Bangladesh. Present in Nepal for 40 years
- » Offices in all major borders and capitals
- » End-to-end multimodal through road and rail
- » IATA, CHA, courier licenses

## We Deliver Value

Equipped with modern technology, TCI delivers value to its customers through its divisions and verticals. The Company ensures reliable, innovative and timely business solutions.



With a legacy of over six decades and being India's foremost surface transport solutions entity, TCI Freight is the largest business segment of the TCI Group. It can manage any size and dimension of cargo or product such as FTL (Full Truck Load), LTL (Less than Truck Load), small packages and consignments, ODC (Over Dimensional Cargoes), PHH (Project Heavy Haul) and Foldable Large Containers (FLCs).

TCI Supply Chain Solutions (TCI SCS) is a single window enabler of integrated logistics and supply chain solutions catering to diverse and complex business needs. Our offerings include supply chain design and reengineering, logistics support to third-party, warehousing management and other similar services. What distinguishes TCI SCS is its unique supply chain network, professionally managed inventory, modern warehousing management with advanced material handling equipment.



Being the pioneers in multimodal coastal shipping and container cargo movement and transportation services, TCI Seaways connects India with its western, eastern, and southern ports. The division has vast experience and knowledge in providing seamless end-to-end coastal shipping solutions.

An end-to-end multimodal logistics solutions provider, it is a joint venture between TCI and Concor. This segment synergises the strengths, infrastructure and capabilities of TCI Group with rail infrastructure of Concor. It establishes a cost-effective integrated rail-road service.



Integrated cold chain service provider to meet the needs of temperature-controlled warehousing and distribution services. The facility caters to the needs of various industries such as agriculture products, processed foods, life sciences, healthcare, specialty chemicals, among others.

Complete logistics solution provider from inbound to outbound logistics. Transystem is a logistics partner for Toyota Kirloskar and other Japanese companies in India. It comprises Completely Built Units (CBUs) and spare parts management, warehousing and distribution.



A subdivision of TCI which provides storage of chemicals – liquid, dry and gases in compliant warehouses and movement in ISO tank containers, gas tankers and flexi tanks by Rail, Road and Coastal.

## CROSS-BORDER PRESENCE

TCI Group has a strong presence in the SAARC, especially BBIN countries. It provides logistics services to Nepal, Bangladesh, Sri Lanka, Bhutan, also connecting Myanmar with offices at borders and capital cities.



# We Deliver Value

## Technology at TCI

At TCI, we continue to push the envelope of technology adoption and integrate digitalisation across our verticals. This helps in operational excellence and in a way create value for our customers.

<b>1</b>	<b>DIGITAL TRANSFORMATION IN OPERATIONS AND WAREHOUSING</b>	<ul style="list-style-type: none"> <li>» End-to-end movement by rail and road for chemical logistics</li> <li>» Using ISO tank containers with baffle tanks</li> </ul>	<p><b>Tech-adoption</b></p> <ul style="list-style-type: none"> <li>» Tyre Management System</li> <li>» ERP on Cloud</li> <li>» Record Management System</li> <li>» Workman Management System</li> <li>» Freight Exchange Platform</li> <li>» Geo Fencing, E-Invoice, E-Waybill, GST</li> </ul>
<b>2</b>	<b>CENTRAL MONITORING SYSTEM</b>	<ul style="list-style-type: none"> <li>» Reduces human intervention and increases efficiency in delivery and warehousing</li> <li>» Lowers costs and enhances safety</li> </ul>	<p><b>Tech-adoption</b></p> <ul style="list-style-type: none"> <li>» Vehicle Tracking System</li> <li>» High Availability Disaster Recovery</li> <li>» Logistics Control Tower</li> <li>» Fleet Management System</li> <li>» Security Operation Centre</li> </ul>
<b>3</b>	<b>DIGITAL TRANSFORMATION</b>	<ul style="list-style-type: none"> <li>» Improved 'predictive maintenance' - enhanced supply chain security (reduction of fraud)</li> <li>» Reduction in bottlenecks (certification by 3rd parties)</li> <li>» Reduction of errors (no more paper-based documentation)</li> <li>» Increased cost efficiency - workforce reduction</li> </ul>	<p><b>Tech-adoption</b></p> <ul style="list-style-type: none"> <li>» Robotics Process Automation</li> <li>» Data Analytics</li> <li>» Business Process Optimization</li> <li>» Artificial Intelligence &amp; ML</li> <li>» Optical Character Recognition</li> <li>» Business Intelligence Tool</li> <li>» Block chain</li> </ul>
<b>4</b>	<b>IOT DEVICES</b>	<ul style="list-style-type: none"> <li>» Improved supply chain transparency, safety</li> <li>» Improved environmental sustainability</li> </ul>	<p><b>Tech-adoption</b></p> <ul style="list-style-type: none"> <li>» GPS &amp; GIS</li> <li>» Temperature Sensors</li> <li>» RFIDs</li> <li>» Barcode Scanners</li> </ul>
<b>5</b>	<b>CUSTOMER AND SUPPLIERS</b>	<ul style="list-style-type: none"> <li>» Improvements in customer experience and operational efficiency in operations</li> <li>» Greater inventory visibility and management</li> </ul>	<p><b>Tech-adoption</b></p> <ul style="list-style-type: none"> <li>» Customer Relationship Management</li> <li>» Customer Support System</li> <li>» Customer Portal &amp; App</li> <li>» Supplier Relationship Management</li> <li>» Supplier Performance Management</li> <li>» Supplier App</li> </ul>
<b>6</b>	<b>STRONG TECH TEAM</b>	<ul style="list-style-type: none"> <li>» Enabling collaboration horizontally leading to more efficiency and transparency</li> </ul>	<p><b>Tech-adoption</b></p> <ul style="list-style-type: none"> <li>» Version Control</li> <li>» Repository System</li> <li>» DevOps Lifecycle Tool</li> <li>» Project Management System</li> <li>» Standard IT Policies</li> <li>» Tech-enabled Infrastructure</li> </ul>

# We Sustain Value

TCI is admired and trusted due to its sustained commitment to its customers. This pledge to provide the best possible service to each customer reflects the Company's culture, where each team member is driven by customer satisfaction.

## Culture at TCI - A synergy of personal values, organizational strategy and cultural ethos



An organization's culture represents the Company's core, and most of it is created by its leaders. No matter how detailed and solid a strategy is, all projects will fail if the people executing it don't nurture an appropriate culture. It is more about how employees act in critical situations, how they manage pressure and respond to various challenges, and how they treat partners and customers and each other. When the pandemic struck, our people worked tirelessly to ensure deliveries. The TCI team delivered supplies like food grains, medicines, PPE, etc., to remote locations through our strong multimodal network. The "TCI Yodhas" (The Supply Warriors) demonstrated unparalleled commitment and continued to stand with the customers to help meet their unique requirements by overcoming the operational challenges.

### Foundation of the "CORE"

In 1958, with just one truck plying between Calcutta and Bombay, Late Shri Prabhu Dayal Agarwal (PDji) laid the foundation of Transport Corporation of India (TCI). He built TCI on the simple foundation of "Trust" and believed that trust begets trust.

Over the years, TCI has built its characteristic essence through its unwavering "CORE." The "CORE" comprises values imbibed by all employees of TCI and forms the base of the Company. With an environment of respect for one and all, the Company naturally transforms itself into one big family, "The TCI Parivar."

### Processes & Policies

Implementation of homegrown systems, policies, and a strong ethical backbone has helped TCI organize the unorganized and earn endless customer faith and support.

A few examples being:

- One of the policies was to not give the consignment without a consignment copy or invoice.
- Realizing that teamwork was crucial for the growth of an organization, TCI evolved a concept Controlling Managers Conference (CMC), where employees across India would come together, strategize and interact with each other.

### Innovation

- The Company uses digital technology such as mobile application, chat bots, websites and social media platforms to seamlessly keep customers updated and foster communication with them on timely basis.
- TCI has been recognized as one of the New Champions, using the opportunity to optimize supply chain processes via digitization during the COVID-19 pandemic.

### Recruitment, Training, Policies & Processes

- TCI encourages its employees to upgrade their knowledge by providing higher education opportunities to enhance and hone their formal qualifications. All employees undergo structured training programs. Senior employees are sponsored for training in some of the world's best business schools, including Harvard Business School, National University of Singapore, besides ISB and IIMs. The in-house training center caters functional training needs of employees at junior and middle levels.
- TCI's employees are always encouraged to take up cross-functional roles to groom themselves as business managers and climb up the career ladder.
- Each person has the freedom to work and take decisions at all levels as per their responsibilities and designations.

The Company strongly believes that its people who are our greatest asset. We also endeavor to nurture a culture of trust, innovation, total quality management, and employee care and respect. TCI consistently focuses on driving and maintaining excellence in its operations through a relentless system to improve the process, service, and people. TCI is always devoted to devising solutions that help transform processes, improve inefficiencies, and enhance the customer's experience.

# We Sustain Value

## Developing Human Capabilities

People are the biggest strength of TCI Group. TCI considers its human capital to be a pivotal driving force and are invested towards developing people skills and capabilities. The Company aims to foster a congenial work culture for them with opportunities to learn, develop and achieve the best results.

The Company's people practices are based on TCI Group's CORE values, with emphasis on collaboration, respect, and dignity.

### TCI Yodhas: The Core Effect

The novel coronavirus pandemic provided an opportunity to demonstrate resilience, reinforce the Company vision and recover through its CORE values. These efforts taken during the early days of COVID-19-induced lockdowns have helped TCI to emerge stronger than ever before and stay prepared for any kind of disruption in the future.



### Customer focus

Efforts	Outcomes
<ul style="list-style-type: none"> <li>» Being in a mission critical industry, TCI was allowed to remain operational. Right after the initial days of the lockdown, nearly 95% of TCI branches and hubs were operational. This along with TCI Yodhas enthusiasm, helped the Company to meet customers' requirements</li> <li>» TCI Yodhas made multiple calls and sent emails to existing and prospective clients across varied industries</li> <li>» The Company used digital technology such as mobile application, chat bots, websites and social media platforms to seamlessly keep customers updated and foster communication with them on timely basis</li> </ul>	<p>Received multiple letters of appreciation from customers for the support and the services provided by the TCI Yodhas</p> <p>About 81% of customers appreciated the services extended by TCI during the pandemic and are likely to choose TCI over peers</p>





## Ownership

### Efforts

- » TCI Yodhas were consistently working from home and at the ground level (though in reduced numbers) across the metropolitan cities and remotest parts of India
- » TCI Yodhas delivered essentials to the tune of several Lakh metric tonnes of FMCG, ecommerce, food grains, poultry feed, vegetables, milk, pulses among others
- » TCI Employees ensured that all the material of its customers and the Company were safe and secure during the lockdown.

### Outcomes

World Economic Forum (WEF) published an article "Three ways businesses can survive and thrive through COVID-19 and beyond", in which TCI has been recognized as one of the New Champions, using the opportunity to optimize supply chain processes via digitization during the COVID-19 pandemic.

## Responsive

### Efforts

- » Most parts of India were covered through strong integrated multimodal network of rail, road, and sea. Be it Andaman, coastal areas of Cochin, Mangalore, Tuticorin or remote locations of Bikaner, Kolkata, and others
- » The Company used its refrigerated trucks to supply medicines and perishable items over long distance

### Outcomes

The India Today Group, one of India's largest media groups, had organized Healthgiri Awards. A total of 33 companies and individuals participated under the "Best Logistics Service Provider" category. TCI was among the top 5 companies that got selected just below India Posts & Indian Railways.



## Empathy

### Efforts

- » TCI facilitated 24\*7 access to the doctors, counselors, etc. for TCI Parivar. The TCI Yodhas work as support groups for each-other
- » The Company made donations to various organizations for food, oxygen concentrators and oxygen cylinders

### Outcomes

Since March 2021, TCI has handled over 10,000 tonnes of liquid medical oxygen (LMO) from source to destination with total visibility following all safety guidelines.

The Company is also delivering vaccines, medicines, essentials & food grains, oxygen concentrators amongst other items to most needed locations around the country.



# We Sustain Value

## Awards & Recognition



AIMA Awards - 5<sup>th</sup> National Competition for Managers 2021 National Champion in Private Category by All India Management Association

Jubilant Life Sciences Limited Award to TCI CONCOR for as a strategic Sourcing Partner in our continuous journey by The Economic Times



Manufacturing Supply Chain Awards to Supply Chain Solutions for Manufacturing Supply Service Provider of the Year by Kamikaze B2B Media

Manufacturing Supply Chain Awards to Supply Chain Solutions for Manufacturing Supply Service Provider of the Year by Kamikaze B2B Media



# Board Profile



**Mr. D P Agarwal**

**Chairman &  
Managing Director**



**Mr. S N Agarwal**

**Non-executive Director**



**Mr. Ashish Bharat Ram**

**Independent Director**



**Mr. Vijay Sankar**

**Independent Director**



**Mr. S Madhavan**

**Independent Director**



**Ms. Gita Nayyar**

**Independent Director**



**Mr. Ravi Uppal**

**Independent Director**



**Mr. Vikrampati Singhania**

**Additional Director**



**Ms. Urmila Agarwal**

**Non-Executive Director**



**Mr. Chander Agarwal**

**Non-Executive Director**



**Mr. Vineet Agarwal**

**Managing Director**

# Financial Performance

## Key Financial Ratios (Standalone)

	(Rs. In Lakhs)				
Particulars	2016-17	2017-18	2018-19	2019-20	2020-21
Total Income	182,197	220,227	258,514	254,165	248,718
EBITDA	17,517	23,373	27,105	26,174	28,302
Finance Cost	2,861	3,084	3,558	3,235	2,475
Depreciation & Amortization	5,781	6,733	7,519	7,765	8,810
Profit before Tax & Exceptional Items	8,875	13,556	16,028	15,174	17,017
Exceptional Item	-	400	-	988	1,396
Taxes					
-Current	1,115	2,222	3,778	2,475	2,424
-Deferred	735	510	(514)	(930)	(280)
-Taxes for earlier years	-	50	-	-	-
Net profit	7,025	10,424	12,764	12,641	13,477
Cash profit	13,541	17,667	19,769	19,476	22,007
Dividend per share*	1.10	1.60	1.80	2.00	2.50
EPS	9.18	13.55	16.65	16.46	17.52
Gross Block	66,818	82,080	90,074	1,04,302	1,13,537
Net Block	58,933	67,990	70,954	77,366	78,380
Share capital	1,532	1,532	1,533	1,537	1,542
Avg. Net Worth	54,951	62,892	75,695	89,346	1,01,516
Total Debts	40,572	42,383	44,963	40,228	24,162
Avg. Capital Employed	94,491	1,07,779	1,21,356	1,31,696	1,32,648
Operating Profit Margin (EBIT)	6.40%	7.60%	7.60%	7.20%	7.84%
Return on Avg. Net Worth	12.78%	16.57%	16.86%	14.15%	13.28%
Return on Capital Employed	12.42%	15.44%	16.14%	13.98%	14.69%
Debt Equity Ratio (times)	0.70	0.63	0.54	0.42	0.22
Interest Cover (times)	6.12	7.58	7.62	8.09	11.44
Book value per share (in Rs.)	78.40	88.10	108.29	123.65	140.13
Debtors Turnover	4.87	4.87	5.07	5.45	6.08
Current Ratio	1.20	1.29	1.39	1.47	1.81

\* Included Recommended Dividend

## Key Financial Ratios (Consolidated)

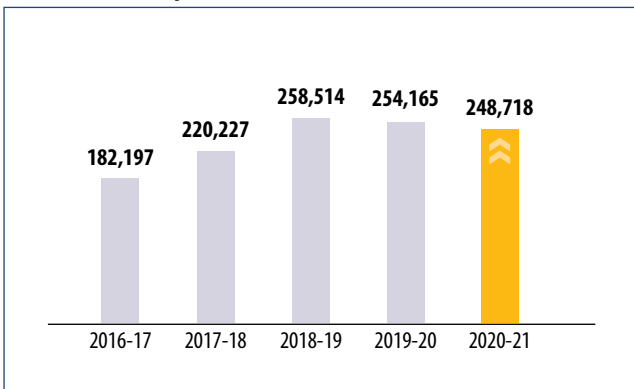
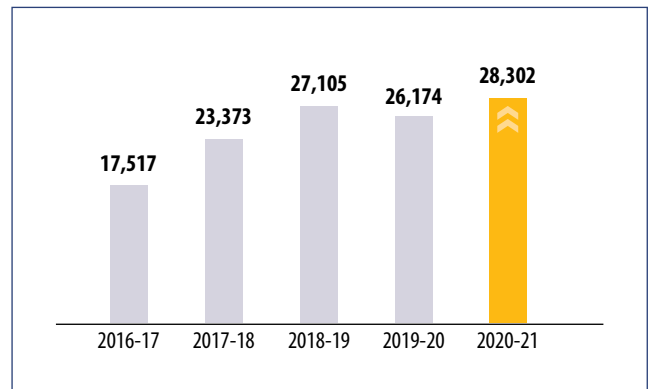
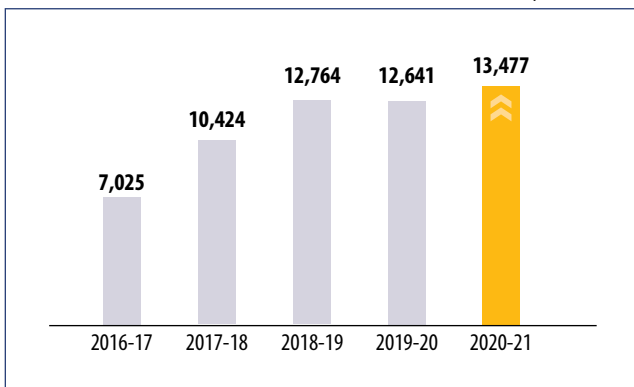
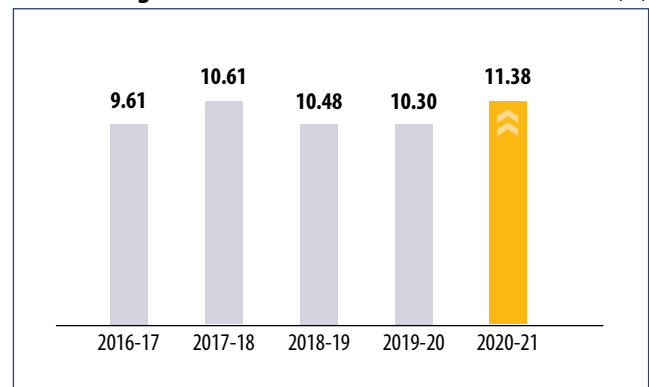
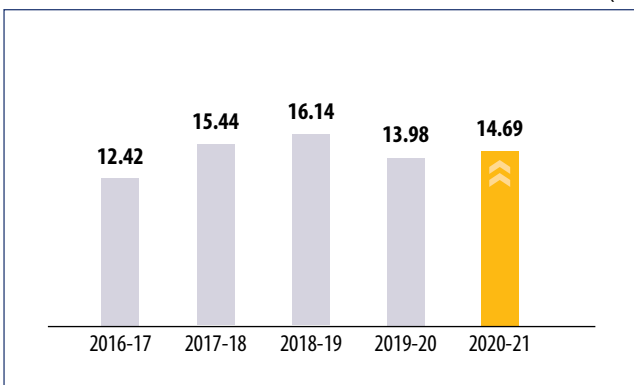
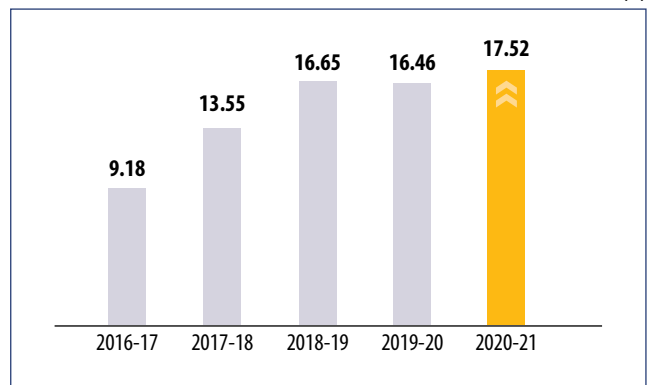
(Rs. In Lakhs)

Particulars	2016-17	2017-18	2018-19	2019-20	2020-21
Total Income	195,470	236,431	277,316	273,796	282,786
EBITDA	18,966	25,334	29,412	28,580	30,682
Finance Cost	3,009	3,221	3,738	3,432	2,670
Depreciation & Amortization	5,920	6,865	7,744	8,249	9,281
Profit before Tax & Exceptional Items	10,037	15,248	17,930	16,899	18,731
Exceptional Item	-	-	67	988	1,306
Taxes					
-Current	1,190	2,316	3,872	2,527	2,661
-Deferred	721	501	(538)	(936)	(278)
-Taxes for earlier years	-	50	-	1	-
Non-Controlling Interests	64	64	89	83	328
Net profit	8,126	12,381	14,529	14,319	15,042
Cash profit	14,767	19,747	21,735	21,632	24,045
EPS	10.61	16.08	18.84	18.54	19.24
Gross Block	68,162	82,851	93,930	1,10,746	1,14,208
Net Block	59,850	68,212	73,082	79,330	80,985
Share capital	1,532	1,532	1,533	1,537	1,542
Avg. Net Worth	61,077	70,417	82,687	95,792	1,09,680
Total Debts	42,121	43,958	47,029	41,857	27,668
Avg. Capital Employed	95,942	1,16,707	1,32,831	1,44,805	1,48,387
Operating Profit Margin (EBIT)	6.67%	7.81%	7.81%	7.43%	7.57%
Return on Avg. Net Worth	13.31%	17.58%	17.57%	14.95%	13.71%
Return on Avg. capital employed	13.60%	15.83%	16.31%	14.04%	14.42%
Debt Equity Ratio (times)	0.69	0.62	0.57	0.44	0.25
Interest cover (times)	6.30	7.87	7.87	8.33	11.49
Book value per share (in Rs.)	84.99	99.48	116.35	133.27	151.71

# Key Performance Indicators



## STANDALONE

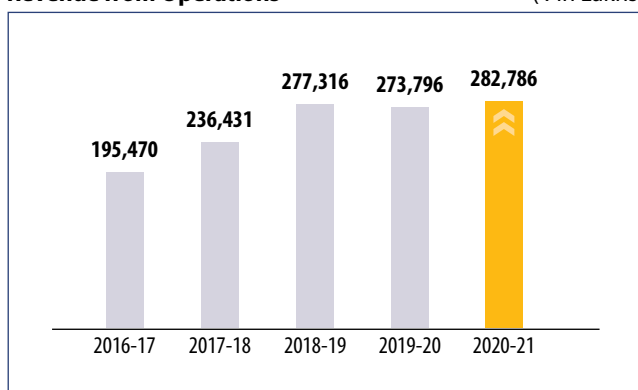
**Revenue from Operations** (₹ in Lakhs)

**EBITDA** (₹ in Lakhs)

**PAT** (₹ in Lakhs)

**EBITDA Margin** (%)

**RoCE** (%)

**EPS** (₹)


**EBITDA:** Earnings before interest, taxes, depreciation and Amortization    **PAT:** Profit after Tax    **ROCE:** Return on Capital Employed    **EPS:** Basic Earning Per Share

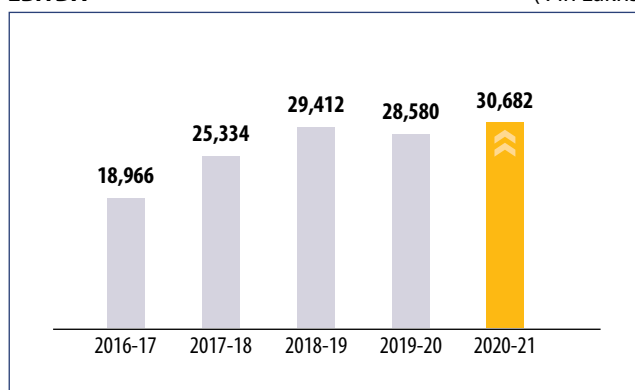


## CONSOLIDATED

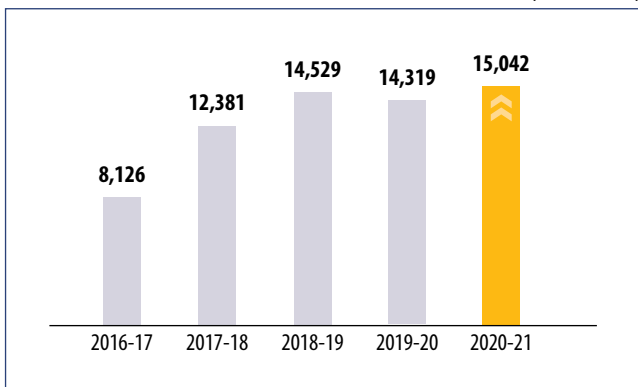
**Revenue from Operations** (₹ in Lakhs)



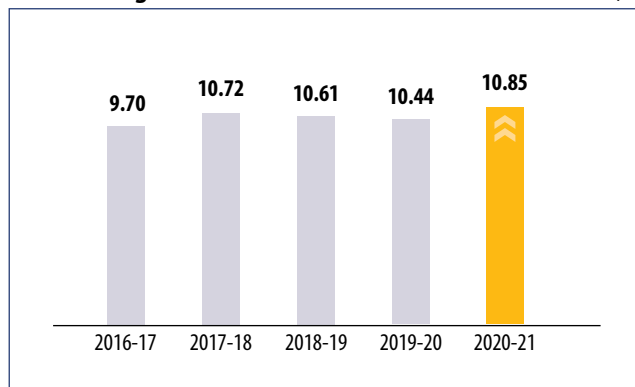
**EBITDA** (₹ in Lakhs)



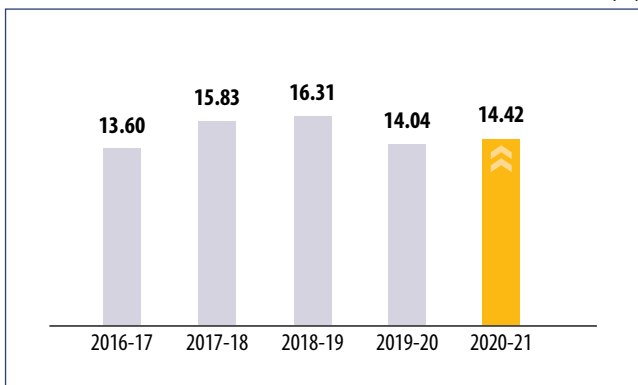
**PAT** (₹ in Lakhs)



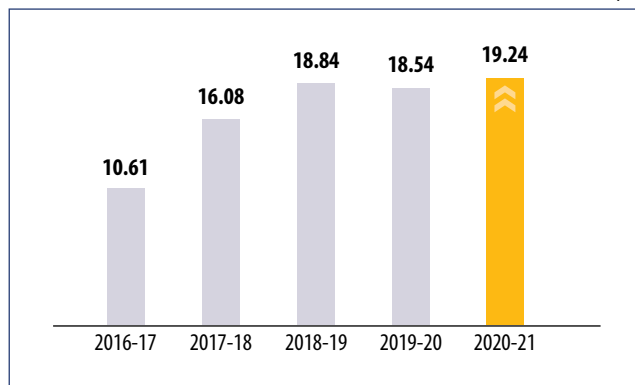
**EBITDA Margin** (%)



**RoCE** (%)



**EPS** (%)



# Management Discussion and Analysis

The year 2020-21 was unprecedented due to the outbreak of the Covid-19 pandemic which also turned out to be an unmatched socio-economic crisis leading to disruptions across the world. The subsequent actions to contain the spread such as stringent lockdowns and the restrictions on logistics across the interconnected world brought everything to a halt. On the one hand, consumer sentiments were affected amidst the uncertainty impacting the demand led by a number of factors ranging from layoffs, salary cuts to higher spend on healthcare. On the other hand, the supply side witnessed the loss of productivity due to the reverse migration of labor, unavailability

of raw material owing to transport restrictions, and higher spread of infections. All put together the Covid-19 triggered one of the most pronounced contractions across sectors and posed a threat to the economic prospects of the nations.

While Covid-19 impacted economic and commercial activities, offices shut because of the pandemic-induced lockdowns ordered by the Governments, and the world adjusted to working from home (WFH). Businesses spent much of the past year trying to adapt to the extraordinary circumstances of "The New Normal."

Sustainability became a priority. Most importantly, businesses that had developed sustainable strategies and executed them before the pandemic, were better placed compared to their peers. The desire to stay safe, act responsibly, and at the same time keep performing, led to mass behavioral changes. When we emerge out of this crisis, the world will be a different place with a paradigm shift in mindset and priorities.





## Shifting Mindsets and Priorities During Covid-19



49% ↑

more consumers shop online compared to pre-COVID-19 purchases



67% ↑

customers are **not willing to travel more than 5 kilometers** for shopping now



49% ↑

of **global consumers** say they are **shopping** more on their smartphones ever since the **COVID-19** outbreak



14% ↑

of consumers are **turning to websites** they've never previously visited to buy basics



34% ↑

of consumers say they will purchase **more locally sourced products going forward**, even if they cost more

(Source: Forbes 2020, Reuters)

## Digitization around the world (Jan. 2021)

Categories	Total Users (In Bn) Jan 2020	% of Total Population Jan 2020	Total Users (In Bn) Jan 2021	% of Total Population Jan 2021	Total Population (In Bn) Jan 2020	Total Population (In Bn) Jan 2021
Mobile	5.13	66.1	5.22	66.6		
Internet	4.34	55.9	4.66	59.5		
Social Media	3.71	47.8	4.20	53.6	7.76	7.83

(Source: Forbes 2020, Reuters)



## Global Economic Overview

The year 2020 was marked by crisis, instability, and doubts across the globe because of the pandemic. This shut down the economy and almost sidelined small businesses. The second quarter of 2020 was majorly about debt distress, job loss, pay cuts, supply and demand shocks. Most Governments responded by declaring fiscal stimulus, while central banks around the world started lowering the interest rates to inject liquidity into the economy. Interestingly, Asian countries stood firm compared to their western counterparts because of their inherent resilience.

### OIL PRICE BRENT CRUDE



The year 2020 had a difficult start but the oil market managed to pull off a recovery because of accelerated vaccination efforts and renewed demand.

In the third quarter of 2020, economic activities in Asian countries like China, India, Indonesia, Vietnam, and South Korea picked up. It was majorly driven by strong demand for the region's exports. Similarly, the US, UK, Canada, and Germany started posting positive GDP numbers. Several nations posted better GDP numbers compared to previous quarters. Presently, we are looking at a positive outlook for 2021, and it is estimated that the global economy will grow at the rate of around 5.5% (Source: IMF, 2021). While the emerging markets and developing economy is projected to grow at a considerably faster rate of 6.3%, the strength of the recovery is likely to differ significantly across countries. This would depend on access to medical interventions, the effectiveness of policy support, exposure to cross-country spillovers, and structural characteristics. Lately, it has been observed that despite the vaccination drives, a few nations have witnessed a rise in COVID-19 cases. This would inevitably result in another downward spiral for the economy. (Source: Bloomberg, 2021)

## Indian Economic Overview

The FY 2020-21 was particularly shaky for the Indian economy because of the lockdowns and therefore they reduced the magnitude of the infected peak and led to a low mortality rate, but the Indian economy witnessed a significant slowdown across sectors as GDP fell to (23.90)% in the Q1 of FY 2020-21. The gradual easing of lockdown, along with effective monetary and liquidity measures adopted by the Reserve Bank of India (RBI) and Government of India (GOI), brought in hope for a V-shaped recovery. The growth in Indian GDP for the FY 2020-21 is estimated at (7)% as compared to the growth rate of 4.2%



in FY 2019-20. Utilities, pharmaceuticals, diagnostics, consumer goods and durables, agrochemical, and fertilizers sector were among the few that performed better during the fiscal. Good agricultural performance (Source: Business Standard, 2021) and geared-up Government spending are the positive elements characterizing the economy. The recovery scale would determine the sustainability of the Government's higher fiscal deficit and debt between medium and long term. The second wave of the virus could dampen the estimated growth prospects and also dent consumer and corporate confidence.

## Global Logistics Industry

In 2020, the lockdowns implemented because of Covid-19, disrupted most sectors and especially accelerated change across the global logistics market. It led many global firms to diversify the supply chain to de-risk their business model. During the early phases of the pandemic, the Business-to-Business (B2B) logistics market nearly came to a halt. In contrast, the last-mile delivery services witnessed a boost owing to online retail, partially offsetting the decline in other logistics segments. In the second half of 2020 as overall demand returned, the air and sea freight volumes improved. As recovery continues, the global logistics market size is projected to grow from USD 2,734 billion in 2020 to USD 3,215 billion by 2021, a growth of 17.6% on Y-O-Y basis (Source: Globalnewswire, 2020). The prevailing trend towards omni-channel distribution, technology adoption and proliferation of e-commerce, among others have proved beneficial for the logistics market growth. However, a shortage of container availability is expected to create a problem in supply chains and it is likely to keep rates high through the first half of 2021. This situation is likely to be back to pre-COVID-19 level once trade flow rebalances across geographies.

## Indian Logistics Industry

### About Indian Logistics Industry

Over the past few years, the Indian logistics industry has been on a constant move. The Indian logistics sector is valued at USD 215 billion and has been witnessing a CAGR of 10.5% (Source: Outlook India, 2021). After the Covid-19 outbreak in March 2020, restrictions on the movement of goods and backlogs disrupted the supply chain. Demand for essential products pushed the logistics operators to ensure that the goods reach the customers and stores. Rail freight replaced roads because of restrictions and this led to a faster movement of cargo. There was an increase in technology adoption by the logistics players to enhance operational efficiencies. Going forward, the technological

trends that emerged in FY 2020-21 are expected to gain further traction in FY 2021-22. Besides, several factors like strong infrastructure, channel alliances, urbanization, and increased consumer preference for the reduced delivery time are going to act as a growth catalyst for the logistics space.

## Key trends shaping the domestic logistics industry

The logistics Industry in India has evolved significantly over the last decade. The sector has been in-step matching the dynamic requirements of the modern consumer and varied customers both small and large scale. As digitization takes the hold, new technologies and collaborative business model has helped in changing the business landscape, meeting evolving customer expectations and setting new trends. The broad trends can be defined as follows:

### Changing consumer behavior



#### Growing e-commerce industry

Increasing demand from E-commerce players is boosting requirement of fulfilment centers across India. Also, logistics companies are reducing the e-commerce risk by making sure that right products are delivered to the right customer at the right time. Both play a key role by allowing each other to grow.



#### Demand for cold chain

The cold chain sector is termed as the sunrise sector, and the Government is making continuous efforts by implementing favorable policies such as providing infrastructure status to cold chain industry, profit-linked tax holiday, priority sector lending status and lower GST. Organized retail and food service industries have emerged as new cold chain segments, primarily due to changing consumption patterns. Demand for a large variety of fresh fruits and vegetables, dairy products, meats and poultry products and other temperature sensitive commodity has led to a rise in cold chain infrastructure. Increased internet penetration and disposable revenue income has expanded the demand for cloud kitchens. With the proliferation of E-grocers and food tech players there is a growing trend for cold storage spaces and cloud kitchens.



#### Digital payment ecosystem

There has been a manifold increase in digital payments post Covid-19. To give a further boost, the Government earmarked ₹ 1,500 Crores for a scheme to incentivize digital payments which will help speed up the day-to-day operations for logistics companies. (Source: Economic Times, 2021)

## Regulatory changes



### National Logistics Policy

The National Logistics Policy formulated by the Commerce and Industry Ministry will improve India's trade competitiveness, create more jobs, improve India's performance in global rankings and pave the way for India to become a logistics hub. The policy will ensure multi-modal cargo movement for optimal use of all transport modes, by developing multi-modal transport infrastructure, including MMLPs. It will create a single point of reference for all logistics and trade-facilitation matters, aid faster clearances and scale up employment. The initiatives would iron out norms and address supply constraints, leading to lower logistics costs a healthier competitiveness for Indian businesses.



### GST implementation

GST has resulted in higher adoption of hub and spoke model in segments like warehousing, cold chain, container freight stations and inland container depots. Implementation of GST has resulted in stoppage of unnecessary wastage, reduced delays and overall helped in achieving economies of scale.



### Cross-border restriction effect

The spread of the new Covid-19 variants across multiple countries can bring back cross-border restrictions to a certain extent. This can interrupt supply chains and contribute to the slowdown in the goods movement.



### Strategic positioning of the country

India's trade relations with almost every nation in the world barring a few remain strong. Some of the close-trade allies consist of USA, UK, UAE, Australia and many more. Our nation has excelled quite well in terms of participation in summits and meetings with other countries, be it through foreign visits or video calls. This strategy has dismantled trade barriers and resulted in increasing foreign investments in India. Budget 2020-21 unveiled a few key policy measures that would help the industry bolster the nation's growth trajectory.



### Ease of doing business

Some of the reasons that have boosted 'ease of doing business' in India:

- ▶ The Government has promoted Direct Port Delivery (DPD) and Direct Port Entry (DPE) under ease of doing business and reduced time and cost in EXIM trade

- ▶ In 2017, the Government granted infrastructure status to logistics sector, comprising cold chain and warehousing facilities. This would attract more funding at competitive rates for these segments
- ▶ In 2019, the commerce and industry ministry removed compulsory license required for manufacturers of goods, barring four segments - tobacco items, defense equipment, hazardous chemicals and industrial explosives
- ▶ In 2021, the Government launched a regulatory compliance burden online portal. These will be further evaluated by the relevant Government authorities and steps will be taken to reduce the burden of regulatory compliance
- ▶ Other parameters such as low credit, reliable electricity, and reduced taxation, among others go well for the logistics space and stakeholders associated with it

## Infrastructure Changes



### Support for Indian ships and ports infrastructure

The Government has announced a massive investment of ₹ 2,000 Crores in seven port projects under Public Private Partnership (PPP) model. In addition, a new subsidy scheme of ₹ 1,624 Crores proposed for Indian ship owners. This initiative will facilitate greater training and employment prospects for Indian seafarers and improve Indian companies' share in global shipping. *(Source: NDTV, 2021)*



### Focus on Multi-Modal Logistics Parks (MMLPs)

The Government has its eyes set on opening 35 Multi-Modal Logistics Parks at key locations across India. The multimodal logistics parks will address unfavorable modal mix, inefficient fleet mix and under-developed material handling infrastructure, thus, improving the logistics efficiency of the country, enabling reduction in logistics costs.



### Highlights of Logistics Parks

- ▶ They will act as hubs for freight movement enabling freight aggregation and distribution
- ▶ Logistics parks with road and rail connectivity enable multimodal freight transportation, allowing shift from road to rail and waterways (wherever possible), thereby reducing freight cost
- ▶ They will be equipped with modern mechanised warehousing spaces which will provide value-added services such as customs clearance with bonded storage yards, warehousing management services *(Source: [https://morth.nic.in/sites/default/files/circulars\\_document/File2186.pdf](https://morth.nic.in/sites/default/files/circulars_document/File2186.pdf))*



## New economic corridors and better road infrastructure

Financial allocation of ₹ 1.18 Lakh Crores has been made for the Ministry of Roadway Transport as well as highway projects and several flagship economic corridors. It will translate into faster and seamless long haul and middle mile transportation. *(Source: Livemint, 2021)*



## Dedicated freight corridors (DFC)

Budget outlay of ₹ 1.10 Lakh Crores for railways has been made where the eastern and western dedicated freight corridors will be completed by June 2022. Expediting the completion of the DFCs will decongest highly saturated road networks in the country.

## India's Logistics Performance Index rank



**54** ↗

**2014**  
India's **Logistics Performance** Index rank



**34** ↗

**2018**  
India's **Logistics Performance** Index rank

## India's Multi Modal Logistics space

### Road



- Second largest road network in the world covering 5.89 million kms
- Over 750,000 commercial vehicles produced in FY 2019-20 signifying strong road network
- Government plans to construct 65,000 kms of national highways at ₹ 5.35 Lakh Crores

*(Source: IBEF, 2021)*

### Rail



- Investment of ₹ 50 Lakh Crores in infrastructure expected by 2030
- Sector aims to increase modal share of its freight business to 45% in the next 10 years from the current 27%, according to its National Rail Plan, 2030
- Dedicated Freight Corridor Corporation of India constructing 1,504-km-long Western DFC and 1,856-km-long Eastern DFC spanning total length of 3,360 route km Indian Railways

*(Source: Express 2021)*

### Sea



- India has a coastline of over 7,517 kms long, interspersed across ~200 ports
- Under the Sagarmala project, a total of 574 projects costing USD 82 billion have been identified for implementation between 2015 and which will give impetus for coastal shipping

*(Source: Economic Times, Business World, IBEF 2021)*

## Evolving Customer Expectations



### Decentralising supply chain

To improve the supply chain efficiency, companies are looking to decentralise their logistics base. This will help them get proximity to the clients, while improving overall flexibility in handling more local, shorter supply chains and the general inventory. It will also safeguard companies from unforeseen disruptions such as natural disasters, political instability, pandemic, or any other similar events impacting the supply of goods. This, in turn, will create more opportunities, paving the need for increasing logistics hubs.



### Third party logistics (3PL)

Post pandemic most companies are focusing on core businesses and choosing to outsource warehousing operations. This makes way for third-party logistics (3PL) companies that can provide wholesome logistics solutions. The uncertainty arising due to the COVID-19 pandemic and companies' ambition to focus on regaining the market will further push the development of the 3PL segment. This will also help companies to maintain "Asset Light" model with the cost of "Working Capital" being deployed to mainstream business helping in improving the overall profitability.

(Source: <https://www.cushmanwakefield.com/en/india/insights/trends-to-look-out-for-in-warehousing-logistics-industry-in-2021>)



### Sustainable supply chains

Sustainable supply chains is at the core of every country's policies given the urgency of environmental challenges. The use of connected technologies to collect and share data in real time, logistics players can help drivers reduce fuel consumption and contribute to the greater good of a nation. Most deliveries are still running on combustion engine vehicles, which are a proven source of carbon emissions, constituting 30% of particulate pollution in the metros. The logistics companies can also shift to electric vehicles (EVs), which can help the sector contribute towards a greener tomorrow.

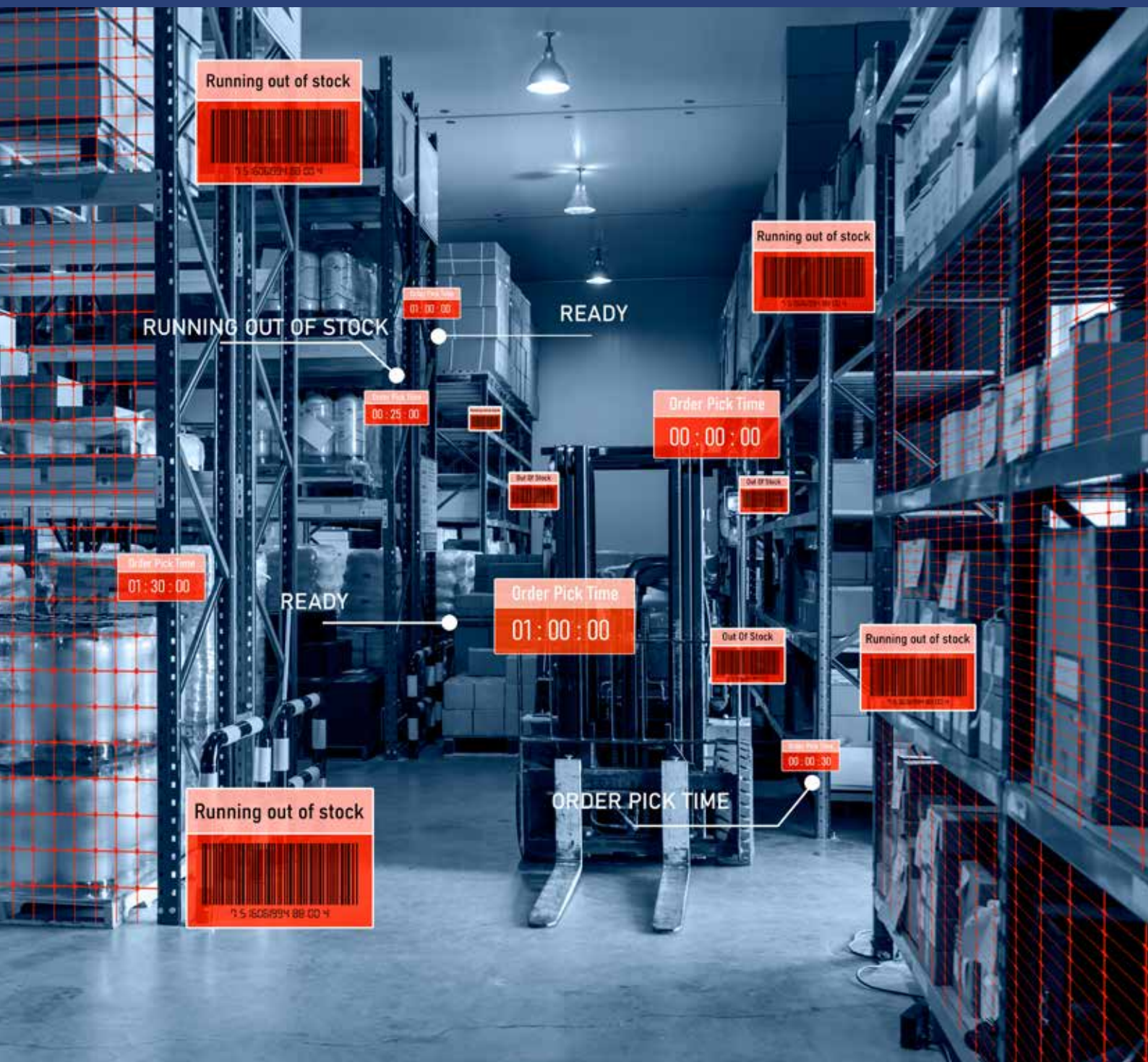
Also, warehouses can be preferably built in central locations to reduce the need for additional infrastructure. Materials having lower polluting properties can be used while constructing a warehouse. Sensors and LEDs can be installed for improved resource management and energy efficiency.

Investors today have become increasingly concerned about the global environmental issues particularly climate change. Therefore, long-term investors are likely to invest in stocks and funds having strong environmental, social and governance (ESG) structure. As realignment takes place post COVID-19, it's an opportunity for the logistics companies to go forward sustainably.





# Technology in the Logistics Sector







**There is a need to create a robust response system by deploying technology and IT tools to ensure logistics operations efficiency and continuity while addressing the need to ensure safe supply chains.**



## Machine learning

1. Better planning & decision-making leading to reduced costs
2. Offers data analysis to figure out better strategies for optimizing inventory
3. Defines and predicts future stats and figures
4. Automates processes which leads to resource management by replacing traditional techniques



## Internet of Things (IoT)

1. Improved security and theft detection
2. Higher employee safety
3. End to end product tracking



## Enhanced shipment tracking

1. GPS tracking allows constant 2-way communication with the fleet
2. Improve the quality of Customer Service



## Autonomous driving (Trucks & Drones)

1. Reduce human error on road thus leading to public health and safety
2. Productive utilization of travel time leading to improvement in productivity
3. Drones would lead to decrease in cost and time for online deliveries



## Cloud-based logistics solutions

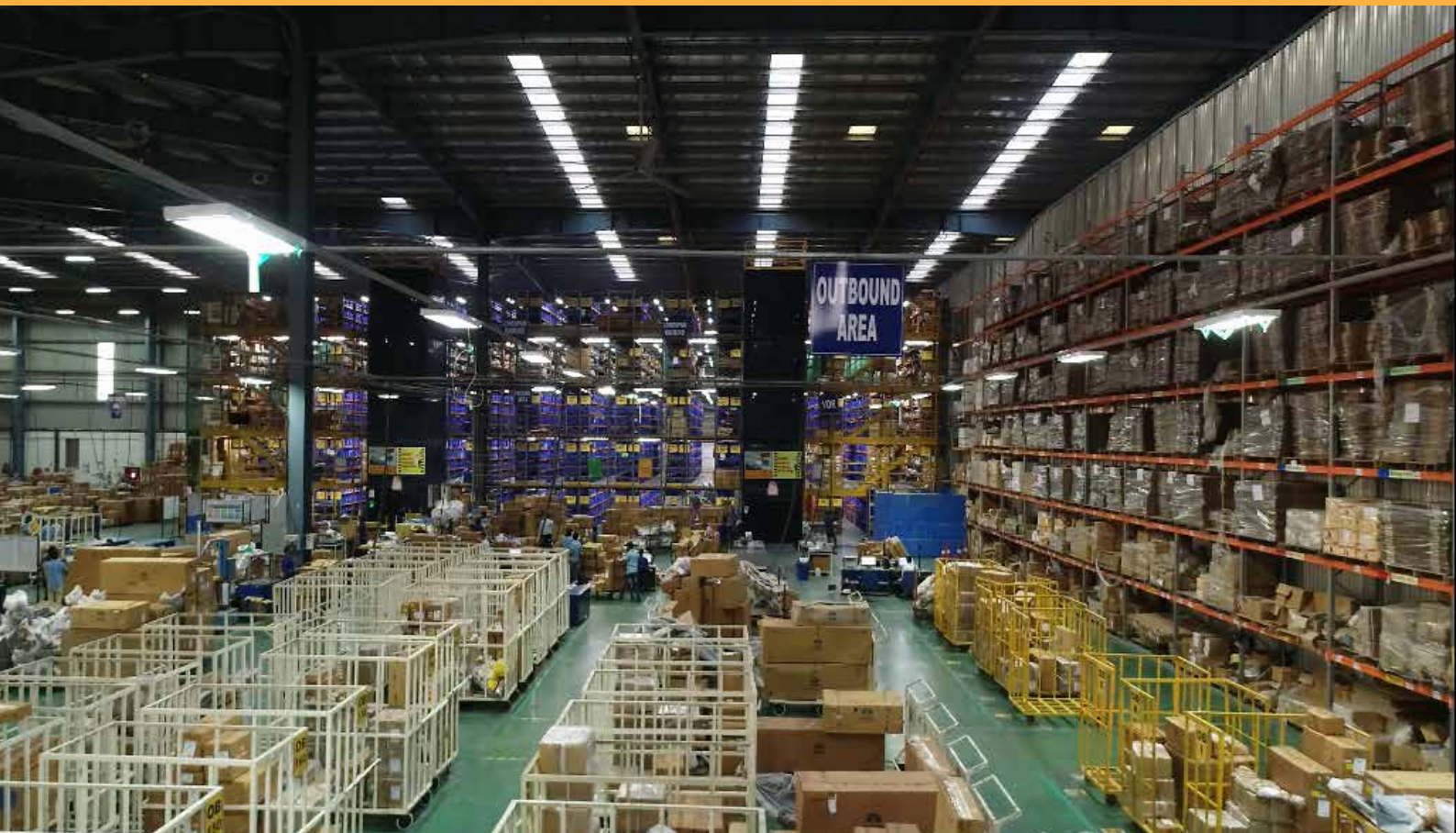
1. Enables real-time visibility across logistics processes and data
2. Easy to scale up thus helping develop dynamic supply chains
3. Reduces capital expenditure and cost of software maintenance and upgrades



## Blockchain

1. Enhanced transparency due to accurate documentation across the supply chain journey
2. Shared, permanent and tamper-proof ledger with codified rules helps to potentially eliminate the multiple audits required by internal systems and processes thus leading to better security
3. Decentralized architecture coupled with scalable, secure and transparent framework opens up vast opportunities increasing innovation

# Opportunities for Indian Logistics Industry



## Domestication & redesign of supply chains

Post Covid-19, the relationship of the West with China has turned quite sour. It led them to look at India as a sourcing partner for goods and become a substantial alternative for imports from China. With strict quality control, availability of cheap labour, English-speaking and skilled workforce, India has the advantage of penetrating faster in this space.

*(Source: Economic Times, 2020)*



## Rising trade

The bottlenecks resulting out of the pandemic are easing out gradually, leading to increase in industrial output, which is backed up by products' demand across the globe. This has streamlined India's trade flow fast, as there has been surge in domestic export as well as import in the second half of FY 2020-21. This increasing trade activity goes well for the Indian logistics industry.

The rising consumer demand, growth in global business and digitisation will lead to increase in demand for logistics. GST implementation, focus on building industrial corridors, according infrastructure status to logistics industry, including warehousing, thrust on manufacturing and the promise of the Indian consumption market, together have enhanced the investment prospects of the country's warehouse sector. A few probabilities that could go in the sector's favour:



## Increasing demand for warehousing

At present, the demand for the warehousing spaces across the country is largely being driven by three aspects. First, entry of several foreign players because of eased FDI rules and flexible labour laws. Second, expansion of domestic industries in the country owing to Government's visionary ideas such as 'Make in India' and 'Aatmanirbhar Bharat'. Third, need for safety stocks to prevent stockouts, caused by changes in customer demand, incorrect forecast, and variability in lead times for raw materials.



## Formalization of the logistics industry

The logistics industry is heading towards being organized. This will not only result in reduction of overall costs but will also enhance competencies. The organized logistics industry will be able to attract more players and higher investments from other sectors. This will aid in building infrastructure, adopting latest technologies and digitization into the system. The initiatives by the Government would also lead to formalization of the logistics sector by laying down a basic framework for the operation of logistics providers, promoting excellence, creating quality jobs and livelihood opportunities. For example: Introduction of the E-Way bill (electronic documentation aimed to track goods movement and prevent tax evasion under GST) increased transparency, enhanced efficiency and reduced the overall lead time to deliver goods.



## Vaccines & pharma logistics

The Government has rolled out two vaccines nationally and a nationwide inoculation drive has already started. With this, there

has been a growing need for cold chain solutions. To extend the reach of the drive, the Government has earmarked over ₹ 35,000 Crores towards the COVID-19 vaccines and their distribution. It will create a vast opportunity for the logistics companies, which are capable of handling the cold chain. *Source: (<https://theprint.in/economy/the-reality-of-modi-govts-vaccine-funding-rs-35000-cr-for-states-zero-for-centre/655409/>)*



## Containerization

The boost in trade is translating into higher demand for containerization. At present, India sources its entire container needs from China. There is a container shortage on major liner routes causing delays in shipment of export goods resulting in significant freight rate hikes. To overcome this, India is looking to enter the container manufacturing sector, as the country aims to give thrust to its exports. India's Ministry of Ports, Shipping and Waterways has already set up a committee to study the possibility of manufacturing containers at Bhavnagar in Gujarat.



## Atmanirbhar Bharat

With an aim of making the country independent and self-sustainable against the competition in the global supply chain, in May 2020, the Government announced a special economic package of ₹ 20 Lakhs Crores which is equivalent to almost 10% of India's GDP under Atmanirbhar Bharat campaign.

The campaign has cumulated to surge in warehousing demand especially in the temperature-controlled warehousing space. TCI serves an important role in advancing the Government's vision of Atmanirbhar Bharat campaign. Our services will improve agility, credential stability, transparency, and speed, adding to the overall development in India's logistics space.



# Challenges for Indian Logistics Industry

The logistics sector has operated in the background and is still largely unorganized. Despite logistics being given the sectoral status, it still continues to be characterized by several challenges.

## Regulatory challenges



### Infrastructure bottlenecks

Infrastructural problems such as bad roads, poor connectivity, and lack of sustainable transport modes such as coastal shipping, inland waterways, and railways have increased costs per transaction in the Indian logistics sector. Despite decent capital outlay for infrastructure development, there has been a delay in execution because of a complex environment and loose regulatory clearance, and problem in land acquisition. There are, however, sufficient port and air capacities, but

the lack of effective connectors has impacted goods movement.



### Insufficient integration

A major poser encountered by the industry today is insufficient integration of transport networks, information technology, and warehousing & distribution facilities. Regulations are imposed by national, regional, and local authorities and they differ demographically, hindering the creation of a nation-wide network.



### Inadequate insurance coverage

Unlike most developed economies, the goods being transported into India are not adequately insured. In fact, logistics service providers (LSPs), warehouse service providers (WSPs) and transporters end up taking insurance on behalf of their customers for 'direct cash debits' for significantly high amounts. Further, LSPs continue to be highly vulnerable due to the unfair risk allocation between them and shippers. Shippers are sometimes absolved of liability even when they are at fault, and these costs are borne by LSPs.



### Security, health, safety and environment concerns

Safe handling and transportation of raw material intermediates and finished products in the supply chain have long been recognized as highly important in the logistics business. Therefore, overcoming the



challenges of security by ensuring customers that the Company maintains proper safety-handling information to prevent unwanted loss of containment and asset integrity remains at the forefront.

Truck drivers face occupational hazards like accidents owing to difficult driving conditions, prolonged working hours, long periods away from home and family which greatly impacts their health. Therefore, encouraging them to focus on their health is another aspect that needs to be looked upon.

Exploring suitable smart technology to improve environmental stewardship, reduce damage and ensure sourcing and distributing products in a sustainable way is time-consuming but these can pay dividends at a huge scale in the long term.



## Rising fuel prices

For the Indian logistics industry, rising fuel price is an increasing problem. If the fuel prices rise, it is likely to increase transportation costs for the logistics companies and cut down their operating income. There is a need to bring in uniformity in taxation by bringing the 'petroleum products' into the GST net.

*(Source: Times of India, 2021)*



## Large segment of unorganized sector

Most of the logistics industry in the country is controlled by unorganized players *(Source: Edelweiss Report, 2020)*. It comprises small truck owners, warehouse

operators, freight forwarders, last-mile connectivity providers, among others who have disintegrated work processes. (e.g., truck owners/operators).



## Skill development

The innovations and developments in the cold supply chain, specialized warehousing, and digitization have made it a necessity to have a skilled workforce. In India, the majority of the workforce is in the informal/unorganized sector and is unskilled. To tackle this challenge, public-private partnerships will be required to up-skill or re-skill the current and the future workforce. This will close gap between demand and the supply of skilled manpower.

# Company Overview

## Business Divisions

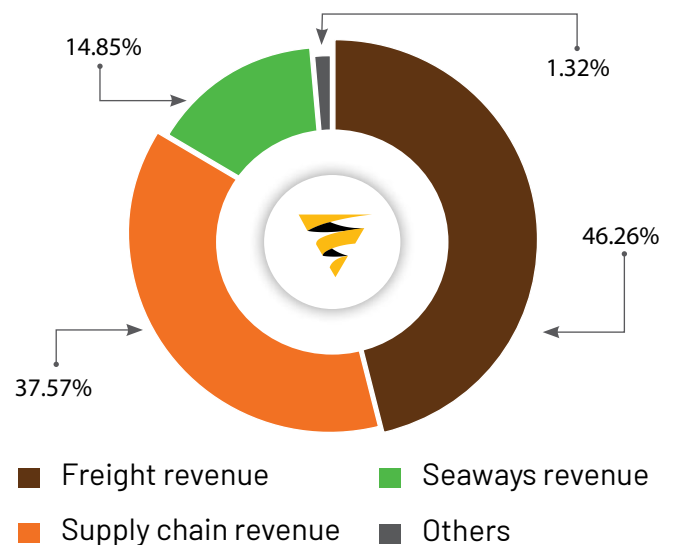
Established in 1958, Transport Corporation of India (TCI) Limited is India's leading integrated multimodal logistics service provider. The Company operates through three business divisions – TCI Freight, TCI Supply Chain Solutions, and TCI Seaways.

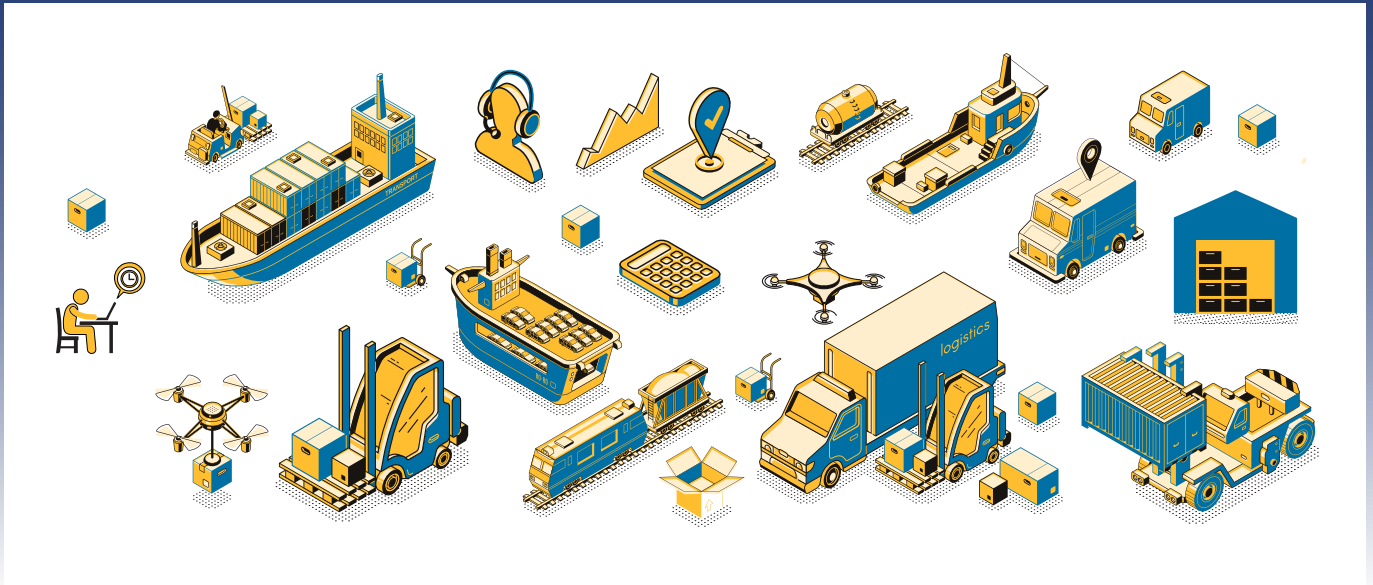
TCI also has joint ventures with CONCOR and Mitsui & Co. Ltd. These strategic business units have helped the Company scale up the learning curve in new business areas.

The Company's strong suits remain its expertise in handling logistics, customer-centric approach, optimized resources, extensive infrastructure, and professional management.

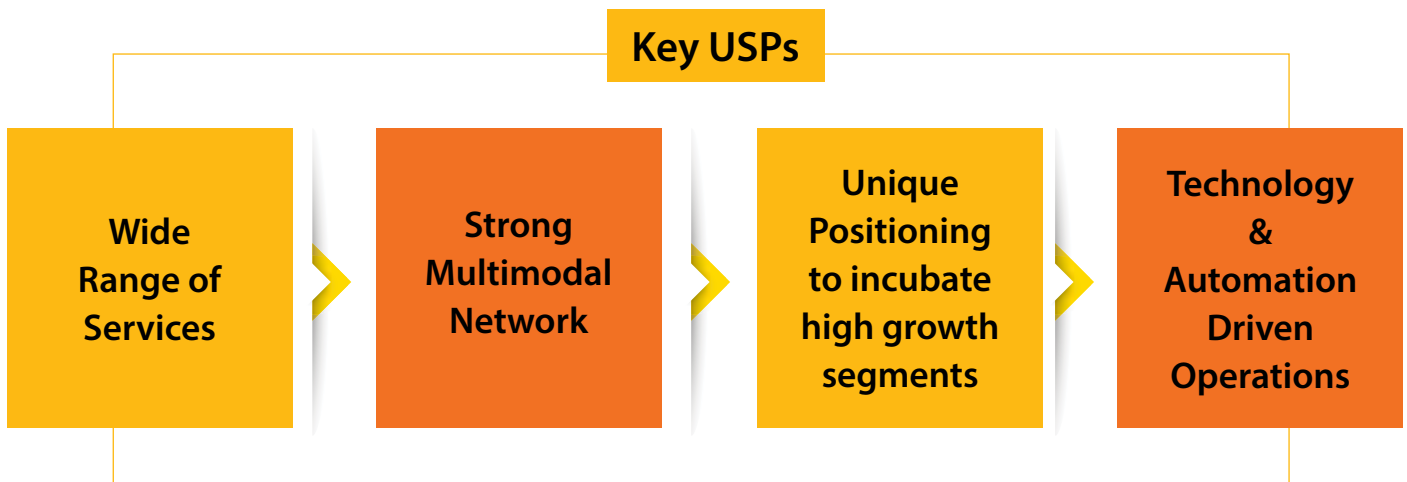
The TCI Group is committed to strong corporate governance and value creation for its stakeholders. Today, the Company provides logistics services to a wide range of sectors like e-commerce, FMCG, automobile, agriculture, pharmaceuticals, chemicals among others. The Company leverages its cutting-edge technology to provide quality and efficient services to the customers.

FY 2020-21 Revenue by Segment (%)





## Core competencies



- ▶ Asset base comprising over 9,000 trucks, six cargo ships and 12 million sqft of warehousing space
- ▶ Dedicated team of 4,000+ employees
- ▶ 24x7 customer connect through interactive websites, customer app and call centers ensures continuous improvement in services through customer engagement
- ▶ Advanced vehicle-tracking system provided to all branches that give customers accurate and timely information and help cover any urgent requirement
- ▶ Customized solutions by introducing and applying innovation to the entire supply chain services leading to a seamless flow of information across the value chain
- ▶ End-to-end logistics services right from conceptualization to implementation
- ▶ All the services such as multimodal transportation, custom clearances, warehousing management are linked under a single-customer-relationship-management system and key account management for maximum benefit



## **TCI Freight**

TCI Freight is the largest business division of the TCI Group and is India's foremost surface transport solutions provider. With a legacy of over six decades of operations, the Division provides quality, safety and value service in an otherwise fragmented sector.

The division is capable of providing surface transport solutions for cargo of any dimension or product segment ranging from:

- » Full Truck Load (FTL)
- » Less than Truck Load (LTL)
- » Small Packages and Consignments
- » Project Heavy Haul (PHH) & ODC
- » Foldable Large Container (FLC) for maximum protection and load stability to carry fragile and other cargo

### Core Competencies

#### Assets

TCI Freight has a network of 700 Company-owned branches, 25 hubs and a dedicated fleet of trucks, hydraulic

axles and trailers in operation. The Company also provides storage facilities for traders and manufacturers with its infrastructure spread across key markets.

#### Technology and Automation

The division is equipped with a Mobile App for controlled loading, unloading and dispatch of goods. TCI Freight has centralized vehicle tracking through GEO Fencing System and customer service by a quick response team.

#### Hub and Spoke Model

TCI Freight has 25 strategically located hubs, catering to its offices across India. This ensures a wide distribution and transportation network and reliable cargo ensuring strong middle & last mile capabilities.

#### Single-Window Solutions

The Key Account Management System (KAM) is a 24x7 single-window solution that helps manage information flow seamlessly and track cargo movement from multiple locations.

### Covid-19 Impact

TCI Freight benefited from the less-than-load (LTL) business. Cost-cutting measures taken initially during the fiscal, has now resulted in improved margins. The festive season led to





increased movement of goods and restocking in Q3 of FY 2020-21. It helped the division to run its operation at 85-90%, which was at 55-60% in Q1 of FY 2020-21.

## Growth Drivers

- » Over the last one year the Government of India has constantly focused on building and expanding India's roadways. Going ahead a lot of emphasis will be given to develop infrastructure like Dedicated Freight Corridors (DFCs), container freight stations etc
- » India has a strong relationship with most of the SAARC Nations which has built a solid base for future trade. The Government also intends to strengthen capacity building in diverse areas such as the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC). One positive instance is the strong ties between India and Bangladesh. This has furthered trade and economic engagement in the past six years
- » TCI Freight will continue its focus on Pharma, Healthcare, Medical Equipments, Chemicals, Agriculture & FMCG sectors
- » PLI scheme is aimed at remunerating manufacturers for increasing total output incrementally, either for the Indian market or for exports
- » Rising share in LTL freight and value-addition in FTL freight will increase use of these services in business operations by customers

## FY 2020-21



**115,066** Lakhs

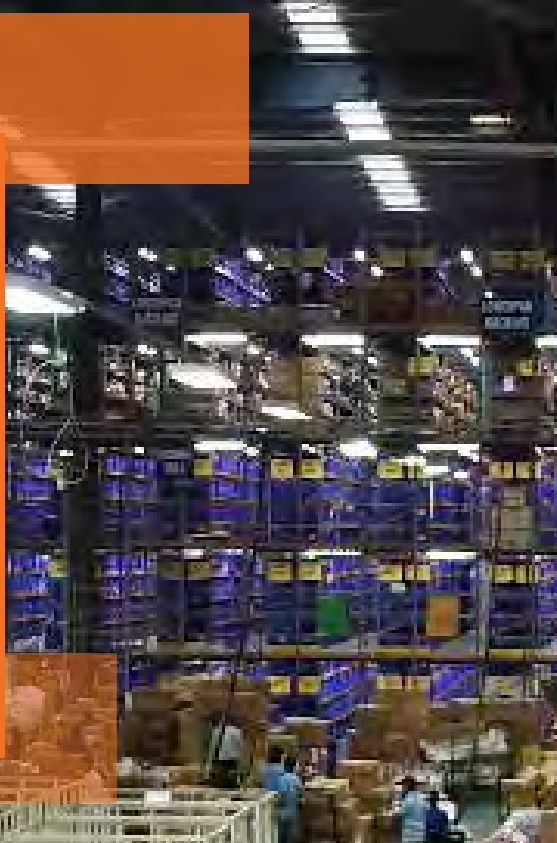
Revenue



**4,724** Lakhs

EBITDA





**TCI Supply Chain Solutions is a single-window enabler of logistics and supply chain solutions. It encompasses all the needs of a value-seeking progressive client right from 'conceptualization to implementation'. TCI SCS plays a huge role here and has expertise in key verticals such as auto, Omnichannel retail, hi-tech & telecom, chemicals, healthcare among others.**



## Core Competencies

### Domain Expertise

What sets TCI SCS apart is its unique and innovative approach in managing the entire supply chain, which is integrated with software for seamless flow of information across Production (Inbound) Logistics; Finished Goods (Outbound) Logistics and Distribution Centres/Aftermarket Warehouses. This is what helps it create a "Glass Pipeline" of visibility. As a lead logistics provider (LLP), TCI SCS is mode agnostic and focusses on cost, time, and stability of network. It embraces multimodal transport across different industry verticals by leveraging the expertise of various divisions of the TCI Group.

Its capability lies in the agility of operating on shorter product lifecycles using:

- » Dynamic supply chain network design
- » Scientifically and professionally managed inventory
- » Modern warehousing management using smart material handling equipment
- » Multimodal transportation

With these, TCI SCS also integrates scores of logistics partners into a cohesive unit for a single-window user experience.

### Technology and Automation

Infrastructure-Process-People are indispensable for quality output for which innovations in infrastructure is needed to bring in a paradigm shift – be it in digitalization or technology or physical brick & mortar. TCI-SCS has carried out innovations in rolling stock for optimization and new solutions within the

framework of the CMVR Rules, also winning patents on the way. Similarly, in warehousing, automation levels have been increasing with every project for higher productivity and control. TCI SCS has automated showcases including robots and IOT solutions. The division has most automated showcases in this field, including robots.

### Serving Complex Requirements

Being in a mission critical service industry, TCI SCS designs systems and processes as per the customers' requirements and monitors operations to the last detail using technology and empowerment at KAM (Key Account Management) level. This ensures maintenance of an agile and lean supply chain for the customers. Operating in the value space with a rich talent pool with global exposure and local knowledge, TCI SCS provides innovative, customized, and multimodal solutions. Network design is a critical factor for a robust, cost-effective, and efficient supply chain. The Division has institutionalized the "TCI SCS 5 Forces Model", which encompasses crucial factors such as taxation elements, logistics network, proximity to customer base, distance from supplier and overall supply chain cost. At TCI SCS, preference is given to standardisation, while also allowing a flexible and dynamic supply chain network.

### Assets

TCI SCS delivers customer services through:

- » Physical assets: It include ownership and lease of all modern warehouse storage and handling equipment inside the boxes aggregating to 12 mn sqft; customized fleet of over 4,000 trucks and trailers, out of which 1,020 are self-owned;



trucks and trailers include refrigerated trucks, stainless steel tanktainers, and 3 AFTO trains.

- » Technology: This includes proprietary ERP in the cloud, enabling digitization of the entire supply chain, using handheld devices, computers, mobile and web applications
- » People: Those with exposure to related industries and understanding of the service segment for specialized assistance delivered with passion and curiosity
- » Network of offices: Both own and other divisions, is a huge asset in control over abnormalities and makes it a local entity in every district of the country

As an ongoing Kaizen, the Company strives to experiment, learn and conduct R&D

## Covid-19 Impact

Earlier during the fiscal, the segment was driven by e-commerce segment and pharmaceuticals. Automotive demand which was weak in Q1 of FY 2020-21, later on revived and helped the division with better revenue realisation. Cost optimisation has also kept the margins intact.

## Growth Drivers

- » Differentiated offerings in its chosen vertical and service segments, which is further catalysed by complexity (value-added services, shorter lifecycle)
- » India's march towards modernization (GST, digitalization, e-way bill)

» Increased inclination towards digital technologies for improved efficiency and greater control over supply chain operations

» Increased demand for 3PL companies from e-commerce, e-grocery, food delivery, and other on-demand service companies

Third-party logistics to gain momentum:

» Reorganization of warehouses to come into play as clients are derisking themselves from over dependency on one warehouse. It is expected ever micro location from a consumer perspective will be covered from more than one location at least

» Warehouses are pushing towards automation to reduce human dependency and avert risk during the times of crisis like Covid

» From online shopping of groceries or perishable food items to uninterrupted supply of medicines, cold storage is becoming the resource for many industries

## FY 2020-21



**93,440** Lakhs

Revenue



**9,981** Lakhs

EBITDA



TCI Seaways has become one of India's leading multimodal coastal players, connecting its western, eastern, and southern ports. The Division has extensive expertise in coastal shipping, container cargo movements and transportation services. TCI Seaways also provides first- and last-mile connectivity via rail and road. A large part of the containerized cargo consists of a variety of general goods, defence equipment and movement of vehicles constitute a substantial load.

## Core Competencies

---

### Assets

TCI has 6 cargo ships with a total capacity of 77,957 dead weight tonnage (DWT). The division is equipped with 9,904 containers, out of which 7,015 are self-owned. These ships are deployed on the following routes:

1. Chennai-Port Blair and Port Blair-Chennai
2. Visakhapatnam-Port Blair and Port Blair-Visakhapatnam
3. Mundra-Tuticorin
4. Mundra-Kochi and Kochi-Mundra
5. Mundra-Mangalore-Kochi and back

### Green Logistics

Understanding, measuring, and reducing supply chain carbon footprint is vital in the current times. It is crucial to promote green and sustainable logistics in India by enabling the modal shift to rail, coastal shipping, and inland waterways. Coastal shipping is assuming significance considering that the movement of cargo by sea is cost-effective, eco-friendly, energy-efficient, and relatively safer.



## Skilled Workforce

TCI Seaways has an experienced management team and a well-trained workforce. The Division has made significant investment in the workforce through training programs and workshops which keeps the Division globally ahead, thereby ensuring that quality services and professional solutions are being delivered to the clients.

## Covid-19 Impact

Operations ramped up initially during the fiscal because of shift of goods' movement from road to rail and sea. At present, it has reached the pre-COVID-19 levels with high cargo volumes at ports. This enhanced revenue by 7.25% compared to last year. It is the only division within the group that clocked such numbers. Margins are, however, slightly compressed due to higher depreciation on account of dry-dock amortization.

## Growth Drivers

Large corporates are under pressure to mitigate the impact of carbon footprints across the value chain. In the logistics space, realistically, coastal and multimodal will be preferable options as they are considered low-carbon. Coastal shipping can reduce logistics cost for EXIM (Export-Import) operations and domestic trade. At present, waterways contribute around

6% to India's freight modal mix, which is significantly lesser compared to the developed countries (Source: Hindu Business Line, 2020). With Sagar Mala and Bharat Mala projects being developed, it is likely that the share of coastal shipping would go up. These certainly augurs well for TCI Seaways.

Going ahead manufacturing at the coastal areas will increase giving rise to more SEZs and warehousing near the ports. Inland waterways projects, BBIN and BIMSTEC connectivity and multimodal logistics parks will accelerate the growth momentum.

## FY 2020-21



**36,923** Lakhs

**Revenue**



**11,499** Lakhs

**EBITDA**

## Joint Ventures

A joint venture is a common way of combining resources and expertise of two different companies. TCI's joint ventures use core competencies of both the entities to cater all logistical needs.



**TCI CONCOR**  
Multimodal Logistics Solutions

It is TCI's (51% equity) joint venture with CONCOR (49% equity) to provide bulk multi-modal logistics solutions by rail and road. Rail is the backbone of TCI CONCOR's transportation. The majority of the terminals are rail-linked, with rail as the main carrier for haulage. The first and last-mile needs are addressed through road transportation, having own and dedicated fleet at all the terminals. TCI CONCOR leverages the benefits of the extensive network of TCI & CONCOR to move goods via rail & road efficiently, cost effectively and in a more environmentally responsible manner.




**Transsystem**

A joint venture between TCI (49% equity) and Mitsui & Co. Ltd. (51% equity). Transsystem Logistics International (TLI) Private Ltd is a logistics partner for Toyota Kirloskar and other Japanese companies in India. It has been providing complete logistics solutions, from Inbound Logistics (IBL) to Outbound Logistics of Completely Built Units (CBU) & Spare parts management, warehousing and distribution.




**TCI COLD CHAIN SOLUTIONS**

A proposed joint venture between TCI (80% equity) and Mitsui & Co. Ltd. (20% equity), TCI Cold Chain Solutions offers temperature-controlled warehousing, primary and secondary distribution requirements for varied industries from QSR to Retail to Pharma. Services extend from Design of Supply Chain Strategy, Procurement to distribution – End-to-End Supply Chain Management.



## Cross-Border Presence

### SAARC

A business offering of TCI group, has a strong presence in the SAARC, especially in BBIN countries. It provides services to Bangladesh, Bhutan, Nepal, Sri Lanka, and Pakistan, also connecting Myanmar, with offices at borders and capital cities.

Certifications:

- Govt. Approved CHA License
- IBA Approved Transport Service
- Govt. Approved Courier License
- AEO Certificate (under process)
- IATA Certified

## Subsidiaries



**TCI NEPAL**  
LEADERS IN LOGISTICS

**TCI Nepal:** TCI has a wholly owned subsidiary in Nepal called TCI Nepal Pvt. Ltd. It provides end-to-end movement of goods through the main borders of the countries, custom clearance at both sides of the border and pick-up & delivery services as per the customer requirements.



**TCI BANGLADESH**  
LEADERS IN LOGISTICS

**TCI Bangladesh:** 100% Subsidiary of TCI Group, to undertake end-to-end transportation and C&F services and country specific logistics solutions of a value seeking progressive client. Headquartered at Dhaka, the company has 3 offices based at Petrapole (India), Benapole (Bangladesh) borders & Chittagong port.

## Other Group Companies & Entities



TCI Express Limited is an independent company listed with NSE & BSE. It is the only express cargo company having its own setup across India that offers a single window door-to-door & time definite solution for customers' express requirements



TCI Developers Limited is an independent entity listed with NSE & BSE. It undertakes development of large modern warehouses, Logistics Parks e.t.c.



As the Group's social arm, TCI Foundation fulfils corporate social responsibility and runs a sports academy, charitable hospitals and school for the underprivileged in the rural areas amongst its multifaceted activities.



TCI Institute of Logistics, a group venture of TCI Group, which provides training programs for different job roles in the logistics sector. It is affiliated to National Skill Development Corporation (NSDC) and Logistics Skills Council (LSC).



### Details of significant ratio changes

i.e. Change of 25% or more as compared to the immediately previous financial year in key financial ratios, along with detailed explanations therefore:

	Standalone			Consolidated		
	FY 2019-20	FY 2020-21	% change	FY 2019-20	FY 2020-21	% change
Interest Coverage Ratio	8.09	11.44	41.41%	8.33	11.49	37.99%
Debt Equity Ratio	0.42	0.22	-47.62%	0.44	0.25	-42.27%

#### A) Standalone Level

- 1) Debt Equity Ratio : Decreased primarily on account of repayment of Long Term Borrowings and higher networth in FY 2020-21
- 2) Interest Coverage Ratio : Increased mainly due to lower Finance Costs from reduction in borrowings and better Margins

#### B) Consolidated Level

- 1) Debt Equity Ratio : Decreased primarily on account of repayment of Long Term Borrowings and higher networth in FY 2020-21
- 2) Interest Coverage Ratio : Increased mainly due to lower Finance Costs from reduction in borrowings and better Margins

# Commemorating Founder Chairman TCI Group; Late Shri. P.D. Agarwal (Shri PDji) on his Birth Centenary Year



(1st January 1920-17th September 1982)

## A Legacy unparalleled

“

Organizations are built by people.  
People are built by opportunities.  
Only a true leader provides those  
opportunities.

”

Shri. PDji was an entrepreneur, businessman, a philanthropist, an enthusiast with a never-give-up attitude, a trendsetter and a pioneer of the transport industry. In the year 1958, with just one truck plying between Calcutta and Bombay, he laid the foundation of Transport Corporation of India (TCI). His belief that trust and total commitment towards customers are key to the success of the organization, stands true even today.

TCI was privileged to honor and celebrate the Birth Centenary of its Founder Chairman Shri. PDji with the release of a 'Customized My Stamp and Special Cover'. The stamp was unveiled by Mr. Dushyant Mudgal – Director – Postal Services, Delhi Circle, in the presence of Shri. Dr. Mahendra Nath Pandey – Hon'ble Minister of Skill Development and Entrepreneurship at New Delhi on 22<sup>nd</sup> December, 2020. Shri. D.P. Agarwal (Shri. DPji) – Chairman and Managing Director TCI Group, Mr. Vineet Agarwal, MD – TCI; Mr. Chander Agarwal, MD – TCI Express Ltd. & Director – TCI



'Customized My Stamp and Special Cover'



Group and Mr. Rajkiran Kanagala, Sr. Vice President & Group Head – Business Development – TCI, were also present on this historic day.

Nearly 400 people witnessed this momentous occasion, including esteemed members of AIMTC, AITWA, other leading state transport associations, IIHMR, express and logistics industry, via online video-conferencing.

Shri. Dr. Mahendra Nath Pandey, the Honorable Minister of Skill Development and Entrepreneurship (MSDE), while addressing the gathering said that having been so closely associated with Shri. P.D. Agarwal, it was his privilege to have the opportunity to release the 'Customized My Stamp and Special Cover' in his honor. Shri. PDji's contribution to our society extends beyond transport to education, health, village development, women empowerment. The ideals and visions of our Founder-Chairman will always remain a source of inspiration.



# Health, Safety and Environment (HSE)

## HSE Philosophy

TCI firmly believes that it is responsible for the safety of every life it touches. From driver partners to business associates, logistics workers, and employees, ensuring safety and well-being of all is of paramount importance. The Company has strong safety protocols in place to create a healthy work environment and ensure safe movement of people and material.

The Company considers its employees as the most important and valuable asset and is committed to provide conducive, healthy and professional work environment for enabling each employee to fully utilize his/her potential. Safety is vital for the success of TCI and, therefore, it also forms a significant part of its annual business plan. TCI believes that all accidents and injuries at the workplace can be avoided with adequate safety and compliance measures. TCI remains committed to maintaining a world-class safety culture to achieve an accident-free environment. The Company regularly invests in its people and facilities, conduct training programs, and health safety camps from time to time to create a safer place to work.

TCI is carrying forward the legacy of its Founder & Chairman, Late Shri P D Agarwal (Shri PDji) who believed that the overall well-being and sustainability of the present and future generations and businesses depends on our intent and actions to protect the environment. TCI is making its own humble contribution towards the protection of the environment, conservation of energy, use of renewable sources of energy, production of alternative source of energy etc. and working towards going Green which is reflected in its building, architecture and the materials used.



## HSE Framework

TCI has a robust health, safety and environment (HSE) policy in place which aims at:

- » Providing a safe, healthy and environment-friendly workplace and strive for zero accidents
- » Ensuring safe movement of people and material
- » Minimizing environmental pollution through business activities
- » Reducing, reusing, and recycling waste, wherever possible
- » Conserving energy and natural resources
- » Creating awareness on health, safety and environment at all levels and promoting continuous improvement

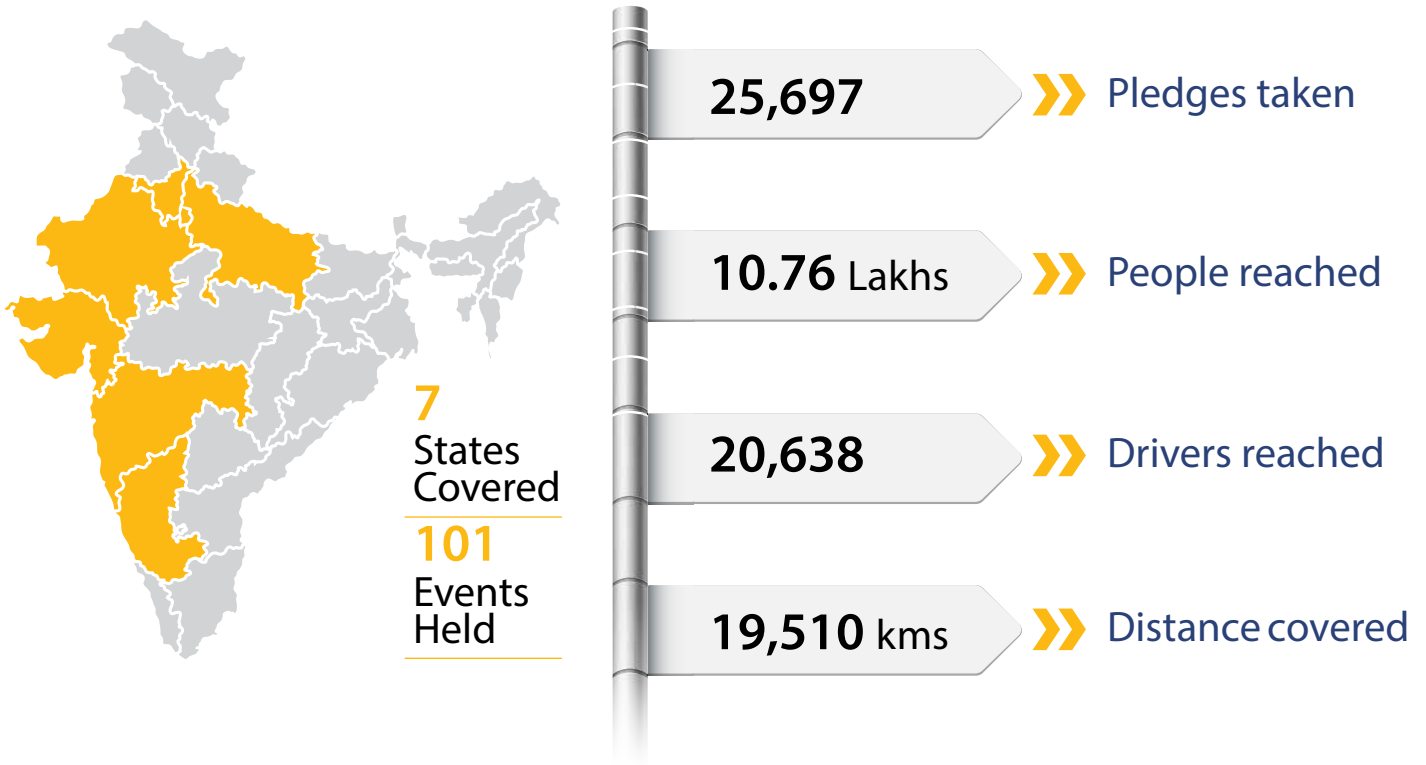
**Certification**  
**ISO 9001: 2008**



# Health, Safety and Environment (HSE)

## Safety

### TCI Safe Safar



In India, about 4.5 Lakhs people get injured every year, wherein about 1.5 Lakhs lives are lost. To address the problem of road safety and help educate and create awareness, TCI Group came up with an initiative called 'TCI Safe Safar'. This initiative aims at spreading an effective message on health and safety for the entire logistics and transportation industry. The main attraction of the program being a specially fabricated, environment-friendly CNG vehicle that highlights the importance of health

and road safety through engaging Nukkad Nataks, posters and quizzes. TCI Safe Safar also conducts health camps for drivers with the help of "Khushi Clinics" of the TCI Foundation wherever possible.

TCI Safe Safar came to a pause post the first wave of COVID-19, with the lifting of the nationwide lockdown, the Company began the initiative again from February 2021, majorly covering select locations and also educating audience about Covid-19 safety protocols.



# Health, Safety and Environment (HSE)

## Milestones TCI Safe Safar

- » TCI has received several appreciation certificates for TCI Safe Safar. Companies & organisation such as HPCL, Adani, SAIL, CONCOR, ESSAR Steel, Karnataka Goods Transporters' Association, Bangalore, have appreciated TCI Safe Safar.
- » TCI Safe Safar also bagged the prestigious James Tye Award at the International Safety Awards 2020 organized by British Safety Council, one of the top internationally recognized awards in Health & Safety. The award recognizes organizations from around the world, which brought to the fore the dedication to keep its workers and workplace healthy and safe. From the 509 organizations of all sizes and sectors, including businesses from the UK, Africa, Asia, India, mainland Europe and the Middle East, only TCI won this special award. The award is a testimony to the endless hard work and dedication towards making TCI Safe Safar a success.



# Health, Safety and Environment (HSE)

## Health & Safety

TCI invested in Covid-19-related safety measures because ensuring good health of employees is of its highest concern. The Company has created internal safety protocols for everything. TCI distributed personal protective gears such as masks to its employees and encouraged use of sanitizers and temperature checks across operations.

Even now entry into the office premises is remotely done through a Gate Screening App, thus, limiting the exposure of each employee. The Company has quarantine facilities for workforce at the operation sites. All vehicles, drivers, cleaners have to go through pre-defined sanitization and health check-up SOPs.

Physical distancing, too, is being strictly maintained. To sensitize everyone about Covid-19 and educate all to follow preventive hygiene practices, TCI has put up informational posters and videos too.



# Corporate Social Responsibility

TCI Foundation, the social arm of Transport Corporation of India Limited (TCI), is committed to serve the nation with a motto of **'equality and better life for all citizens'**. The Foundation is in vanguard to support and assist the communities, including the less privileged in India, by facilitating Health Services, Education, Community and Sports Development.

TCI Foundation demonstrates our efforts towards community upliftment by investing in:

- » Empowerment of young minds by providing education
- » Promotion of sports activities by development of sports facilities
- » Reducing environmental impact by going green and implementing the practice of 3Rs (Reduce, Reuse and Recycle)
- » Extending support to victims of natural disasters
- » Healthcare programs including blood donation camps, artificial limbs & safety programs in the backward region of the country
- » During the year, numerous initiatives were taken in the areas of Education, Health, Safety, and Sports.

## Healthcare

TCI Foundation operates **22 healthcare centers** across **11 states** in India for the marginalized population including families. TCI Foundation is the sole implementing agency of Society of Indian Automobile Manufacturers (SIAM) for their annual road safety program across the country. TCI Foundation is proudly associated with the Government of India, State Governments, International Organizations, PSUs, and Corporates of repute to deliver their quality-controlled CSR activities in India.

### Artificial Limbs Centre

With the technical support of leading prosthetic and other physical aids manufacturer 'Jaipur Foot', the Company has established the TCI-Jaipur Foot Rehabilitation Centre at Patna (Bihar). The Centre works on the UN theme "Break Barriers, Open Doors: For an Inclusive Society and Development for All". Through its mobile service equipped with a mobile prosthetic workshop in a specially designed ambulance, the centre is engaged in delivering its charitable services to the deserving inhabitants who live in remote areas of the country.

In the year 2020-21, the centre served 830 patients who were provided prosthetic and prosthesis. Due to Covid-19 situation the centre could not conduct camps in the remote areas; however three camps were conducted at the centre in Patna to facilitate the beneficiaries. Most of the patients served were in the age group of 21 to 40 years who had met with accident on roads or railway tracks.



**830** patients

**Provided prosthetic and prosthesis**

# Corporate Social Responsibility

## Project Antrang

To address the dual purpose of economic empowerment for women and provide low cost sanitary napkins to rural women and adolescent girls in the Khunti district of Jharkhand, TCI encouraged and facilitated local tribal women to set up Self Help Group (SHG) under the aegis of TCI Foundation. The group is involved in creating personal hygiene awareness, sanitary pads manufacturing and its marketing in the region. The SHG is now independently managing the complete unit including production, marketing, sale, quality control, accounts and finance.

In the year 2020-21 the SHG manufactured and sold more than 6,426 pieces of sanitary napkins and the amount is kept in the SHG bank account and will be used for sustainability of the program.



## Sports

Urmila Sports Academy was founded in the year 2011 at Nyangal Bari village in Churu (Dist.) Rajasthan. This Academy was established in direct response to the ever increasing demand for sports in India with the mission to serve the nation with programs in coaching, research and service. The role of the academy is to prepare men and women for excellence in sports. The infrastructure and facilities of the Academy are capable of being used for the conduct of national and international sports events. The academy currently has halted its operations due to Government of India directions and guidelines on Covid-19 pandemic prevailing in the country.



# Corporate Social Responsibility



## Education



TCI-DAV Public School, through its establishment in 2005, envisioned to provide quality and value based primary education to the underprivileged tribal children of tribal Jamhar village in Khunti, Jharkhand.

### Up-gradation of School

TCI-DAV Public School has been up graded to 10+2 level affiliated with CBSE and three streams of Arts, Commerce and Science have been introduced in the current academic year.



### Expansion of School

The school has experienced significant enrolment growth over recent two years. To accommodate this growth, the company is investing in new infrastructure to meet the demand for additional educational facilities at the school. A new wing of two storey has been constructed to accommodate classes, physics, chemistry, biology laboratories and an extensive library.

### Virtual Classes

The Covid-19 pandemic resulted in the Government issuing school closure notifications from time to time. To cope up with the situation, TCI-DAV Public School organized online classes for its students in the academic year 2020-21 and enabled them to pursue their studies uninterrupted.



# Enterprise Risk Management

The risks of TCI group are reassessed quarterly and annually by considering the best available information on changes in both the internal and external environments of the organization. The risk-management framework is periodically reviewed by the Board and the Audit Committee. Risks are identified and prioritized based on the Company's overall risk appetite, strategy, and probability of occurrence. The vast majority of leading risks remain the same. As part of the Company assessment process, emerging risks are also identified that are likely to impact business in the long term.

## Some of the major risks associated with the Company's business include:

Risks	Root cause	Mitigation measures
 <b>Brand and reputation risk</b>	Risk to reputation / brand as a result of customer dissatisfaction on account of non-performance or breach of contract	<ul style="list-style-type: none"> <li>» Customer is always given top preference. Immediate steps are taken to resolve the issues or claim certificate is issued to a customer immediately so that they can stake claim.</li> <li>» Escalation matrix exists to move issues starting from customer care level to HO.</li> <li>» Regular customer feedback and Net Promoter Score (NPS) survey for TCI services and nearly 300 responses were received where the NPS score stood at 81% a jump of 63% in Jan-Mar 2021 compared to survey done in Oct-Nov 2019.</li> <li>» ChatBots have also been introduced for timely and standardized responses to customers as well as to increase productivity at the call center</li> </ul>
 <b>Information Technology (IT) risk</b>	Inadequate IT infrastructure, funding constraints, poor cybersecurity, lack of ability to embrace disruptive technologies can lead to IT risk	<ul style="list-style-type: none"> <li>» We have best firewalls available in the industry. Even in recent audit, no discrepancy regarding the same was observed.</li> <li>» Approved access levels are in-built at multiple layers within the ERP. Backend access is secured &amp; restricted and front end access is in line with user access rights. Roles are defined and mapped and access given accordingly. The same was also approved in recent IT audit.</li> <li>» Physical access to office premises/server room is given only to authorized staff. It has two level access control system.</li> <li>» The IT department takes periodic backup of all information and data from central server and stores it in remote location. Users are continuously reminded and made aware on the need for backup for their equipment.</li> <li>» Disaster Recovery (DR) /BCP implemented and regular drills conducted as per IT audit.</li> </ul>



# Enterprise Risk Management



## Regulatory risk

The Company is subject to extensive legislation and regulatory risk relating to tax, customs, among others. Non-compliance of the same can have a long-term negative impact on the Company's reputation

- » Regular engagement is done with Government and regulators to align strategies
- » At group level, the Company monitors and manages areas of risk in close cooperation with all business units



## Dynamic business scenario

Change in business model due to

- New-age PE-funded startup.
- Consumer trends such as omni channel and others.
- Demand for multi modal solution and others.

- » Existing business model of business is regularly reviewed and changes are made to make it more consistent with present business environment
- » Moving to solutions provider and partnership approach and providing greater value addition to customers businesses. A diversified business also helps the Company to manage such risks better
- » Make business plan to maximize advantage and strategic fit by considering evolution of multimodal logistics in India and entire eco system around it, particularly DFC and Inland Waterways. Identify specialty verticals with high /moderate entry barriers and build upon them

## Internal Controls

The Company has a well-defined internal control system commensurate with the size and nature of its operations. These internal controls ensure stringent adherence to the applicable laws and regulations, safeguarding of assets, prevention of frauds/errors and proper recording and reporting of financial transactions. The efficacy of the internal control systems is verified by the internal and statutory auditors of the Company.

The Audit Committee of the Board reviews the internal audit plan and ensures the adequacy and effectiveness of the internal control system. It also reviews the functioning of the whistle-blower mechanism and monitors the action taken on the cases reported. The Audit Committee of the Board of Directors, statutory auditors and the business heads are periodically apprised of the internal audit findings and necessary actions are taken thereafter. The internal audit function reports to the Chairman of the Audit Committee. During the year, these internal controls were tested and no material discrepancy in the design or operation was identified.

## Cautionary Statement

Statements in this report describing the Company's objectives, projections, estimates and expectations may constitute "forward-looking statements" within the meaning of applicable laws and regulations that involve risks and uncertainties. Such statements represent the intention of the management and the efforts being put into place by them to achieve certain goals. Actual results might differ materially from those either expressed or implied in the statement depending on the circumstances. Therefore, the investors are requested to make their own independent assessments and judgments by considering all relevant factors before making any investment decision.

# BOARD'S REPORT

## To the Members

### Transport Corporation of India Limited

The Board of Directors are pleased to presents the Company's Annual Report together with the audited financial statements (standalone and consolidated) for the financial year ended 31<sup>st</sup> March, 2021.

## 1. FINANCIAL HIGHLIGHTS- STANDALONE & CONSOLIDATED

(₹ in Lakhs)

Particulars	Standalone			Consolidated		
	FY 2020-21	FY 2019-20	(% Growth)	FY 2020-21	FY 2019-20	(% Growth)
<b>Total Revenues</b>	248,718	254,165	(2.14)	282,786	273,796	3.28
<b>Profit before Tax</b>	15,620	14,186	10.11	17,425	15,911	9.52
<b>Tax</b>	2,143	1,545	38.71	2,383	1,592	49.78
<b>Profit After Tax</b>	13,477	12,641	6.61	15,042	14,319	5.05

### FINANCIAL PERFORMANCE REVIEW AND ANALYSIS

On consolidated basis, the revenues were at ₹ 282,786 Lakhs as compared to ₹ 273,796 Lakhs in the previous year with a growth of 3.28% while the profit after tax stood at ₹ 15,042 Lakhs as compared to ₹ 14,319 Lakhs in the previous year resulting in growth of 5.05%.

On standalone basis, the revenues were at ₹ 248,718 Lakhs as compared to ₹ 254,165 Lakhs in the previous year with a degrowth of (2.14%) while the profit after tax stood at ₹ 13,477 Lakhs as compared to ₹ 12,641 Lakhs in the previous year with an increase of 6.61%.

## 2. CHANGE IN CAPITAL STRUCTURE

During the year under review, 273,525 Equity Shares were allotted to the eligible employees of the Company upon exercise of stock options. Consequently, the paid up share capital stood increased from ₹ 153,652,450 divided into 76,826,225 shares of ₹ 2/- each to ₹ 154,199,500 divided into 77,099,750 shares of ₹ 2/- each.

These shares have rank pari passu with the existing Equity Shares of the Company, in all respects. The Company has not issued any Equity Share with differential rights, sweat equity shares or bonus shares during the year under review.

## 3. DIVIDEND

Based on the Company's performance, the Board of Director has recommended a Final dividend @ 65% (₹ 1.30 per share) for the FY 2021 subject to the approval of Shareholders in the ensuing Annual General Meeting. This is in addition to the Interim Dividend already declared @ 60% (₹ 1.20 per share) for the FY 2021 on 3<sup>rd</sup> February, 2021.

The dividend so recommended/declared, is in line with the Dividend Policy of the Company which is available on the Company's website at the link: <http://cdn.tcil.in/website/tcil/policies/Dividend%20Distribution%20Policy.pdf>

## 4. TRANSFER TO RESERVES

For FY 2021, ₹ 7000 Lakhs were transferred to the general reserves.

## 5. MATERIAL CHANGES AFFECTING THE COMPANY

There have been no material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of this report.

## 6. MATERIAL CHANGE IN NATURE OF BUSINESS

During the year under review, there was no change in the nature of Company's business.

## 7. TRANSFER OF UNPAID & UNCLAIMED DIVIDENDS & SHARES TO IEPF

The details of unpaid or unclaimed dividend(s) & shares transferred to IEPF during the year, pursuant to the applicable provisions of the Companies 2013 (the Act), read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 and the dividend(s) which are due for transfer to IEPF in the forthcoming years, are provided in the Corporate Governance Report (CGR) forming part of this Annual Report.

## 8. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company has 11 subsidiaries including step down subsidiaries, 01 Joint Venture and 01 associate Company.

TCI-CONCOR Multimodal Solutions Private Limited, one of the subsidiaries of the Company, has become material as defined under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations) and the Company's policy on material subsidiary effective from FY'22.

Pursuant to the provisions of Section 129(3) of the Act, a statement containing the salient features of the financial statements of the Company's subsidiaries in Form AOC-1 is attached to the financial statements of the Company.

The audited financial statements including the consolidated financial statement of the Company and annual accounts of the subsidiaries are available on the website of the Company [www.tcil.com](http://www.tcil.com). Any shareholder interested in obtaining copy of the same may write to Company Secretary by email to [secretarial@tcil.com](mailto:secretarial@tcil.com).

The Company has formulated a Policy for determining Material Subsidiaries. The Policy is placed on the Company's website at the link: <http://cdn.tcil.in/website/tcil/policies/Policy%20on%20Material%20Subsidiary.pdf>

## 9. DETAILS OF LOANS/GUARANTEES/ INVESTMENTS MADE

The details of loans, guarantees and investments covered under Section 186 of the Act form part of the Notes to the financial statements and are provided in this Annual Report.

## BOARD'S REPORT (Contd.)

### 10. DEPOSITS

During the year under review, your Company has not accepted any deposit within the meaning of section 73-76 of the Act.

### 11. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

During the year, all contracts / arrangements / transactions entered by the Company with related parties were in the ordinary course of business and at arm's length basis.

There were no transactions during the year under review attracting the provisions of section 188(1) of the Act. Hence information in Form AOC-2 is not applicable.

Further, during the year, the Company has not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions. The Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions as approved by the Audit and Risk Management Committee and the Board of Directors is put up on the Company's website at the link: <http://cdn.tcil.in/website/tcil/policies/Related%20Party%20Transaction%20policy.pdf>.

### 12. MANAGEMENT DISCUSSION AND ANALYSIS

In terms of the provisions of Regulation 34 of the SEBI Listing Regulations, the Management discussion and Analysis is set out & forms part of the Annual Report.

### 13. CORPORATE GOVERNANCE

The Company is committed to maintain the highest standards of Corporate Governance and adheres to the Corporate Governance requirements set out by the SEBI. The Company has also implemented several best governance practices. The report on Corporate Governance as stipulated under the SEBI Listing Regulation forms part of the Annual Report.

### 14. BUSINESS RESPONSIBILITY REPORT

In compliance with the SEBI Listing Regulation, the Business Responsibility Report describing the initiatives taken by the Company from environmental, social and governance perspective forms part of the Annual Report.

### 15. ANNUAL RETURN

In accordance with Section 92(3) of the Act, the annual return in Form No. MGT-7, is available on the Company's website at the link: <http://cdn.tcil.in/website/tcil/financial-reports/annual-reports/2020-21/Annual%20Return.pdf>

### 16. DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors hereby confirm that:

- in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 2020-21 and of the profit of the Company for that period;
- they have taken proper and sufficient care for the maintenance of adequate accounting records

in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- they have prepared the annual accounts on a going concern basis;
- they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively; and
- adequate systems and processes, commensurate with the size of the Company and the nature of its business, have been put in place by the Company, to ensure compliance with the provisions of all applicable laws and that such systems and processes are operating effectively.

### 17. DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMPs)

#### ● Retirement

Mr. Ashish Bharat Ram will cease to be the Director of the Company with effect from the conclusion of 26<sup>th</sup> AGM after completion of his second & final tenure as the Independent Director of the Company in line with the Regulation 17 (1A) of SEBI Listing Regulations. The Board places on record its appreciation towards valuable contribution made by Mr. Ashish Bharat Ram during his tenure as the Director of the Company.

#### ● Appointment and Reappointments

Citing vacancy arising out of retirement of Mr. Ashish Bharat Ram, as enunciated above, based upon the recommendation of the Compensation/Nomination and Remuneration Committee (CNRC), Mr. Vikrampati Singhania has been appointed as an Addition Director in the capacity of Non-Executive Independent Director w.e.f. 5<sup>th</sup> July, 2021 by the Board of Directors, for a period of five Years subject to the approval of the shareholders in the ensuing AGM. A resolution seeking shareholders' approval for his appointment forms part of the Notice of AGM.

Considering his rich experience and expertise, the Board recommends his appointment.

Mr. Vikrampati Singhania has confirmed that he is not debarred from holding the office of Director pursuant to any SEBI order or any other regularity authority.

Further, the tenure of Mr. Vijay Sankar as an Independent Director, will expire on 03<sup>rd</sup> November, 2021. Considering his rich experience and expertise and based on the recommendation of the CNRC, it is proposed to re-appoint him at the ensuing AGM by way of special resolution, for a second term of five consecutive years, effective from 4<sup>th</sup> November, 2021.

Furthermore, as per the provisions of Section 152 of the Act, Mr. D P Agarwal and Mr. S. N. Agarwal retire by rotation and being eligible, offer themselves for re-appointment.

Brief resume of directors seeking appointment/ re-appointment alongwith other details as stipulated under the SEBI Listing Regulations are provided in the Notice for convening the AGM.

#### ● Confirmation with respect to KMPs

As on 31<sup>st</sup> March, 2021, the following are the KMPs of the Company:

- Mr. D P Agarwal, Chairman & Managing Director;

## BOARD'S REPORT (Contd.)

- Mr. Vineet Agarwal, Managing Director;
- Mr. Jasjit Singh Sethi, CEO-TCI Supply Chain Solutions, a Division of the Company;
- Mr. Ishwar Singh Sagar, CEO-TCI Freight, a Division of the Company;
- Mr. R U Singh, CEO-TCI Seaways, a Division of the Company;
- Mr. Ashish Tiwari- Group CFO; &
- Ms. Archana Pandey- Company Secretary & Compliance Officer.

### 18. NUMBER OF MEETINGS OF THE BOARD

Four meetings of the Board were held during the year under review. For details of the meetings of the Board, please refer CGR forming part of this Annual Report. The maximum interval between any two meetings did not exceed 120 days, as prescribed in the Act.

### 19. MEETING OF INDEPENDENT DIRECTORS

One separate meeting of the Independent Directors was held during the year under review. For details of meeting, please refer CGR, forming part of this annual report.

### 20. DECLARATION OF INDEPENDENCE BY INDEPENDENT DIRECTORS

Pursuant to the provisions of Section 149 of the Act, the independent directors have submitted declarations that each of them meets the criteria of independence as provided in Act and the SEBI Listing Regulations. There has been no change in the circumstances affecting their status as independent directors of the Company. Based on the declarations received from all the Independent Directors and in the opinion of the Board, all the independent Directors possess integrity, expertise, experience & proficiency and are independent of the management.

During the year under review, none of the non-executive directors of the Company has had any pecuniary relationship or transaction with the Company, other than sitting fees or commission.

### 21. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The policy of the Company on directors' appointment and remuneration, including the criteria for determining qualifications, positive attributes, independence of a director and other matters, as mandated under Section 178 of the Act, is available on the Company's website at the link: <http://cdn.tcil.in/website/tcil/policies/Nomination%20and%20Remuneration%20Policy.pdf>. The brief particulars are given in the CGR, forming part of the Annual Report.

The new Independent Directors inducted into the Board attend an orientation and training program. The details with respect to training and familiarization programs can be accessed at: <http://cdn.tcil.in/website/tcil/corporate-governance/familiarisation-programme-of-independent-directors/Familiarisation%20Programme%20for%20independent%20directors.pdf>

### 22. PERFORMANCE EVALUATION

Pursuant to the applicable provisions of the Act and the SEBI Listing Regulations, the Board has carried out an annual evaluation of its own performance, performance of the Directors as well as the evaluation of the working of its

Committees. The CNRC has defined the evaluation criteria and procedure for the Performance Evaluation process for the Board, its Committees and Directors.

In a separate meeting, the independent Directors evaluated the performance of Non-Independent Directors and performance of the Board as a whole. They also evaluated the performance of the Chairman taking into account the views of Executive Directors and Non-Executive Directors. The CNRC reviewed the performance of the Board, its Committees and of the Directors. The same was discussed in the Board Meeting that followed the meeting of the independent Directors and CNRC, at which the feedback received from the Directors on the performance of the Board and its Committees was also discussed.

### 23. COMMITTEES OF THE BOARD

As on 31<sup>st</sup> March, 2021, the Board of directors have constituted the Audit & Risk Management Committee, the Stakeholders Relationship Committee, the Compensation/Nomination & Remuneration Committee, the Corporate Social Responsibility Committee, the Share Transfer Committee, the Corporate & Restructuring Committee & the Executive Authorization Committee.

The details on the composition of the Board and its committees are provided in the CGR.

### 24. AUDITORS AND AUDITORS' REPORT

#### ● STATUTORY AUDITORS

Pursuant to Section 139 of the Act, M/s. Brahmayya & Co., Chartered Accountants, (Firm Registration No. 000511S) were appointed as Auditors of the Company for a term of five consecutive years, at the 22<sup>nd</sup> AGM held on 2<sup>nd</sup> August, 2017. The Auditors have confirmed that they are not disqualified from continuing as Auditors of the Company

The Statutory Auditors' Report for FY 2020-21 does not contain any qualification, reservation or adverse remark.

#### ● SECRETARIAL AUDIT

The Secretarial Audit Report for the financial year ended 31<sup>st</sup> March, 2021 is annexed herewith and marked as **Annexure I** to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remarks.

During the year under review, under Section 143 (12) of the Act, neither the statutory auditors nor the secretarial auditor have reported to the Audit & Risk Management Committee, any instances of material fraud committed against the Company by its officers or employees, the details of which need to be mentioned in the Board's Report.

#### ● INTERNAL AUDIT

Pursuant to Section 138 of the Act & rules made thereunder, Mr. Naveen Gupta, a qualified Chartered Accountant professional in whole time employment of the Company, acts as Chief Internal Auditor of the Company.

#### ● COST AUDIT & RECORDS

Company is complying with the requirements of section 148 of the Act and rules made thereunder

## BOARD'S REPORT (Contd.)

### 25. LISTING INFORMATION

The Equity Shares of your Company are listed on the BSE Limited ('BSE') and the National Stock Exchange of India Limited ('NSE').

The Company's Commercial Papers are listed on BSE.

### 26. SECRETARIAL STANDARDS

The applicable Secretarial Standards have been duly followed by the Company.

### 27. CORPORATE SOCIAL RESPONSIBILITY

The Company primarily undertakes social initiatives through its CSR arm "TCI Foundation" in the areas of healthcare, education, sports, community Development and Disaster management etc.

As per the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 notified on 22<sup>nd</sup> January, 2021 by Ministry of Corporate Affairs, TCI Foundation has duly been registered for undertaking CSR activities with Registration number CSR00000298.

The Company's CSR policy is available on <http://cdn.tcil.in/website/tcil/policies/CSR%20Policy.pdf>. The Annual Report on CSR activities is appended under **Annexure-II** to the Board's Report.

### 28. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The details in respect of internal financial control and their adequacy are included in the Management Discussion and Analysis, which forms part of this Annual Report.

### 29. SIGNIFICANT AND MATERIAL ORDERS

During the period under review, there were no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in future.

### 30. HUMAN RESOURCE DEVELOPMENT

The COVID pandemic has changed the focus of employee experience to sustaining the performance and engagement of a distributed workforce where some employees work fully remote or partially remote and others at the workplace.

In a recent Gartner survey of 113 learning and development leaders, 71% said that more than 40% of their workforce required new skills due to changes to work brought on by COVID.

At TCI, Human Resource Department has constantly been putting its best efforts towards new skilling, reskilling & up-skilling of its diverse workforce on latest curriculum encompassing policy changes to innovations on technology fronts like cloud computing, machine learning & artificial intelligence. By this, the Company is constantly working towards developing future capabilities of the workforce in the digital economy & helping existing employees and leaders gain new digital competencies to be able to drive transformation in the organization.

The Company constantly strives towards providing exceptional work environment by facilitating world class workplace ergonomics to promote health & safety among employees leading to higher productivity. Above all, the Company promotes CORE values at the our workplace to create a strong sense of ownership among employees.

### 31. PARTICULARS OF EMPLOYEES

The information required under Section 197 of the Act, is given under **Annexure III** to this Report.

The statement as required under Section 197(12) of the Act & rules made thereunder, is provided in a separate annexure forming part of this report. Further, the report and the accounts are being sent to the members excluding the aforesaid annexure. In terms of Section 136 of the Act, the said annexure is open for inspection and any shareholder interested in obtaining a copy of the same may write to the Company Secretary.

### 32. EMPLOYEE STOCK OPTION SCHEME

During the year under review, pursuant to Employee Stock Option Scheme-2006 Part IX, Employee Stock Option Plan 2017 1<sup>st</sup> Tranche and Employee Stock Option Plan 2017 2<sup>nd</sup> Tranche, the Share Transfer Committee of the Board allotted 273,525 Equity Shares to the eligible employees of the Company.

With regard to the above, the disclosures stipulated under the SEBI Regulations as on 31<sup>st</sup> March, 2021 are provided in **Annexure-IV** to this report.

### 33. RISK MANAGEMENT

The Audit & Risk Management Committee is mandated with indentifying elements of risk in different areas of operations and to develop policy for actions associated to mitigate the risks.

The Committee reviews the risks applicable on the Company at quarterly intervals and the steps being taken by the Company to mitigate those risks. In the opinion of the Committee & the Board there are no such risks, which may threaten the existence of the Company.

The details of the Committee are included in the CGR.

### 34. PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition, and Redressal of Sexual Harassment at workplace. This is in line with provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH Act) and the Rules made thereunder. With the objective of providing a safe working environment, all employees (permanent, contractual, temporary, trainees) are covered under this Policy.

As per the requirement of the POSH Act and Rules made thereunder, the Company has duly constituted the Internal Committee to inquire and redress complaints received regarding sexual harassment.

During the year under review, no complaint was filed under the POSH Act.

### 35. WHISTLE BLOWER MECHANISM

Pursuant to Section 177(9) of the Act, a vigil mechanism has been established for Directors and employees to report to the management, instances of unethical behaviour, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy.

The Ethics and Whistle Blower Policy provides for direct access to the Chairman of the Audit and Risk management Committee. The policy is put up on the Company's website and can be accessed at: <http://cdn.tcil.in/website/tcil/policies/Ethics%20and%20Whistle%20Blower%20Policy.pdf>.

## BOARD'S REPORT (Contd.)

### 36. CONSERVATION OF ENERGY & RESEARCH AND DEVELOPMENT

The particulars, as prescribed under Section 134(3)(m) of the Act & rules made thereunder are enclosed as **Annexure V** to the Board's Report.

### 37. THE INSOLVENCY AND BANKRUPTCY CODE, 2016

During the year under review, there is no application made/proceeding pending against the Company under the Insolvency and Bankruptcy Code, 2016.

### 38. ONE TIME SETTLEMENT

During the year under review, the Company has not entered in any one time settlement with any of the Banks/Financial Institutions and therefore, the relevant disclosures are not applicable to the Company.

### 39. ACKNOWLEDGEMENT

The Company gratefully acknowledges the stakeholders viz. customers, vendors, investors, bankers and employees for

their continued support during the year and to believe and appreciate the Company's "CORE" Value System. The Company places on record its appreciation for the contribution made by the employees at all levels. The consistent growth of the Company was made possible by their hard work, solidarity, cooperation and support.

The Board of Directors would also like to express their sincere appreciation for the assistance and co-operation received from various departments of Central and State Government, Organizations and Agencies to the Company.

**For and on behalf of Board of Directors**

**Place: Gurugram**

**D P Agarwal**

**Date: 25<sup>th</sup> May, 2021**

**Chairman and Managing Director**

# ANNEXURE I

Form No. MR-3

## SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH, 2021

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies  
(Appointment and Remuneration Personnel) Rules, 2014]

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Transport Corporation of India Limited** (hereinafter called "**the Company**") for the financial year ended 31<sup>st</sup> March, 2021 ["**period under review**"]. Secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the period under review, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the for the period under review, according to the provisions of applicable law provided hereunder:

1. The Companies Act, 2013 ("the Act") and the rules made thereunder including any re-enactment thereof;
2. The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder;
3. The Depositories Act, 1996 and the regulations and bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"), to the extent applicable:-
  - a. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations");
  - b. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
  - e. Securities and Exchange Board of India (Depositories & Participants) Regulations, 2018;
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client;
6. RBI Commercial Paper Directions, 2017, effective from 10th August, 2017 (as amended from time to time) ["CP Directions"] w.r.t. issue of commercial papers and applicable Operating Guidelines issued by FIMMDA (Fixed Income Money Market and Derivatives Association of India);
7. Laws specifically applicable to the industry to which the Company belongs, as identified and compliance whereof as confirmed by the management, that is to say:

- a. The Indian Carriage of Goods by Road Act, 2007;
- b. The Indian Carriage of Goods by Sea Act, 1925;
- c. The Motor Vehicles Act, 1988;

We have also examined compliance with the applicable clauses of the Secretarial Standards 1 & 2 issued by the Institute of Company Secretaries of India.

We report that during the period under review, the Company has complied with the provisions of the Act, rules, regulations, guidelines, standards etc. mentioned above.

### We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings and Committee meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision was carried through, while there were no minuted instances of dissent in Board or Committee meetings.

**We further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** during the period under review, the Company has not undertaken any specific event/action that can have a major bearing on the Company's compliance responsibility in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc., except as follows:

### 1 Issue of shares under ESOP Scheme

During the period under review, the Company allotted 2,73,525 (Two lakh Seventy Three thousand Five hundred and Twenty Five) Equity Shares of INR 2 each in accordance with Employee Stock Option Scheme 2006 Part IX and Employee Stock Option Plan 2017 (1<sup>st</sup> and 2<sup>nd</sup> Tranche).

For **M/s Vinod Kothari & Company**

Practicing Company Secretaries

Unique Code: P1996WB042300

**Vinita Nayar**

Senior Partner

Membership No: F10559

CP No. 11902

Place: Mumbai

Date: 24<sup>th</sup> May, 2021

UDIN: F010559C000359270

Peer Review Certificate No.: 781/2020

## ANNEXURE I (Contd.)

**ANNEXURE I**
**ANNEXURE TO SECRETARIAL AUDIT REPORT (NON-QUALIFIED)**
**To the Members of Transport Corporation of India Limited**

Our Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit. The list of documents for the purpose, as seen by us, is listed in Annexure II;
2. We have followed the audit practices and the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion;
3. Our Audit examination is restricted only upto legal compliances of the applicable laws to be done by the Company, we have not checked the practical aspects relating to the same.
4. Wherever our Audit has required our examination of books and records maintained by the Company, we have also relied upon electronic versions of such books and records, as provided to us through online communication. Wherever for the purposes of our Audit, there was a need for physical access to any of the places of business of the Company, the same was not possible due to the lockdowns and travel restrictions imposed by Central and State Governments respectively. We have conducted online verification & examination of

records, as facilitated by the Company, due to Covid 19 and subsequent lockdown situation for the purpose of issuing this Report.

5. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company as well as correctness of the values and figures reported in various disclosures and returns as required to be submitted by the Company under the specified laws, though we have relied to a certain extent on the information furnished in such returns.
6. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulation and happening of events etc.
7. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedure on test basis.
8. Due to the inherent limitations of an audit including internal, financial, and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with audit practices.
9. The contents of this Report has to be read in conjunction with and not in isolation of the observations, if any, in the report(s) furnished/to be furnished by any other auditor(s)/agencies/ authorities with respect to the Company.
10. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**ANNEXURE II**
**LIST OF DOCUMENTS**

1. Minutes books of the following meetings (seen using remote access software on account of lockdown due to COVID-19)
  - a. Board Meeting;
  - b. Audit Committee and Risk Management Committee
  - c. Nomination and Remuneration Committee;
  - d. Stakeholders Relationship Committee;
  - e. Corporate Social Responsibility Committee;
  - f. Separate Meeting of Independent Directors;
  - g. Annual General meeting;
2. Agenda papers for Board and Committee meetings along with Notice;
3. Annual Report 2019-20;
4. Memorandum and Articles of Association;
5. Disclosures under Act, 2013 and Listing Regulations;
6. Policies framed under Act, 2013 and Listing Regulations;
7. Forms filed with the ROC, RBI (under FEMA);
8. Documents relating of issuance and redemption of Commercial Papers (on sample basis);
9. Disclosures under SEBI (Prohibition of Insider Trading) Regulations, 2015;
10. Disclosures under SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011.



## ANNEXURE II

### ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

For the Financial Year ended 31<sup>st</sup> March, 2021

#### 1. BRIEF OUTLINE OF THE COMPANY'S CSR POLICY, INCLUDING OVERVIEW OF PROJECTS OR PROGRAMS PROPOSED TO BE UNDERTAKEN

As a corporate entity, the Company is committed towards sustainability and to move ahead in this direction in an organised manner, the Company has its duly enacted Corporate Social Responsibility Policy in place which can be accessed on the website of the Company at the weblink <http://cdn.tcil.in/website/tcil/policies/CSR%20Policy.pdf>

Through its societal investments, TCI concentrates on the needs of communities residing in the areas from where it operates, taking sustainable initiatives in the areas of health, education, green preservation and community development.

In compliance with Schedule VII of the Companies Act 2013 including any statutory modification or amendment thereto, TCI acknowledges the healthcare, education, community care, sports, and research and technology development activities under its Corporate Social Responsibility. The details of CSR activities undertaken by the Company from time to time can be accessed on the website of the Company [www.tcil.com](http://www.tcil.com).

#### 2. COMPOSITION OF THE CSR COMMITTEE

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of CSR Committee meetings attended during the year
1.	Mr. Ashish Bharat Ram	Chairman/Independent Director	1
2.	Mr. D.P. Agarwal	Member/Chairman & Managing Director	1
3.	Mrs. Urmila Agarwal	Member/Director	1
4.	Mr. Chander Agarwal	Member/Director	1

- The Composition of CSR Committee, CSR Policy and CSR projects/initiatives are available on the website of the Company at [www.tcil.com](http://www.tcil.com)
- Pursuant to provision of Sub Rule 3 of Rule 8 of Companies (Corporate Social Responsibility Rules), 2014, the provisions with respect to impact assessment of CSR expenditure are **not applicable** to the Company.
- Details of the amount available for set off in pursuance of sub rule 3 of rule 7 of Companies (Corporate Social Responsibility Rules), 2014 and amount required for set off for the financial year, if any:

Sr. No.	Financial Year	Amount available for set-off from preceding financial years (₹ in Lakhs)	Amount required to be setoff for the financial year, if any (₹ in Lakhs)
1.	2019-20	NA	NA
2.	2018-19	NA	NA
3.	2017-18	NA	NA

- Average Net profit of the Company as per Section 135(5):** ₹14,393 Lakhs
- Prescribed CSR Expenditure (2% of the amount as in Sr. No. 6 above) of the Company as per Section 135(5):** ₹294 Lakhs
  - Surplus arising out of the CSR projects or programmes or activities of the previous financial years:** Nil
  - Amount required to be set off for the financial year, if any:** Nil
  - Total CSR obligation for the financial year (7a+7b-7c):** ₹ 294 Lakhs
- CSR amount spent or unspent for the financial year:**

Total amount spent for the financial year (₹ in Lakhs)	Amount Unspent (₹ in Lakhs)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of Fund	Amount	Date of transfer
300 Lakhs	-	-	-	-	-

## ANNEXURE II (Contd.)

 (b) Details of CSR amount spent on **Ongoing Project** for the financial year:

Sr. No.	Name of the Project	Item from the list of activities in schedule VII of the Act	Local Area (Yes/No)	Location of the project		Project duration	Amount allocated for the project (₹ in Lakhs)	Amount spent in the current financial Year (₹ in Lakhs)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (₹ in Lakhs)	Mode of Implementation Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration Number
1.	-	-	-	-	-	-	-	-	-	-	-	-

 (c) Details of CSR amount spent against **other than ongoing project** for the financial year:

Sr. No.	Name of the Project	Item from the list of activities in schedule VII of the Act	Local Area (Yes/No)	Location of the project		Amount allocated for the project (₹ in Lakhs)	Amount spent in the current financial Year (₹ in Lakhs)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (₹ in Lakhs)	Mode of Implementation Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District					Name	CSR Registration Number
1.	Shiksha	Promoting Education	Yes	Jharkhand	Khunti	150	150	Nil	No	TCI Foundation	CSR00000298
2.	Kavach	Physical aids to differently abled persons	Yes	Bihar	Patna	15	15	Nil	No	TCI Foundation	CSR00000298
3.	Saksham	Employment enhancing vocational skills	Yes	Port Blair	Port Blair	5	5	Nil	No	TCI Foundation	CSR00000298
4.	Shourya	Promotion of nationally recognised sports	Yes	Rajasthan	Churu	100	100	Nil	No	TCI Foundation	CSR00000298
5.	Miscellaneous	Contribution towards charitable activities	Yes	Various locations across India		30	30	Nil	No	TCI Foundation	CSR00000298
<b>Total</b>						<b>300</b>	<b>300</b>				

(d) Amount spent in Administrative Overheads: Nil

(e) Amount spent on Impact Assessment, if applicable: Nil

(f) Total amount spent for the financial year (8b+8c+8d+8e): ₹ 300 Lakhs

(g) Excess amount for set off, if any: Nil

## ANNEXURE II (Contd.)

9. (a) NA

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial years:

Sr. No.	Project ID	Name of the Project	Financial year in which the project was commenced	Project duration	Total amount allocated for the project (₹ in Lakhs)	Amount spent on the project in the reporting Financial Year (₹ in Lakhs)	Cumulative amount spent at the end of reporting Financial Year (₹ in Lakhs)	Status of the project - Completed / Ongoing.
	-	-	-	-	-	-	-	-

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (Asset Wise Details). Nil

11. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5)- NA

Place: Gurugram  
Date: 25<sup>th</sup> May, 2021

D P Agarwal  
Chairman and Managing Director  
DIN: 00084105

Ashish Bharat Ram  
Chairman- Corporate Social Responsibility Committee  
DIN: 00671567

## ANNEXURE III

### STATEMENT UNDER SECTION 197 (12) OF THE COMPANIES ACT, 2013, READ WITH THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

#### I. Remuneration details of Directors and Key Managerial Personnel (KMPs)

Name of the Director	Designation	% increase in remuneration over last year	Ratio of Remuneration of Directors with Median Remuneration of employees
<b>Executive Directors</b>			
Mr. D. P. Agarwal	Chairman & Managing Director	4.8**	405.5
Mr. Vineet Agarwal	Managing Director	5.1**	359.3
<b>Non-Executive Directors</b>			
Mr. S. N. Agarwal	Non- Executive Director	23.1	3.7
Mr. Ashish Bharat Ram	Non- Executive Independent Director	23.1	3.7
Mr. Vijay Sankar	Non- Executive Independent Director	23.1	3.7
Mr. S Madhavan	Non- Executive Independent Director	23.1	3.7
Ms. Gita Nayyar	Non- Executive Independent Director	23.1	3.7
Mr. Ravi Uppal	Non- Executive Independent Director	23.1	3.7
Mrs. Urmila Agarwal	Non- Executive Director	23.1	3.7
Mr. Chander Agarwal	Non- Executive Director	23.1	3.7
<b>Key Managerial Personnel (other than Executive Directors)</b>			
Mr. Ishwar Singh Sagar	CEO-TCI Freight, a Division of the Company	(3.8)*	Not applicable
Mr. Jasjit Sethi	CEO-TCI SCS, a Division of the Company	(2.0)*	
Mr. R.U. Singh	President & CEO - TCI Seaways	6.2**	
Mr. Ashish Tiwari	Group CFO	(11.4)*	
Ms. Archana Pandey	Company Secretary & Compliance Officer	8.9	

\* The perks value of ESOPs allotted during the year was lesser as compared to the previous year, FY 20, resulting in negative growth.

\*\* Some parts of the salary components of previous year, FY 20, have been paid during the year, resulting in increase in remuneration over last year.

**II. Total employees on the payroll of the Company: 4375**

**III. Percentage increase in the median remuneration of employees during FY 2020-21: 6.7%**

**IV. Average percentile increase in Remuneration of Managerial Personnel Vis a Vis other employees**

During the year, citing situations arising out of COVID pandemic, no increment was given to the managerial personnel.

**V. Pursuant to Rule 5(1)(xii) of the companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, it is hereby affirmed that the remuneration paid is as per the as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.**

## ANNEXURE IV

### DETAILS OF ESOP AS PER THE PROVISIONS OF COMPANIES ACT, 2013 & SEBI (SHARE BASED EMPLOYEE BENEFITS) REGULATIONS, 2014

Sl. No	Particulars	Employee Stock Option Scheme-2006, Part IX	Employee Stock Option Plan-2017
1.	Date of Shareholder's approval	23 <sup>rd</sup> October, 2006	2 <sup>nd</sup> August, 2017
2.	Total number of options approved	5% of the total paid up capital existing as on 31 <sup>st</sup> March, 2006 aggregating to 5,25,000 options which were later on converted into 26,25,000 options post split of face value of Equity shares from ₹ 10/- to ₹ 2/-.	5% of the total paid up capital existing as on 31 <sup>st</sup> March, 2017 aggregating to 3,828,873 option.
3.	Vesting requirements	There shall be a minimum period of one year between the grant of options and vesting of options. The vesting period may extend upto 4 years. The vesting shall happen in one or more tranches as may be decided by the Compensation/ Nomination & Remuneration Committee.	There shall be a minimum period of one year between the grant of options and vesting of options. The vesting period may extend upto 03 years from the date of grant. The vesting shall happen in one or more tranches as may be decided by the Compensation/ Nomination & Remuneration Committee.
4.	Exercise price or pricing formula	The exercise price for the purpose of the grant of options is decided by the Compensation/ Nomination & Remuneration Committee, provided that the Exercise Price per option shall not be less than the par value of the Equity Share of the Company and shall not be more than the price prescribed under chapter XIII of SEBI (Disclosure and Investor protection) Guidelines, 2000, relevant date being the date of grant.	Exercise Price will be based upon the Market Price of the Shares one day before the date of the meeting of the Compensation/ Nomination & Remuneration Committee wherein the grants of options of that particular year will be approved. Suitable discount may be provided or premium may be charged on the price as arrived above, as deemed fit by the Compensation/ Nomination & Remuneration Committee for the finalization of the Exercise Price. However, in any case, the Exercise Price shall not go below the par value of Equity Share of the Company.
5.	Maximum term of Options granted	Exercise period will commence from the vesting date & extend upto the expiry period of the options as decided by the Compensation/ Nomination & Remuneration Committee. The expiry period may extend upto seven years from the date of grant of options.	All options will get vested within maximum period of five years from the date of grant.
6.	Sources of shares (Primary, Secondary or Combination)	Primary	Primary
7.	Variation in terms of Option	Subject to applicable laws, the Compensation/ Nomination and Remuneration Committee will, at its absolute discretion, have the right to modify/ amend the ESOP 2006 Scheme in such manner and at such time or times as it may deem fit, subject however that any such modification/amendment shall not be detrimental to the interest of the Grantees/ Employees and approval wherever required for such modification/amendment is obtained from the shareholders of the Company in terms of the SEBI Regulations.  During the year, no amendment/ modification/ variation has been introduced in terms of options granted by the Company.	Subject to applicable laws, the Compensation/ Nomination and Remuneration Committee will at its absolute discretion have the right to modify/amend the ESOP 2017 Scheme in such manner and at such time or times as it may deem fit, subject however that any such modification/amendment shall not be detrimental to the interest of the Grantees/ Employees and approval wherever required for such modification/amendment is obtained from the shareholders of the Company in terms of the SEBI Regulations.  During the year, no options have been granted by the Company under this Plan.
8.	Method used for accounting of ESOS (Intrinsic or fair value)	Fair Value method or any other method as may be prescribed by Ind-AS or SEBI Regulations from time to time.	Fair Value method or any other method as may be prescribed by Ind-AS or SEBI Regulations from time to time.

## ANNEXURE IV (Contd.)

## Options Movement during FY 2020-21

Sl. No	Particulars	ESOS 2006 Part IX	Employee Stock Option Plan-2017 (1 <sup>st</sup> Tranche)	Employee Stock Option Plan-2017 (2 <sup>nd</sup> Tranche)	Employee Stock Option Plan-2017 (3 <sup>rd</sup> Tranche)
1.	Number of options outstanding at the beginning of the period i.e. 1 <sup>st</sup> April, 2021	117,500	196,875	288,000	-
2.	Number of options granted during FY 2020-21	-	-	-	150,000
3.	Number of options forfeited/ lapsed during FY 2020-21	9,800	4,350	600	-
4.	Number of options vested during FY 2020-21	117,500	84,375	86,400	-
5.	Number of options exercised during the FY 2020-21	107,700	80,025	85,800	-
6.	Number of shares arising as a result of exercise of options	107,700	80,025	85,800	-
7.	Money realised by exercise of options if scheme is implemented directly by the Company (In ₹)	15,078,000	11,843,700	13,299,000	-
8.	Loan repaid by the Trust during the year from exercise price received	Not Applicable	Not Applicable	Not Applicable	Not Applicable
9.	Number of options outstanding at the end of the year i.e. 31 <sup>st</sup> March, 2021	-	112,500	201,600	-
10.	Number of options exercisable at the end of the year i.e. 31 <sup>st</sup> March, 2021	-	-	-	-
11.	<b>Employee's details who were granted options during the year:</b>				
(a)	<b>Key Managerial Personnel/ Senior Managerial Personnel</b>				
	I. Mr. Jasjit Singh Sethi, CEO- TCI Supply Chain Solutions, A Division of the Company	-	-	-	36,000
	II. Mr. Ishwar Singh Sagar, CEO-TCI Freight, A Division of the Company	-	-	-	15,000
	III. Mr. Ashish Kumar Tiwari, Group CFO	-	-	-	8,000
(b)	<b>Any other employees who were granted, during any one year, options amounting to 5% or more of the options granted during the year</b>				
	I. Mr. Rajkiran Kanagala, Group Head-Business Development & Marketing	-	-	-	8,000
	II. Mr. Ajit Singh, CEO-TCI-CONCOR Multimodal Solutions Private Limited, A Subsidiary of the Company	-	-	-	7,500
(c)	<b>Identified Employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant</b>				
		-	-	-	-
12	Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of options	17.47			
13.	Where the Company has calculated employees compensation cost using the intrinsic value of stock options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognised if they had used fair value of the options. The impact of this difference on EPS of the Company.	Not Applicable	Not Applicable	Not Applicable	Not Applicable
14.	Weighted average exercise price of Options whose Exercise price is less than market price (In ₹)	140.00	148.00	155.00	128.00
15.	Weighted average fair value of options whose Exercise price is less than market price (In ₹)	135.51	146.06	159.49	133.55

## ANNEXURE IV (Contd.)

**16. Method and Assumptions used to estimate the fair value of options granted during the year:**

The fair value has been calculated using the Black-Scholes Option Pricing model. The assumptions used in the model are as follows:

Date of grant	16 <sup>th</sup> May, 2017			16 <sup>th</sup> May, 2018			24 <sup>th</sup> May, 2019			3 <sup>rd</sup> February, 2021		
	1 <sup>st</sup> Vesting	2 <sup>nd</sup> Vesting	3 <sup>rd</sup> Vesting	1 <sup>st</sup> Vesting	2 <sup>nd</sup> Vesting	3 <sup>rd</sup> Vesting	1 <sup>st</sup> Vesting	2 <sup>nd</sup> Vesting	3 <sup>rd</sup> Vesting	1 <sup>st</sup> Vesting	2 <sup>nd</sup> Vesting	3 <sup>rd</sup> Vesting
Vesting Percentage	30%	30%	40%	30%	30%	40%	30%	30%	40%	30%	30%	40%
Risk Free Interest Rate	6.43%	6.61%	6.71%	6.87%	7.53	7.74	6.36%	6.50%	6.77%	3.98%	4.59%	4.88%
Expected Life (In Years)	1.08	2.08	3.08	1.08	2.08	3.09	1.08	2.08	3.09	1.08	2.08	3.09
Historical Volatility	37.15%	44.01%	47.14%	30.91%	35.75%	41.04%	34.26%	34.53%	51.21%	51.17%	41.39%	39.60%
Dividend Yield	0.86%	0.86%	0.86%	0.86%	0.86%	0.86%	0.65%	0.65%	0.65%	0.81%	0.81%	0.81%
Price of the underlying share in market at the time of the option grant ₹	254.15	254.15	254.15	272.85	272.85	272.85	290.50	290.50	290.50	248.05	248.05	248.05

## ANNEXURE V

### CONSERVATION OF ENERGY & RESEARCH AND DEVELOPMENT

#### CONSERVATION OF ENERGY

In keeping up with the Company's commitment towards conservation of energy, the following optimization and innovative measures were taken by the Company during this fiscal:

##### A. FLEET

- Continuation of certified fuel pumps across the country to ensure Quality & Quantity for conservation
- Education to drivers with the help of OEM's / PCRA to operate in the green band for fuel efficiency

##### B. WAREHOUSE MANAGEMENT

- Energy Saving by increase in Solar panels thereby reducing carbon footprint of Gensets
- All new warehouses have been constructed with insulation to reduce the demand for cooling solutions which brings down the temperature and thereby bringing down the need of powered cooling
- Smart design of Multi Level shelving/racking using perforated catwalk flooring with the objective to ensure usage of natural lighting & maintaining temperature thus reducing power energy requirement
- Usage of natural mean like Turbo-Vents to maintain fresh air inflow to reduce the heat index with lower expenditure on cooling solutions
- Usage of smart methodology– converting warehouse handling on wheels and thus eliminating powered handling equipments
- Adopting smart technologies such as usage of thin client hardware over SMPS based normal desktop

- Sewage Water treatment, Rain water harvesting footprint increased

##### C. YARD MANAGEMENT

- Environment & energy friendly solar lamps across the Yard periphery, which eliminated the use of Power supply
- Solar powered utility areas for support services
- Maximum daylight usage by early morning shifts

#### TECHNOLOGY ABSORPTION, ADOPTION & INNOVATION

- The initiatives for digital transformation accelerated with adoption of E-Way bill and automating with API's and mobile Apps for a seamless customer experience, while ensuring statutory compliance
- Improved the dwell time of cargo and vehicles by proactive alerts using telematics with API's from all service providers for 99% data availability
- Many projects underway for ERP Convergence and Digital Transformation

#### FOREIGN EXCHANGE EARNINGS AND OUTGO

₹ in Lakhs

Particular	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
Foreign Exchange Earnings	3,058.45	87.58
CIF Value of Imports	3,009.00	1,162.05
Expenditure in Foreign Currency	3,171.63	1,522.50



# CORPORATE GOVERNANCE REPORT

## COMPANY'S PHILOSOPHY

Effective corporate governance practices establish the strong foundation on which successful commercial enterprises are built to last. The Company's philosophy on corporate governance oversees corporate strategies and ensures financial accountability, ethical corporate conduct and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large.

The Company has a strong legacy of fair, transparent and ethical governance practices.

The Board of Directors of the Company are responsible for and committed to sound principles of Corporate Governance in the Company. The Board plays a crucial role in overseeing how the management serves the short and long-term interests of shareholders and other stakeholders. This belief is reflected in the Company's governance practices, under which the Company strives to maintain an effective, informed and independent Board. The Company keeps its governance practices under continuous review and benchmark ourselves to best practices across the world.

The Company is in compliance with the requirements stipulated under Regulations 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI Listing Regulations, as applicable, with regard to corporate governance.

## BOARD OF DIRECTORS

The composition of the Board of Directors of your Company is in compliance with the Companies Act, 2013 (the Act) and SEBI Listing Regulations and consists of an optimum combination of experts, business persons and renowned personalities having significant professional capabilities.

## Code of Conduct

The Company has in place a comprehensive Code of Conduct applicable to all the Board members and Senior Management employees of the Company, available on the website of the Company, [www.tcil.com](http://www.tcil.com). The Code is circulated to all the members

of the Board and Senior Management and affirmations have been taken for compliance with the Code. A declaration signed by the Chairman & Managing Director to this effect is forming part of this report.

## Independent Directors

Independent Directors are non-executive member of the Board. All the Independent Directors have confirmed that they meet the criteria of independence as mentioned under the SEBI Listing Regulations & the Act. During the year, one separate meeting of Independent Directors was held. In the meeting, the directors discussed the performance of the Board as a whole, the Chairman of the Company and the Directors.

Based on the disclosures received from all the independent Directors and in the opinion of the Board, the independent directors fulfill the conditions specified in SEBI Listing regulations and are independent of the management.

## Familiarisation Programme

As required under the SEBI Listing Regulations, the Company conducts familiarization programme for the independent directors from time to time. The details of the familiarization programme are available on the Company's website at the link: [http://cdn.tcil.in/website/tcil/corporate-governance/familiarisation-programme-of-independent\\_directors/Familiarisation%20Programme%20for%20independent%20directors.pdf](http://cdn.tcil.in/website/tcil/corporate-governance/familiarisation-programme-of-independent-directors/Familiarisation%20Programme%20for%20independent%20directors.pdf)

## Board Composition & membership in other Boards

None of the Directors on the Board hold directorships in more than ten public companies. Further, none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he or she is a Director. Further, none of the Independent Directors on the Board is serving as an Independent Director in more than seven listed entities. Necessary disclosures regarding Committee positions in other public companies as at the year-end have been made by the Directors. The Board periodically reviews the compliance reports of all laws applicable to the Company.

The relevant details of the Board of Directors and their directorships as on 31<sup>st</sup> March, 2021 are given here under:

Sl. No.	Name & Category of Director	No. of other Directorships*		No. of Committee positions held**		Directorship in other listed entites (Category of Directorship)
		Public	Private	Chairman	Member	
1	Mr. D P Agarwal# (Chairman & Managing Director)	5	-	1	2	1. TCI Express Limited (NEC) 2. TCI Developers Limited (NEC) 3. TCI Industries Limited (NED) 4. Jay Bharat Maruti Limited (NEID)
2	Mr. S N Agarwal# (Non-Executive Director)	5	6	1	4	1. Kirloskar Electric Co. Limited (NEID)
3	Mr. Ashish Bharat Ram (Independent Director)	4	3	1	2	1. SRF Limited (MD) 2. Kama Holdings Limited (NED)
4	Mr. Vijay Sankar (Independent Director)	4	9	4	6	1. The KCP Limited (NEID) 3. Oriental Hotels Limited (NEID)
5	Mr. S Madhavan (Independent Director)	5	4	3	6	1. HCL Technologies Limited (NEID) 2. UFO Moviez India Limited (NEID) 3. ICICI Bank Limited (NEID) 4. Sterlite Technologies Limited (NEID)
6	Ms. Gita Nayyar (Independent Director)	3	-	-	3	1. Oriental Hotels Limited (NEID)
7	Mr. Ravi Uppal (Independent Director)	2	3	-	-	Nil

**CORPORATE GOVERNANCE REPORT (Contd.)**

Sl. No.	Name & Category of Director	No. of other Directorships*		No. of Committee positions held**		Directorship in other listed entities (Category of Directorship)
		Public	Private	Chairman	Member	
8	Ms. Urmila Agarwal# (Non-Executive Director)	3	-	-	-	Nil
9	Mr. Chander Agarwal# (Non-Executive Director)	4	2	-	1	1. TCI Express Limited (MD) 2. TCI Developers Limited (NED)
10	Mr. Vineet Agarwal# (Managing Director)	6	3	-	6	1. TCI Express Limited (NED) 2. TCI Developers Limited (NEID) 3. Somany Ceramics Limited (NEID)

NEID-Non-Executive Independent Director

MD-Managing Director

NED-Non-Executive Director

NEC-Non-Executive Chairman

\*Excluding Section 8 and foreign Company.

\*\* In accordance with Regulation 26 of the Listing Regulations, Membership(s) / Chairmanship(s) of only Audit Committees and Stakeholders' Relationship Committees in all public limited companies have been considered

# Mr. D P Agarwal, Mr. S N Agarwal, Ms. Urmila Agarwal, Mr. Vineet Agarwal and Mr. Chander Agarwal are related to each other. Apart from these, none of the Directors are related to each other.

**Key Board Qualifications, expertise and attributes**

As per SEBI Listing Regulations, the Board has identified the following skills/expertise/ competencies fundamental for the effective functioning of the Company which are currently available with the Board:

Sills/ expertise required	Mr. D P Agarwal	Mr. S N Agarwal	Mr. Ashish Bharat Ram	Mr. Vijay Sankar	Mr. S Madhavan	Ms. Gita Nayyar	Mr. Ravi Uppal	Ms. Urmila Agarwal	Mr. Chander Agarwal	Mr. Vineet Agarwal
Experience in Logistics & Transportation sector	√	√	-	-	-	-	-	-	√	√
Management skills	√	√	√	√	√	√	√	√	√	√
Expertise in corporate governance matters	√	√	√	√	√	√	√	√	√	√
Financial knowledge	√	√	√	√	√	√	√	√	√	√
Understanding of regulatory environment	√	√	√	√	√	√	√	√	√	√
Economic knowhow	√	√	√	√	√	√	√	√	√	√
Astute analytical abilities	√	√	√	√	√	√	√	√	√	√

**BOARD MEETINGS**

During the year 2020-21, all the requisite information as mentioned in Part A of Schedule II of the SEBI Listing Regulations, has been placed before the Board for its consideration. During the year under review, the Board met 04 times as detailed hereunder:

S. No.	Name of Director	Present at AGM	Presence at Board Meeting				Held during tenure	Attended	% of attendance
			02 <sup>nd</sup> June, 2020	12 <sup>th</sup> August, 2020	03 <sup>rd</sup> November, 2020	03 <sup>rd</sup> February, 2021			
1	Mr. D P Agarwal	Yes	Yes	Yes	Yes	Yes	4	4	100
2	Mr. S N Agarwal	Yes	Yes	Yes	Yes	Yes	4	4	100
3	Mr. Ashish Bharat Ram	Yes	Yes	Yes	Yes	Yes	4	4	100
4	Mr. Vijay Sankar	Yes	Yes	Yes	Yes	Yes	4	4	100
5	Mr. S Madhavan	Yes	Yes	Yes	Yes	Yes	4	4	100
6	Ms. Gita Nayyar	Yes	Yes	Yes	Yes	Yes	4	4	100

## CORPORATE GOVERNANCE REPORT (Contd.)

S. No.	Name of Director	Present at AGM	Presence at Board Meeting				Held during tenure	Attended	% of attendance
			02 <sup>nd</sup> June, 2020	12 <sup>th</sup> August, 2020	03 <sup>rd</sup> November, 2020	03 <sup>rd</sup> February, 2021			
7	Mr. Ravi Uppal	Yes	Yes	Yes	Yes	Yes	4	4	100
8	Ms. Urmila Agarwal	Yes	Yes	Yes	Yes	Yes	4	4	100
9	Mr. Chander Agarwal	Yes	Yes	Yes	Yes	Yes	4	4	100
10	Mr. Vineet Agarwal	Yes	Yes	Yes	Yes	Yes	4	4	100

**BOARD COMMITTEES****i. Audit & Risk Management Committee****Details of the Committee meetings, Composition, Category and attendance during FY 2020-21**

Sl. No.	Name of the Member	Category	Position	Number of Meetings	
				Held	Attended
1	Mr. Vijay Sankar	Non-Executive Independent	Chairman	4	4
2	Mr. S Madhavan	Non-Executive Independent	Member	4	4
3	Mr. S. N. Agarwal	Non-Executive	Member	4	4

During the year, the meetings of the Committee were held on 2<sup>nd</sup> June, 2020, 12<sup>th</sup> August, 2020, 3<sup>rd</sup> November, 2020 and 3<sup>rd</sup> February, 2021.

The Chairman of the Committee, Mr. Vijay Sankar, attended the last AGM held on 12<sup>th</sup> August, 2020. All the Committee Members possess financial and/or accounting knowledge.

The Chief Internal Auditor reports directly to the Committee and submits its report directly to the Committee on a quarterly basis. Ms. Archana Pandey, the Company Secretary acts as Secretary to the Committee. The concerned partners of Brahmayya & Co, the Statutory Auditors are invited to the Committee meetings.

**Terms of Reference:**

- oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible
- recommendation for appointment, remuneration and terms of appointment of auditors of the Company
- approval of payment to statutory auditors for any other services rendered by the statutory auditors
- reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to
  - matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013
  - changes, if any, in accounting policies and practices and reasons for the same
  - major accounting entries involving estimates based on the exercise of judgment by management
  - significant adjustments made in the financial statements arising out of audit findings
  - compliance with listing and other legal requirements relating to financial statements
- disclosure of any related party transactions
- modified opinion(s) in the draft audit report
- reviewing, with the management, the quarterly financial statements before submission to the board for approval
- reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter
- reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process
- approval or any subsequent modification of transactions of the Company with related parties
- scrutiny of inter-corporate loans and investments
- valuation of undertakings or assets of the Company, wherever it is necessary
- evaluation of internal financial controls and risk management systems including cyber security
- reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems
- reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit
- discussion with internal auditors of any significant findings and follow up there on
- reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board

## CORPORATE GOVERNANCE REPORT (Contd.)

- discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern
- to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors
- to review the functioning of the whistle blower mechanism
- approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate
- carrying out any other function as is mentioned in the terms of reference of the audit committee
- reviewing the utilization of loans and/ or advances from/ investment by the holding company in the subsidiary exceeding rupees 100 Crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision
- To identify and assess internal and external risk that may impact of the Company in achieving its strategic objectives
- To recommend to the Board of Directors the Risk Management Policy and Standard Operating procedure for risk management and any amendment thereto
- Quarterly review the Risk management process and practices to ensure a prudent balance between risks and reward in the Company's business activities
- With objective of obtaining reasonable assurance that financial risk is being effectively managed and controlled, to review
  - Tolerance for financial risks
  - Assessment of significant financial risk facing by the Company
  - Company's policies, plans, processes and any proposed changes therein for controlling significant financial risks
- To review the legal matters which could have a material impact on the Company
- To deal with audit issues relating to risk management
- To submit Annual Report to the Board on Risk management and minimization procedures
- Such other function as may be entrusted by the Board from time to time

it may here be noted that on 25<sup>th</sup> May, 2021, the Board of Directors have carved out the Risk Management Committee from the Audit Committee and thus from the date of this report, the Risk Management Committee is separated from the Audit Committee consisting of the following members:

Sl. No.	Name of the Member	Category	Position
1	Mr. S Madhavan	Non-Executive Independent	Chairman
2	Mr. Ravi Uppal	Non-Executive Independent	Member
3	Mr. Vineet Agarwal	Executive	Member

The terms of reference of the Risk Management Committee are as under:

- To formulate a detailed risk management policy which shall include
  - A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee
  - Measures for risk mitigation including systems & processes for internal control of identified risks
  - Business continuity plan
- To ensure that appropriate methodology, processes & systems are in place to monitor and evaluate risks associated with the business of the Company
- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems
- To periodically review the risk management policy, at least once in two years
- To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken
- The appointment, removal and terms of remuneration of the Chief Risk Officer (if any)

### ii. Stakeholders' Relationship Committee

#### Details of the Committee meetings, Composition, Category and attendance during FY 2020-2021

Sl. No.	Name of the Member	Category	Position	Number of Meetings	
				Held	Attended
1	Mr. S. N. Agarwal	Non-Executive	Chairman	02	02
2	Ms. Gita Nayyar	Non-Executive Independent	Member	02	02
3	Mr. Vineet Agarwal	Executive	Member	02	02

Ms. Archana Pandey, the Company Secretary acts as the Compliance Officer of the Company.

During the year, the meetings of Stakeholders' Relationship Committee were held on 12<sup>th</sup> August, 2020 and 3<sup>rd</sup> February, 2021.

## CORPORATE GOVERNANCE REPORT (Contd.)

**Details of shareholders complaints received, resolved and pending as on 31<sup>st</sup> March, 2021.**

No. of Investors' Complaints pending at the beginning of the year	No. of Investors' complaints received during the year	No. of Investors' complaints disposed of during the year	No. of Investors' complaints unresolved at the end of the year
Nil	Nil	Nil	Nil

**Terms of Reference:**

- Look into various aspects of interests of shareholders, debenture holders & other security holders, if any
- Review of statutory compliances relating to shareholders, debenture holders & other security holders, if any
- Consider and resolve the grievances of shareholders of the Company including complaints related to transfer of securities, non-receipt of annual report/ dividends/notices etc
- Review of transfer of unclaimed dividends and shares to the Investor Education & Protection Fund
- Review of movements in shareholding structure of the Company
- Ensuring setting of proper controls and oversight of performance of the Registrar & Share Transfer Agent
- Recommendation of measures for overall improvement of the quality of investor services
- Carry out any other function as directed by the Board and/or mandated by any statutory authority through any notification, amendment or modification from time to time

**iii. Compensation/ Nomination & Remuneration Committee****Details of the Committee meetings, Composition, Category and attendance during FY 2020-21**

Sl. No.	Name of the Member	Category	Position	Number of Meetings	
				Held	Attended
1	Mr. Ashish Bharat Ram	Non-Executive Independent	Chairman	03	03
2	Mr. S Madhavan	Non-Executive Independent	Member	03	03
3	Mr. S N Agarwal	Non-Executive	Member	03	03

During the year, the meetings of the Compensation/ Nomination and Remuneration Committee were held on 2<sup>nd</sup> June, 2020, 3<sup>rd</sup> November, 2020 and 3<sup>rd</sup> February, 2021.

**Terms of Reference:**

- Identification and recommendation to Board of persons who are qualified to become Director & KMP in accordance with the criteria laid down
- Considering recommendations of the KMPs w.r.t. appointment & removal of SMPs in accordance with the criteria laid down and forwarding their recommendations to the Board accordingly
- Assist the Board in ensuring that plans are in place for orderly succession for appointment to the Board & Senior Management
- Ensure that the Board is balanced & follows a diversity policy in order to bring in professional experience in different areas of operations, transparency, corporate governance & financial management etc
- Formulation of the criteria for determining qualifications, positive attributes and independence of a director
- Formulation of evaluation criteria for Independent/ Non-Independent/Executive Directors & the Board as a whole & KMPs
- Ensure that directors are inducted through suitable familiarization process & that proper & regular training is given to Independent Directors to update & refresh their skills, knowledge and familiarity with the Company
- Formulation & supervision of the Remuneration Policy of the Company
- Oversee the formulation and implementation of ESOP Schemes, its administration, supervision, and formulating detailed terms and conditions in

accordance with SEBI rules, regulations and Guidelines

- Carry out any other function as directed by the Board and/or mandated by any statutory authority through any notification, amendment or modification from time to time

**Nomination & Remuneration Policy**

The Nomination and Remuneration Policy is being administered by the Compensation/ Nomination and Remuneration Committee of the Company and is applicable on the following:

- Directors (Executive and Non-Executive);
- Key Managerial Personnel (KMPs);
- Senior Management Personnel (SMPs);
- Other employees of the Company.

The remuneration policy of the Company is aimed at rewarding the performance, based on assessment of accomplishments on a regular basis and is in consonance with the prevailing industry practices.

The Policy inter-alia includes the following:

- Appointment & removal criteria and process for Directors, KMPs, SMPs and other employees.
- Code of conduct for Directors/KMPs and SMPs.
- Training/familiarization programme for Independent Directors.
- Assessment mechanism for Directors, KMPs, SMPs and other employees.
- Remuneration structure and payments.
- Succession planning.
- Board Diversity.

## CORPORATE GOVERNANCE REPORT (Contd.)

### Performance Evaluation Criteria of Independent Directors

The performance evaluation criteria for independent directors is determined by the Compensation/ Nomination and Remuneration Committee and is based upon contribution and involvement of a director, commitment, integrity and maintenance of confidentiality and independence of conduct and judgment.

### Remuneration to Non-Executive Directors

The Non-Executive Directors are remunerated by way of sitting fee and profit linked commission, based upon the criteria laid down by the Compensation/ Nomination and Remuneration Committee. The limit of profit linked

commission is determined by the shareholders of the Company basis recommendations of the Compensation/ Nomination and Remuneration Committee and the Board of Directors.

### Remuneration to Executive Directors

The Executive Directors are remunerated by way of salary and profit linked commission, based upon the criteria laid down by the Compensation/ Nomination and Remuneration Committee. The Executive Directors are appointed for a period of 5 year wherein their remuneration limits are also defined within which the Board of Directors/ Compensation/ Nomination and Remuneration Committee has the power to decide the remuneration for each year.

### Details of Remuneration paid to Directors for the financial year ended 31<sup>st</sup> March 2021

Sl. No.	Name of the Director	Salary	Perks & allowances <sup>2</sup>	Commission	Sitting Fee <sup>#</sup>	Total	No. of equity shares Held
(₹ in Lakhs except as stated)							
1	Mr. D P Agarwal	512.35	62.16	300.00	-	874.51	828,628
2	Mr. S N Agarwal <sup>1</sup>	-	-	8.00	-	8.00	930*
3	Mr. Ashish Bharat Ram	-	-	8.00	3.25	11.25	-
4	Mr. Vijay Sankar	-	-	8.00	3.85	11.85	-
5	Mr. S Madhavan	-	-	8.00	4.60	12.60	2,000
6	Ms. Gita Nayyar	-	-	8.00	2.75	10.75	-
7	Mr. Ravi Uppal	-	-	8.00	2.25	10.25	-
8	Ms. Urmila Agarwal <sup>1</sup>	-	-	8.00	-	8.00	1,850,591
9	Mr. Chander Agarwal <sup>1</sup>	-	-	8.00	-	8.00	18,34,262
10	Mr. Vineet Agarwal	429.79	45.18	300.00	-	774.97	20,28,498

\*Shares held through Relative.

#Includes Sitting Fee for Board & Committee Meetings

#### NOTES:

- Mr. S N Agarwal, Ms. Urmila Agarwal and Mr. Chander Agarwal did not accept any sitting fees.
- Perquisites include Company's contribution to provident fund, medical, leave travel allowance, special allowance, etc. as well as monetary value of perquisites as per Income Tax Rules in accordance with Executive Director's contracts with the Company.
- Both the executive directors have entered into the service contract with the Company in line with the approval of the shareholders granted at the time of their appointment. As per the contract, In case of termination of services, they are required to serve a notice period of 06 months and no severance fee is payable to any of them.
- No executive director has been granted stock options.
- None of the Non-Executive Directors has any financial association or transactions with the Company other than receipt of sitting fees or commission.

#### iv. Corporate Social Responsibility Committee

##### Details of the Committee meetings, Composition, Category and attendance during FY 2020-21

Sl. No.	Name of the Member	Category	Position	Number of Meetings	
				Held	Attended
1	Mr. Ashish Bharat Ram	Non-Executive Independent	Chairman	01	01
2	Mr. D P Agarwal	Executive	Member	01	01
3	Mrs. Urmila Agarwal	Non-Executive	Member	01	01
4	Mr. Chander Agarwal	Non-Executive	Member	01	00

During the year, 01 meeting of the Corporate Social Responsibility Committee was held on 2<sup>nd</sup> June, 2020.

## CORPORATE GOVERNANCE REPORT (Contd.)

### Terms of Reference:

- Formulating and recommending to the Board the CSR Policy and activities to be undertaken by the Company in compliance with provisions of the Act and the rules made there under
- Recommending the amount of expenditure to be incurred on CSR activities of the Company
- Approve the list of CSR projects/programmes which the Company plans to undertake during the year, specifying modalities of execution in the areas/sectors chosen and implementation schedules for the same
- Overseeing the implementation of CSR activities and projects
- Monitoring implementation of CSR Policy of the Company from time to time
- Carry out any other function as directed by the Board and/or mandated by any statutory authority through any notification, amendment or modification from time to time

### v. Share Transfer Committee

As on 31<sup>st</sup> March, 2021, the Committee comprised of Mr. D P Agarwal as the Chairman and Mr. Vineet Agarwal and Mr. Chander Agarwal as the other two members. The meetings of Share Transfer Committee are held thrice every month in order to dispose off the requests received from the shareholders

#### Terms of reference:

- Transfer/transmission of shares and such other securities as may be issued by the Company
- Approval and monitoring dematerialization of shares/ other securities
- Issue of duplicate share certificates and other securities reported lost, defaced or destroyed
- Issue new certificates against subdivision/ split of shares
- Allotment of shares pursuant to exercise of options under Employee Stock Option Scheme of the Company
- Carry out any other function as directed by the Board and/or mandated by any statutory authority through any notification, amendment or modification from time to time

### vi. Corporate & Restructuring Committee

The Corporate & Restructuring Committee comprises of Mr. Ashish Bharat Ram as the Chairman and Mr. Vineet Agarwal and Mr. Chander Agarwal as the other two members. The meetings of Corporate & Restructuring Committee are held, as and when required, as per the requirement of the Company

#### Terms of reference:

- Evaluation and finalization of different options for restructuring the Company considering divisions of the Company holding diverse business portfolio including restructuring of the overseas structure
- Evaluation & finalization of equity fund raising options available to the Company
- Appointment of consultants, lawyers, merchant bankers, valuers as may be necessary from time to time
- Such other matters as may be necessary or incidental thereof

### vii. Executive Authorization Committee

The Executive Authorization Committee comprises of Mr. Vineet Agarwal as the Chairman and Mr. Chander Agarwal, Mr. Jasjit Singh Sethi & Mr. Ashish Tiwari as the other three members. The meetings of Executive Authorization Committee are held, as and when required, as per the requirement of the Company

#### Terms of reference:

- To approve/ review the list of designated compliance officers from time to time
- To approve/ review the general/ specific authorization given/to be given on legal/other matters from time to time
- To approve the matters related to banking operations including opening and closure of bank accounts and fixation of mode of operations;
- To approve sale/transfer/mutation of properties of the Company, as may be required, from time to time, not exceeding market value of Rs. 10 Crores (Rupees Ten Crores Only) and above; &
- Such other matters connected and/ or incidental to the items, as mentioned above

## GENERAL BODY MEETINGS

### Details of last 03 annual general meetings held

Financial Year	Day, Date and time	Venue	Whether Special Resolution passed
2019-20	Wednesday, 12 <sup>th</sup> August, 2020 03.00 p.m.	Through Video Conferencing / Other Audio-Visual Means	Yes
2018-19	Monday, 29 <sup>th</sup> July, 2019 10.00 a.m.	Meeting Place- 1,2&3, Lobby Level, Hyatt Place, road no. 1, Banjara Hills, Opp. GVK Mall, Hyderabad– 500034, Telangana	Yes
2017-18	Thursday, 2 <sup>nd</sup> August, 2018 10.00 a.m.	Salon II & III, Basement 1, Park Hyatt Hyderabad, Road No 2, Banjara Hills, Hyderabad– 500034, Telangana	Yes

## CORPORATE GOVERNANCE REPORT (Contd.)

### Postal Ballot

No resolution was required to be passed through postal ballot during the year under review.

### MEANS OF COMMUNICATION

#### Website

The 'Investors Relation' section on the website of the Company contain all the relevant information pertinent to the shareholders i.e. financial results, annual reports, shareholding patterns, official news releases, financial analysis reports, Notices and other general information about the Company.

#### Financial results

The Company's Quarterly/Half-Yearly/Annual Results are intimated to stock exchanges and published within 48 hours of the conclusion of the meeting of the Board in which they are considered, in a English newspaper circulating in the whole or substantially the whole of India and in a Vernacular newspaper of the State of Telangana where the registered office of the Company is situated. The results are also posted on the website of the Company, [www.tcil.com](http://www.tcil.com).

#### News Releases & Investor presentations

The official news releases are sent to the stock exchanges and simultaneously displayed on the Company's website, [www.tcil.com](http://www.tcil.com). The schedule of analyst/institutional investor meets and presentations made to them are sent to stock exchanges and simultaneously are also displayed on the Company's website, [www.tcil.com](http://www.tcil.com).

#### Equity Listing Details

<b>Listed on</b>	National Stock Exchange of India Limited (NSE) BSE Limited (BSE)
<b>Listing Fee</b>	Annual Listing Fee has been duly paid to both the stock exchanges
<b>Custodian Fee</b>	Annual Custodian Fee has been duly paid to the depositories
<b>Corporate Identification Number</b>	L70109TG1995PLC019116
<b>Stock Code</b>	NSE TCI BSE 532349
<b>Demat ISIN with NSDL &amp; CDSL</b>	INE688A01022

#### Market Price Data

Month	NSE		BSE	
	High	Low	High Price	Low Price
April, 2020	195.00	160.60	195.90	161.20
May, 2020	169.00	145.55	172.80	147.00
June, 2020	187.95	153.35	187.75	155.00
July, 2020	182.00	162.25	180.00	160.40
August, 2020	241.75	169.85	240.00	167.65
September, 2020	246.80	201.95	246.60	200.10
October, 2020	244.35	220.10	245.00	220.65
November, 2020	267.00	223.55	266.75	222.10
December, 2020	280.00	232.20	279.40	225.60
January, 2021	262.00	238.65	260.70	238.00
February, 2021	260.00	235.00	260.10	236.60
March, 2021	272.35	240.00	271.50	239.75

### GENERAL SHAREHOLDER INFORMATION

#### Annual General Meeting

Date : 3<sup>rd</sup> August, 2021

Time : 11:00 A.M.

Venue : The Company is conducting meeting through VC/ OAVM pursuant to the MCA Circular dated 5<sup>th</sup> May, 2020 & 13<sup>th</sup> January, 2021 and thus venue requirements are not applicable. For details, please refer to the Notice of this AGM.

As required under Regulation 36(3) of the SEBI Listing Regulations, particulars of Directors seeking appointment/ re-appointment at this AGM are given in the Annexure to the Notice of this AGM.

#### Book Closure Dates

As mentioned in the notice to AGM.

#### Financial Calendar

Year ending : 31<sup>st</sup> March,

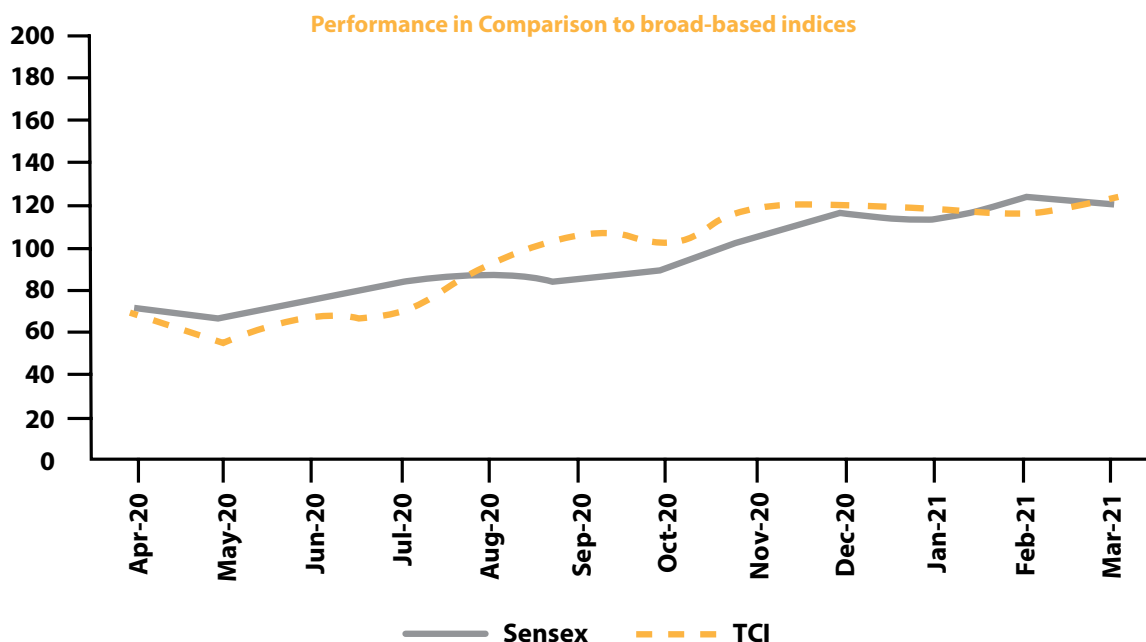
AGM in : August

Dividend Payment : dividend will be paid within 30 days from the date of approval of final dividend by the shareholders in the AGM i.e. 3<sup>rd</sup> August, 2021

The Board of Directors have recommended a final dividend of 65% i.e. ₹ 1.30 per Equity Share. For more details, please refer to the Notice of AGM.



## CORPORATE GOVERNANCE REPORT (Contd.)

**Distribution of Shareholding as on 31<sup>st</sup> March, 2021**

Category	No. of Cases	% of Cases	Amount	% of Amount
1-5000	26,258	98.15	9,409,508.00	6.10
5001- 10000	216	0.81	1,563,702.00	1.01
10001- 20000	114	0.43	1,695,066.00	1.10
20001- 30000	45	0.17	1,108,892.00	0.72
30001- 40000	22	0.08	802,404.00	0.52
40001- 50000	14	0.05	647,058.00	0.42
50001- 100000	25	0.09	1,870,164.00	1.22
100001& Above	58	0.22	137,102,706.00	88.91
<b>Total</b>	<b>26,752</b>	<b>100</b>	<b>154,199,500.00</b>	<b>100</b>

**Shareholding Pattern as on 31<sup>st</sup> March, 2021**

Sl. No.	Category	31 <sup>st</sup> March, 2021		31 <sup>st</sup> March, 2020		Percent Change Over Previous Quarter
		No. of Shares	Percentage of total shareholding	No. of Shares	Percentage of total shareholding	
<b>A. Promoter's Holding</b>						
1	Indian Promoters	51,429,393	66.71	51,372,868	66.87	(0.16)
2	Person acting in Concert	-	-	-	-	-
<b>Sub Total (A)</b>		<b>51,429,393</b>	<b>66.71</b>	<b>51,372,868</b>	<b>66.87</b>	<b>(0.16)</b>
<b>B. Non-Promoters Holding</b>						
<b>1 Institutional Investors</b>						
a.	Mutual Funds	8,797,053	11.41	7,133,996	9.29	2.13
b.	Banks, Fin Institutions, Ins Cos.	1,170	0.00	43,906	0.06	(0.06)
c.	FII	2,845	-	2,845	-	-
d.	Alternate Investment Fund	550,175	0.72	550,175	0.72	-
e.	Qualified Institutional Buyer	40,615	0.05	39,315	0.05	-
f.	FPI	1,308,620	1.70	1,367,920	1.78	(0.08)

## CORPORATE GOVERNANCE REPORT (Contd.)

Sl. No.	Category	31 <sup>st</sup> March, 2021		31 <sup>st</sup> March, 2020		Percent Change Over Previous Quarter
		No. of Shares	Percentage of total shareholding	No. of Shares	Percentage of total shareholding	
	<b>Sub Total</b>	<b>10,700,478</b>	<b>13.88</b>	<b>9,138,157</b>	<b>11.89</b>	<b>1.99</b>
2	<b>Others</b>					
a.	Corporate Bodies	1,403,717	1.82	1,578,575	2.05	(0.24)
b.	Indian Public	8427057	10.93	9619705	12.52	(1.59)
c.	NRIs	426,410	0.56	426,410	0.56	(0.02)
d.	NRIs- NR	2,195,888	2.84	2,219,680	2.89	(0.05)
e.	Employees	508,855	0.66	582,205	0.76	(0.10)
f.	HUF	1,103,954	1.43	1,093,161	1.42	0.01
g.	Clearing Members	99,545	0.13	29,319	0.04	0.09
h.	Trusts	2	-	2	-	-
i.	IEPF	813,563	1.06	761,143	0.99	0.07
	<b>Sub Total</b>	<b>14,969,879</b>	<b>19.41</b>	<b>16,315,200</b>	<b>21.24</b>	<b>(1.83)</b>
	<b>Sub Total (B)</b>	<b>25,670,357</b>	<b>33.29</b>	<b>25,453,357</b>	<b>33.13</b>	<b>0.16</b>
	<b>Grand Total (A+B)</b>	<b>77,099,750</b>	<b>100.00</b>	<b>76,826,225</b>	<b>100.00</b>	<b>0.00</b>

Note: the folios have been consolidated basis PAN numbers.

#### Dematerialization and Liquidity

As on 31<sup>st</sup> March, 2021, 75,716,945 Equity Shares representing 98.21% of the total Equity Share capital of the Company, were held in dematerialised form with National Securities Depository Limited and Central Depository Services (India) Limited.

#### Status of Demat as on 31<sup>st</sup> March, 2021

Particulars	No. of Shares	Percent to Share Capital
Shares in Demat Form held with NSDL	72,250,017	93.71
Shares in Demat Form held with CDSL	3,466,928	4.50
Shares in Physical Form	1,382,805	1.79
<b>Total</b>	<b>77,099,750</b>	<b>100.00</b>

#### Outstanding GDR/Warrants and Convertible Notes, Conversion date and likely impact on the equity

The Company has not issued any GDRs / ADRs / Warrants or any other convertible instruments apart from stock options, details of which are given in the Board's Report.

#### Share Transfer System

The Company's share transfer authority is the Share Transfer Committee of the Board of Directors. The Committee attends the share transfer formalities thrice a month to expedite all matters relating to transfer, transmission, split etc. and take on record status of redressal of Investors' Grievances, if any. The share certificate received by the Company/ RTA for registration of transfers, are processed by RTA and transferred expeditiously.

A summary of approved transfers, transmissions, deletion requests, etc. are placed before the Board of Directors from time to time as per the SEBI Listing Regulations. As per the requirements of Regulation 7 of SEBI Listing Regulations, 2015, the Company has obtained the half yearly certificates from Compliance Officer and authorised representative of share transfer agent for due compliance of share transfer formalities.

#### Reconciliation of Share Capital Audit

A qualified practicing Company Secretary carries out quarterly audit to reconcile the total admitted equity share capital with

National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed equity share capital.

#### Unclaimed Dividends/Shares Details

Pursuant to the Act and rules made thereunder, dividends, if not claimed for a consecutive period of seven years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). Further, shares in respect of such dividends which have not been claimed for a period of seven consecutive years are also liable to be transferred to the demat account of the IEPF Authority.

The Company sends periodical reminders to the shareholders to claim their dividends in order to avoid transfer of dividends/shares to IEPF Authority. Notices in this regard are also published in the newspapers and the details of unclaimed dividends and shareholders whose shares are liable to be transferred to the IEPF Authority, are uploaded on the Company's website in the 'Investor Relations' section.

During the year, the Company has transferred unclaimed dividends and shares to IEPF, as tabulated below. The detailed schedule of unclaimed dividends, due to be transferred to IEPF, are also given here.

## CORPORATE GOVERNANCE REPORT (Contd.)

a. Details of unclaimed dividend<sup>nd</sup>/shares transferred to IEPF during FY 2020-21

Dividend A/c	Unclaimed Dividend		Unclaimed Shares	
	Amount (In ₹)	Date of Transfer	No. of Shares	Date of Transfer
TCI Unpaid Dividend A/c 2012-13 Final	829,595	07 <sup>th</sup> September, 2020	25,150	25 <sup>th</sup> September, 2020
TCI Unpaid Dividend A/c 2013-14 Interim	665,094	05 <sup>th</sup> March, 2021	30,380	19 <sup>th</sup> March, 2021

## b. Details of dividends due for transfer to IEPF

Year	Nature of Dividend	Date of Declaration	Due Date for Transfer to IEPF
2013-14	Final	23 <sup>rd</sup> July, 2014	28 <sup>th</sup> August, 2021
2014-15	Interim	29 <sup>th</sup> January, 2015	6 <sup>th</sup> March, 2022
2014-15	Final	1 <sup>st</sup> August, 2015	6 <sup>th</sup> September, 2022
2015-16	1 <sup>st</sup> Interim	1 <sup>st</sup> February, 2016	9 <sup>th</sup> March, 2023
2015-16	2 <sup>nd</sup> Interim	15 <sup>th</sup> March, 2016	21 <sup>st</sup> April, 2023
2016-17	1 <sup>st</sup> Interim	4 <sup>th</sup> November, 2016	11 <sup>th</sup> December, 2023
2016-17	2 <sup>nd</sup> Interim	2 <sup>nd</sup> February, 2017	10 <sup>th</sup> March, 2024
2017-18	1 <sup>st</sup> Interim	2 <sup>nd</sup> November, 2017	8 <sup>th</sup> December, 2024
2017-18	2 <sup>nd</sup> Interim	8 <sup>th</sup> February, 2018	16 <sup>th</sup> March, 2025
2018-19	1 <sup>st</sup> Interim	2 <sup>nd</sup> November, 2018	8 <sup>th</sup> December, 2025
2018-19	2 <sup>nd</sup> Interim	12 <sup>th</sup> February, 2019	20 <sup>th</sup> March, 2026
2019-20	1 <sup>st</sup> Interim	5 <sup>th</sup> November, 2019	11 <sup>th</sup> December, 2026
2019-20	2 <sup>nd</sup> Interim	13 <sup>th</sup> March, 2020	19 <sup>th</sup> April, 2027
2020-21	Interim	03 <sup>rd</sup> February, 2021	12 <sup>th</sup> March, 2028

## Commodity price risk or foreign exchange risk and hedging activities

The Company does not hedge foreign exchange risk as the exposure is not material.

## Plant Locations

Since the Company operates in service sector, we do not have any manufacturing facility.

## Address for Correspondence

## Corporate Office

**Ms. Archana Pandey,**  
**Company Secretary & Compliance Officer,**  
 Transport Corporation of India Limited,  
 TCI House, 69, Institutional Area, Sector 32,  
 Gurugram, Haryana-122001, Tel: 0124-2381603-07,  
 E-Mail: [secretarial@tcil.com](mailto:secretarial@tcil.com), Website: [www.tcil.com](http://www.tcil.com)

## Registrar &amp; Share Transfer Agent

**Unit: Transport Corporation of India Limited,**  
 Kfin technologies Private Limited, Selenium Tower B  
 Plot number 31 & 32, Financial District Gachibowli,  
 Hyderabad 500 032,  
 Tel: +91 040 67161524, Website: [www.kfintech.com](http://www.kfintech.com)  
 Email: [rajeev.kr@kfintech.com](mailto:rajeev.kr@kfintech.com),

## Credit Ratings

## CRISIL

Long Term : AA/Stable  
 Short Term : A1+

## ICRA

Long term : NA  
 Short Term : A1+

## CORPORATE GOVERNANCE REPORT (Contd.)

### Statutory auditors fees

The total fees paid by the Company to statutory auditors for all the services during the financial year 2020-21 is ₹ 26 Lakhs.

### OTHER DISCLOSURES

#### Related Party Transactions

There were no materially significant transactions with the related parties, during the year, which were in conflict with the interests of the Company and that require an approval of the Company in terms of the SEBI Listing Regulations. Policy of the Company on Related Party Transactions may be accessed on website of the Company at the link: <http://cdn.tcil.in/website/tcil/policies/Related%20Party%20Transaction%20policy.pdf>

#### Compliances by the Company

No non-compliance notice has been issued and no penalties or strictures have been imposed on the Company by SEBI, any stock exchange or any statutory authority on any matter related to capital markets, during the last three years.

#### Whistle Blower Mechanism

The Company has a structured Vigil Mechanism via Ethics and Whistle Blower Policy for reporting of instances of alleged wrongful conduct including instances of unethical behavior, actual or suspected fraud or violation of the Company's code of conduct and ethics. Through this Policy, the Company seeks to provide a procedure for all the employees and Directors of the Company to report concerns about unethical and improper practice taking place in the Company and provide for adequate safeguards against victimization of Director(s)/ employee(s) who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee, in exceptional cases. No personnel has been denied access to the Audit Committee. The policy can be accessed on the website of the Company at <http://cdn.tcil.in/website/tcil/policies/Ethics%20and%20Wistle%20Blower%20Policy.pdf>

#### Compliance with Mandatory requirements and adoption of Discretionary Requirements

The Company has complied with all the mandatory requirements. The Company reviews adoption of discretionary requirements from time to time.

#### Subsidiary Companies

In line with the SEBI Listing Regulations, the Audit Committee reviews the financial statements of the subsidiaries of Company. The minutes of the board meetings along with a report on significant developments of the unlisted subsidiary companies are periodically placed before the Board of Directors of the Company.

During the year under review, the Company did not have any material unlisted subsidiary as defined under the SEBI Listing Regulations. The policy of the Company for determining material subsidiary, can be accessed at <http://cdn.tcil.in/website/tcil/policies/Policy%20on%20Material%20Subsidiary.pdf>

### Code for Prevention of Insider Trading

Code of Conduct for Prevention of Insider Trading of the Company, as approved by the Board of Directors, inter alia, forbids dealing in securities of the Company by Directors, Designated Employees and other employees while in possession of unpublished price sensitive information in relation to the Company. The Code can be accessed at <http://cdn.tcil.in/website/tcil/policies/Code%20of%20prevention%20of%20insider%20trading.pdf>

### Disclosure of Accounting Treatment

While in the preparation of financial statements, the treatment that has been prescribed in the Indian Accounting Standards has been followed to represent the facts in the financial statement in a true and fair manner.

### Disclosure of instances, where the Board had not accepted recommendation of Committees

There were no instances during the financial year 2020-21, where the Board of Directors did not accept any recommendations of any Committee of the Board which it was mandatorily required to accept.

### Risk Management

The Company has established a well-documented and robust risk management framework. Under this framework, risks are identified across all business processes of the Company on a continuous basis. Once identified, these risks are systematically categorised under various categories. The details of risk management are given in a separate section and forming part of this Annual Report.

### Complaints pertaining to sexual harassment

The Company has adopted a policy on prevention, prohibition and redressal of Sexual harassment at workplace and has duly constituted an Internal Complaints Committee in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder.

During the year, the Company has not received any of such complaints on sexual harassment and no complaint was pending at the end of financial year.

### CEO/CFO Certification

As required under the SEBI Listing Regulations, the Chairman & Managing Director and the Group CFO of the Company have submitted a Compliance Certificate for the financial year ended 31<sup>st</sup> March, 2021, which is annexed to this Report.

**For & on Behalf of the Board of Directors**

**Place: Gurugram**

**D P Agarwal**

**Date: 25<sup>th</sup> May, 2021**

**Chairman & Managing Director**

## CORPORATE GOVERNANCE REPORT (Contd.)

## Declaration on Compliance of Code of Conduct

As provided under Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all the members of the Board and Senior Management Personnel have affirmed compliance with the Code of Conduct as adopted by the Company for the year ended 31<sup>st</sup> March, 2021.

**Place: Gurugram**  
**Date: 25<sup>th</sup> May, 2021**

**For Transport Corporation of India Ltd**  
**D P Agarwal**  
**Chairman & Managing Director**

## CEO/CFO Certification

We, the undersigned, in our respective capacities as Chairman & Managing Director and Chief Financial Officer of Transport Corporation of India Limited ("the Company"), to the best of our knowledge and belief certify that:

- i. We have reviewed financial statements and the cash flow statement for the year ended 31<sup>st</sup> March, 2021 and that to the best of our knowledge and belief, we state that:
  - a. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - b. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- ii. We further state that to the best of our knowledge and belief, no transactions have been entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.
- iii. We are responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- iv. We have indicated to the Auditors and the Audit Committee:
  - a. significant changes, if any, in internal control over financial reporting during the year;
  - b. significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - c. Instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control systems over financial reporting.

**Date: 25<sup>th</sup> May, 2021**  
**Place: Gurugram**

**For Transport Corporation of India Limited**  
**D P Agarwal**  
**Chairman & Managing Director**

**Ashish Tiwari**  
**Group CFO**

## CORPORATE GOVERNANCE REPORT (Contd.)

## Certificate of Non-disqualification of Directors

**(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)**

### To the Members of Transport Corporation of India Limited

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Transport Corporation of India Limited having Corporate Identification Number (CIN) L70109TG1995PLC019116 and Registered Office at Flat No. 306/307, 3<sup>rd</sup> Floor 1-8-271-273 & 301 Ashoka Bhoopal Chambers, S.P Road Secunderabad- 500 003 Telangana (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Sanjeev Bhatia & Associates  
Company Secretaries**

**Sanjeev Bhatia  
Proprietor  
C.P. No. 3870**

**Place: Gurugram**

**Date: 24<sup>th</sup> May, 2021**

**UDIN: F005214C000363451**

## Independent Auditors' Certificate on Corporate Governance

### To the Members of Transport Corporation of India Limited

1. We, Brahmayya & Co., Chartered Accountants, the Statutory Auditors of **Transport Corporation of India Limited** ('the Company'), have examined the compliance conditions of Corporate Governance by the Company for the year ended 31<sup>st</sup> March 2021 as stipulated in Regulations 17 to 27, clause (b) to (i) of Regulation 46(2) and paragraph C and D of Schedule V of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015, as amended (the 'Listing Regulations').
2. This certificate is issued in accordance with the terms of our engagement letter dated 12<sup>th</sup> August 2020 with the Company.

### Management's Responsibility

3. The compliance of conditions of Corporate Governance is the responsibility of the management. This responsibility includes the designing, implementing and maintaining operating effectiveness of internal control and procedures to ensure compliance with the conditions of Corporate Governance as stipulated in the Listing Regulations.

### Auditor's Responsibility

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of an opinion on the financial statements of the Company.
5. We have examined the relevant records of the Company in accordance with applicable Generally Accepted Auditing Standards in India, the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants India (ICAI) and Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI, which requires that we comply with the ethical requirement of the Code of Ethics issued by the ICAI, for the purpose of providing reasonable assurance on the compliance with Corporate Governance requirement of the Company.
6. We have complied with the relevant applicable requirements of Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Review of Historical Financial Information, and Other Assurance and Related Services Engagements.

## CORPORATE GOVERNANCE REPORT (Contd.)

### Opinion

7. Based on our examination of the relevant records and according to the information and explanations given to us and the representation made by the management and considering relaxations granted by the Ministry of Corporate Affairs and Securities Exchange Board of India provided due to the spread of COVID-19 pandemic, we certify that the Company has complied with the condition of Corporate Governance as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended 31<sup>st</sup> March 2021.
8. We state that such compliance is neither an assurance as to future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Brahmaya & Co.,  
Chartered Accountants  
Firm Registration No: 000511S**

**Lokesh Vasudevan  
Partner  
Membership No. 222320  
UDIN: 21222320AAAABO6121**

**Place: Coonoor  
Date: 25<sup>th</sup> May, 2021**

# BUSINESS RESPONSIBILITY REPORT

(As per Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

The Board of Directors presents the second Business Responsibility Report of the Company pursuant to Regulation 32(2)(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), describing initiatives taken by the Company on Environmental, Social and Governance perspective, based on nine principles of the National voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) released by Ministry of Corporate Affairs, Government of India.

## SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1.	Corporate Identity Number (CIN)	L70109TG1995PLC019116
2.	Name of the Company	Transport Corporation of India Limited
3.	Registered address	306 / 307, 3 <sup>rd</sup> Floor, 1-8-271-273 & 301, Ashok Bhoopal Chambers, SP Road Sec'bad - 500 003
4.	Website	<a href="http://www.tcil.com">www.tcil.com</a>
5.	E-mail id	<a href="mailto:secretarial@tcil.com">secretarial@tcil.com</a>
6.	Financial Year reported	2020-21
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	4,923- Freight Transport 5,210- Supply Chain Solutions 5,012- Transport through Seaways
8.	List three key products/services that the Company manufactures/provides (as in balance sheet)	- Goods Transportation by Road & Rail - Supply Chain Management - Goods Transportation by Sea
9.	Total number of locations where business activity is undertaken by the Company	
(a)	Number of International Locations (Provide details of major 5)	Nil
(b)	Number of National Locations	900+
10.	Markets served by the Company- Local/State/National/International	National

## SECTION B: FINANCIAL DETAILS OF THE COMPANY

1.	Paid up Capital (₹ in Lakhs)	1,542
2.	Total Turnover (₹ in Lakhs)	248,855
3.	Total profit after taxes (₹ in Lakhs)	13,761
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	2.18
5.	List of activities in which expenditure in 4 above has been incurred:-	1. Promoting Education 2. Physical aids to differently abled persons 3. Employment enhancing vocational skills 4. National Sports Development

## SECTION C: OTHER DETAILS

1.	Does the Company have any Subsidiary Company/ Companies?	Yes
2.	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	No
3.	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	No

## SECTION D: BR INFORMATION

<b>1.</b>	<b>Details of Director &amp; BR Head responsible for implementation of the BR Policy/policies (DIN, Name, Designation):</b>	
(a)	Details of the Director / Director responsible for implementation of the BR policy/policies	DIN 00380300 Name Mr. Vineet Agarwal
(b)	Details of the BR head	Designation Managing Director Telephone number 0124-2381603 E-Mail ID <a href="mailto:secretarial@tcil.com">secretarial@tcil.com</a>
<b>1.</b>	<b>Principle-wise (as per NVGs) BR Policy/policies</b>	
	P1 - Ethics, Transparency & Accountability	Ethics & Whistle Blower Policy
	P2 - Sustainability in life cycle of services	Health, Safety & Environment (HSE) Policy



**BUSINESS RESPONSIBILITY REPORT (Contd.)**

P3 - Employee well-being	HR Policy
P4 - Stakeholder Engagement	Stakeholders' engagement Policy
P5 - Human rights	HR Policy
P6 - Environment Protection & Restoration	Health, safety & Environment (HSE) Policy
P7 - Responsible Public policy & advocacy	Stakeholders' engagement Policy
P8 - Inclusive growth & equitable development	Corporate Social Responsibility (CSR) Policy
P9 - Customers & Consumers value	Stakeholders' engagement Policy
(a) Details of compliance (Reply in Y/N)	

(a) Details of compliance (Reply in Y/N)	S. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
	1	Do you have a policy/policies for	Y	Y	Y	Y	Y	Y	Y	Y	Y
	2	Has the policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
	3	Does the policy conform to any national /international standards? If yes, specify?*	Y	Y	Y	Y	Y	Y	Y	Y	Y
	4	Has the policy being approved by the Board? If yes, has it been signed by MD/owner/CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
	5	Does the Company have a specified committee of the Board / Director / Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
	6	Indicate the link for the policy to be viewed online?	The Ethics & Whistle Blower and CSR Policy are uploaded on website and can be accessed at <a href="https://tcil.com/tcil/tci-policies.html">https://tcil.com/tcil/tci-policies.html</a> . Rest of the business responsibility policies are uploaded on intranet & shared with relevant external stakeholders wherever deemed fit.								
	7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
	8	Does the Company have in-house structure to implement the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
	9	Does the Company have a grievance redressal mechanism related to policy/policies to address stakeholders' grievances related to policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
	10	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y
	*The policies are in line with applicable laws and national standards, wherever applicable / available.										
(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why	Not Applicable										

**BUSINESS RESPONSIBILITY REPORT (Contd.)**

<b>2. Governance related to BR</b>	
(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year	The Board of Directors assess performance of the Company annually.
(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?	The Company publishes its Business Responsibility Report as a part of its Annual report which is published annually. The Annual Report is available at <a href="http://www.tcil.com">www.tcil.com</a> under the section Investor Relations. The Company also publishes Sustainability Report from time to time which is also available on the website of the Company.

**SECTION E: PRINCIPLE-WISE PERFORMANCE**
**PRINCIPLE 1**

1. Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/ No.	No
Does it extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?	Yes
2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.	No complaints received under the policy in the FY 2020-21.

**PRINCIPLE 2**

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.	The Company is engaged in providing logistics & transport solutions and none of the business operations of the Company have any inherent design capable of adversely impacting society or environment. In fact, Your Company is proactive and continuously strive to implement energy efficient equipments, non-conventional energy sources and alternate non-polluting fuel etc.
2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional): (a) Reduction during sourcing / production / distribution achieved since the previous year throughout the value chain? (b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?	<p>The Company has taken following steps in this direction:</p> <ul style="list-style-type: none"> <li>- Continuation of certified fuel pumps across the country to ensure Quality &amp; Quantity for conservation.</li> <li>- Increase in higher capacity trucks for lower cost per volume or ton carried.</li> <li>- Energy Saving by increase in Solar panels thereby reducing carbon footprint of Gensets.</li> <li>- Reduced energy consumption by using low wattage LED fixtures using Gripple cable technology</li> <li>- All new warehouses have been constructed with insulation to reduce the demand for cooling solutions which brings down the temperature and hence brings down the need of powered cooling.</li> <li>- Smart design of Multi Level shelving / racking using perforated catwalk flooring with the objective to ensure usage of natural lighting &amp; maintaining temperature thus reducing power energy requirement.</li> <li>- Usage of natural mean like Turbo-Vents to maintain fresh air inflow to reduce the heat index with lower expenditure on cooling solutions.</li> <li>- Usage of smart methodology- converting warehouse handling on wheels and thus eliminating powered handling equipments.</li> <li>- Adopting smart technologies such as usage of thin client hardware over SMPS based normal desktop.</li> <li>- Sewage Water treatment, Rain water harvesting footprint increased.</li> <li>- Solar powered utility areas for support services.</li> <li>- Implementation of waste management systems at main offices</li> </ul>

**BUSINESS RESPONSIBILITY REPORT (Contd.)**

<p>3. Does the Company have procedures in place for sustainable sourcing (including transportation)? (a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.</p>	<p>All the Business Partners are screened based on the Company's Policy on Dealing with Suppliers / Vendors which covers high quality service standards, compliance with EHS standards / regulations, as well as labor, employee and human rights related regulations. In addition to this, majority of sourcing of work force is from local areas. Hence the Company's sourcing of the services is sustainable and responsible.</p>
<p>4. Has the Company taken any steps to procure goods and services from local &amp; small producers, including communities surrounding their place of work? (b) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?</p>	<p>Yes, the Company is focusing on the small vendors from MSME sector to work on contract basis. For their support and development, the Company works closely for capacity building, onboarding and performance management. The Company's normal credit term with vendors is fifteen days but for small vendor this is only seven days for their development and survival. Your Company also provides training and development to their teams free of cost from time to time.</p>
<p>5. Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as &lt;5%, 5-10%, &gt;10%). Also, provide details thereof, in about 50 words or so.</p>	<p>Products such as used tyres, oil and old parts are recycled via the right channel partners. In warehouse, cardboards are used for dunnage, water is recycled for plants/ external use. In terms of % of total inputs used, it would be a high percentage of &gt; 20% without considering fossil fuel as that has no residue that can be captured and reused.</p>

**PRINCIPLE 3**

<p>1. Please indicate the Total number of employees</p>	<p>4,375</p>
<p>2. Please indicate the Total number of employees hired on temporary/contractual/casual basis</p>	<p>5,235</p>
<p>3. Please indicate the Number of permanent women employees</p>	<p>153</p>
<p>4. Please indicate the Number of permanent employees with disabilities</p>	<p>Nil</p>
<p>5. Do you have an employee association that is recognised by management?</p>	<p>Nil</p>
<p>6. What percentage of your permanent employees is members of this recognised employee association?</p>	<p>Nil</p>

	<b>S. No.</b>	<b>Category</b>	<b>No of complaints filed during the financial year</b>	<b>No of complaints pending as on end of the financial year</b>
<p>7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.</p>	<p>1</p>	<p>Child labour/forced labour/ involuntary labour</p>	<p>Nil</p>	<p>Nil</p>
	<p>2</p>	<p>Sexual harassment</p>	<p>Nil</p>	<p>Nil</p>
	<p>3</p>	<p>Discriminatory employment</p>	<p>Nil</p>	<p>Nil</p>

<p>8. What percentage of your under mentioned employees were given safety &amp; skill up- gradation training in the last year?</p>		
<p>(a) Permanent Employees</p>	<p>Permanent Employees</p>	<p>2,059</p>
<p>(b) Permanent Women Employees</p>	<p>Permanent Women Employees</p>	<p>32</p>
<p>(c) Casual/Temporary/Contractual Employees</p>	<p>Casual/Temporary/Contractual Employees</p>	<p>Nil</p>
<p>(d) Employees with Disabilities</p>	<p>Employees with Disabilities</p>	<p>Nil</p>

**BUSINESS RESPONSIBILITY REPORT (Contd.)**
**PRINCIPLE 4**

<p>1. Has the Company mapped its internal and external stakeholders? Yes/No</p>	<p>Yes, the Company as a part of its Stakeholder Engagement Process, has mapped its stakeholders including but not limited to the Customers/Business Partners, Investors &amp; Shareholders, Academic and Research Institutions, Suppliers &amp; Vendors, Media, Communities, Government Authorities and employees.</p> <p>Mapping is done through informal and informal mechanisms like Social Media, Supplier Relationship Management (SRM), Workman Attendance System (WAS), Customer Relationship Management (CRM) portals, E-mail contacts, Call Centers, Central Procurement Team (CPT) for indirect purchases, etc. to understand the stakeholder's concerns and expectations.</p> <p>The Company has embarked on a Digital transformation project to map all its stakeholders on digital platforms. This will enable total transparency and visibility for all its stakeholders.</p>
<p>2. Out of the above, has the Company identified the disadvantaged, vulnerable &amp; marginalised stakeholders?</p>	<p>Yes, the Company believes in its responsibility to include the disadvantaged, vulnerable and marginalised stakeholders and proactively engages with them.</p> <p>Within the broader stakeholder group of communities, the Company works towards women empowerment and education of children.</p>
<p>3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalised stakeholders. If so, provide details thereof, in about 50 words or so.</p>	<p>TCI Group, through the TCI Foundation, attempts to make a difference and address the complex health, safety and environmental issues in the lives of the disadvantaged, vulnerable and marginalised stakeholders. Through the "TCI Safe Safar" initiative, Your Company managed to spread awareness on the importance of health and road safety for drivers, cleaners and the industry as a whole. The healthcare initiatives through Jaipur Foot Rehabilitation Center, now for more than 10 years, Muskan Clinic and Khushi Clinic have supported thousands of beneficiaries.</p> <p>More details on this are given in the CSR section forming part of Annual Report.</p>

**PRINCIPLE 5**

<p>1. Does the policy of the Company on human rights cover only the Company or extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?</p>	<p>The policy cover only our employees and does not extend to external stakeholders.</p>
<p>2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?</p>	<p>No complaints were received from any stakeholder during the year.</p>

**PRINCIPLE 6**

<p>1. Does the policy related to Principle 6 cover only the Company or extends to the Group / Joint Ventures / Suppliers / Contractors / NGOs / others.</p>	<p>The Company remains committed to protect and respect Human Rights and has a robust HSE policy in place which extends to not only its employees but also to its Suppliers, Vendors, Contractors and other business partners. The Company's human resources practices cover most of these aspects and insists that these are reflected in the Company's conduct at all levels.</p> <p>It aims to provide a safe, healthy and ecofriendly work environment, does not hire child labour, forced labour or involuntary labour. It also ensures compliance with HSE regulations and permit requirements are regularly checked and documented and strive for zero accident at workplace and safe movement of people and material.</p>
<p>2. Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.</p>	<p>The key initiatives launched by TCI to address global environment issues affecting climate change and global warming are:</p> <ul style="list-style-type: none"> <li>● Goods Transportation Services – Replacement of old vehicles with new vehicles, reduction of dry runs for vehicles, increase in capacity utilization of vehicle, deployment of alternative fuel vehicles like CNG in a phased manner, and progressive shift to rail transport from road transport</li> <li>● Warehouse Management Services – Reduced energy consumption by shifting to LED lighting, infrastructure design to facilitate natural lighting and ventilation in certain facilities. Also, Solar panels have been installed at certain warehouses to make efficient use of a renewable energy source</li> </ul>

**BUSINESS RESPONSIBILITY REPORT (Contd.)**

	<ul style="list-style-type: none"> <li>● Recycling - Trio Bins are being used at workplace, segregating recyclable paper, recyclable waste and Electronic Waste, which is the key to Zero Waste Management</li> <li>● The Company is also considering to baseline the intensity of GHG emission across its various services and has also invested in wind farms, to reduce carbon emissions</li> </ul>
3. Does the Company identify and assess potential environmental risks? Y/N	Yes
4. Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?	TCI aims at adopting and maintaining global best practices on carbon and energy management and minimizing greenhouse gas emissions throughout our operations. TCI continues to measure the direct energy usage and carbon emissions, and maintain year-on-year efforts to reduce energy consumption and carbon emission across operations. Your Company is also planning on conducting 'Carbon Footprint Assessment' with a view of attaining certified accreditations. We are also embarking on ISO 46000 initiatives.
5. Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.	<p>Energy efficiency, use of renewable energy and emission reductions are areas where TCI is dwelling upon. Thus, it ensures flow, load &amp; route optimization, reduction in dry runs and optimum utilization of assets, in its operations.</p> <p>The Company has undertaken a comprehensive approach with continuous awareness amongst employees, explaining the environment related challenges in business and solutions. Besides this, the following specific initiatives have been taken across the service verticals of the Company:</p> <ul style="list-style-type: none"> <li>● Progressive shift to CNG vehicles</li> <li>● Shift in the mode of transport from Road to Rail Transport</li> <li>● Training programs on improved driving skills, reverse load sharing, reverse logistics, shifting to alternative fuels, transition from road to rail transport etc</li> <li>● Initiating collaborative projects for creating 'accident free zones in certain sectors'</li> <li>● Besides implementing energy efficient measures like shifting to LED lighting, infrastructure design to facilitate natural lighting and ventilation in certain facilities, solar panels have been installed at our warehouses, to consume natural sources of energy</li> </ul>
6. Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?	Not applicable since the Company is into service sector.
7. Number of show cause/ legal notices received from Central Pollution Control Board (CPCB)/ State Pollution Control Board (SPCB) which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.	Nil

**PRINCIPLE 7**

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:	<ul style="list-style-type: none"> <li>(a) WEF (World Economic Forum)</li> <li>(b) ASSOCHAM (Associated Chambers of Commerce of India)</li> <li>(c) AIMA (All India Management Association)</li> <li>(d) CII (Confederation of Indian Industry)</li> <li>(e) IGCC (Indo-German Chamber of Commerce)</li> <li>(f) Indian Chemical Council (ICC)</li> <li>(g) SEPC (Services Export Promotion Council).</li> </ul>
2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)	Yes, TCI engages with industry bodies and associations to influence public and regulatory policy in a responsible manner, advocating best practices for the benefit of society as a whole. The broad areas are Governance, Logistics & Warehousing, inclusive Development Policies, Economic Reforms, EXIM Services, Safety & Security, Sustainable Business Practices, etc.

**BUSINESS RESPONSIBILITY REPORT (Contd.)**
**PRINCIPLE 8**

1. Does the Company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.	<p>TCI Group, through TCI Foundation, envisions to make a difference and address the complex health, safety and environmental issues in the lives of the disadvantaged, vulnerable and marginalised stakeholders.</p> <p>More details on this are given in the CSR section which forms part of this Annual Report.</p>														
2. Are the programmes / projects undertaken through in-house team / own foundation / external NGO / government structures / any other organization?	All the social responsibility initiatives are carried out through 'TCI Foundation', the social arm of the Company.														
3. Have you done any impact assessment of your initiative?	The Company has not specifically conducted an impact assessment but wishes to acknowledge the tremendous positive feedback received on its initiatives														
4. What is your company's direct contribution to community development projects- Amount in ₹ and the details of the projects undertaken?	<table border="1"> <thead> <tr> <th data-bbox="663 707 1230 741">Project</th> <th data-bbox="1238 707 1460 741">Amount (₹ In Lakhs)</th> </tr> </thead> <tbody> <tr> <td data-bbox="663 752 1230 786">Promoting Education (SHIKHA)</td> <td data-bbox="1238 752 1460 786">150</td> </tr> <tr> <td data-bbox="663 797 1230 831">Physical aids to differently abled persons (KAVACH)</td> <td data-bbox="1238 797 1460 831">15</td> </tr> <tr> <td data-bbox="663 842 1230 875">Employment enhancing vocational skills (SHAKSHAM)</td> <td data-bbox="1238 842 1460 875">5</td> </tr> <tr> <td data-bbox="663 887 1230 920">National Sports Development (SHORYAS)</td> <td data-bbox="1238 887 1460 920">100</td> </tr> <tr> <td data-bbox="663 931 1230 965">Miscellaneous</td> <td data-bbox="1238 931 1460 965">30</td> </tr> <tr> <td data-bbox="663 976 1230 987"><b>Total</b></td> <td data-bbox="1238 976 1460 987"><b>300</b></td> </tr> </tbody> </table>	Project	Amount (₹ In Lakhs)	Promoting Education (SHIKHA)	150	Physical aids to differently abled persons (KAVACH)	15	Employment enhancing vocational skills (SHAKSHAM)	5	National Sports Development (SHORYAS)	100	Miscellaneous	30	<b>Total</b>	<b>300</b>
Project	Amount (₹ In Lakhs)														
Promoting Education (SHIKHA)	150														
Physical aids to differently abled persons (KAVACH)	15														
Employment enhancing vocational skills (SHAKSHAM)	5														
National Sports Development (SHORYAS)	100														
Miscellaneous	30														
<b>Total</b>	<b>300</b>														
5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.	<p>Your Company has taken steps to ensure that its initiatives are successfully adopted by the community. The Company undertakes a thorough study prior to committing itself. It ensures that its diligence is comprehensive enough to warrant a commitment. TCI Foundation, its social arms is dedicated to oversee the activities and the same is manned by full time employees. Your Company's executives are also selectively attached to various initiatives related to education, health, skill development, sports development etc. and they spend sufficient time and oversee the implementation of our initiatives.</p>														

**PRINCIPLE 9**

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year	As on 31 <sup>st</sup> March, 2021, 93.75% consumer complaints are pending.
2. Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. / Remarks(additional information)	Not Applicable since the Company is into service sector.
3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.	Nil
4. Did your company carry out any consumer survey/ consumer satisfaction trends?	<p>The Company served its customers in the most difficult time of COVID-19 pandemic and conducted a Net Promoter Score (NPS) Survey, through digital modes to understand if it was successful in meeting their expectations.</p> <p>It was conducted by an in-house team and particular significance was placed on whether the Company was able to reach the remotest of locations and how approachable was the Company's team to cater to customer queries and needs.</p> <p>Your Company achieved a positive NPS score of 81, indicating that most of the customers were satisfied with the Company's efforts and it reinforced its 'Customer Centric' approach through its value system "CORE".</p> <p>NPS is an indication of Customer Engagement and how likely they are ready to recommend TCI to others. It also indicates, if the Company has a good WOM (Word of Mouth) enabling to enhance its business. Capturing the 'Voice of Customers' is thus useful to reiterate on the efforts of the Company towards achieving superior customer satisfaction.</p>

# INDEPENDENT AUDITOR'S REPORT

To

The Members

**Transport Corporation of India Limited**

## REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

### Opinion

We have audited the standalone financial statements of **Transport Corporation of India Limited** ("the Company"), which comprise the balance sheet as at 31<sup>st</sup> March, 2021, the statement of profit and loss (including other comprehensive income), statement of changes in equity and the statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information which includes the financial statements for the year ended on that date audited by the branch auditor of the Company's branch located at Nepal.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India including the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS"), of the

state of affairs of the Company as at 31<sup>st</sup> March, 2021, its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matters

Key Audit Matters are those matters that, in our professional judgement, were of the most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the following matters as Key Audit Matters to be communicated in our report:

Key Audit Matter	Auditor's Response
Revenue recognition and measurement including related cost of rendering of services involves critical judgments by management including assessment of when the control of goods or services are being transferred, identifying large variety of complex performance obligations and determining if such obligations are satisfied over a period of time. (Refer Note No. 3, 4.15 & 4.19 to the Standalone Financial Statements)	Our audit approach includes : <ul style="list-style-type: none"> <li>• Testing the design and operating effectiveness of the internal controls associated with contracts with customers/vendors</li> <li>• Testing the information technology systems related to consignment notes, trip data and billing</li> <li>• Analyzing contracts with customers/vendors from selected samples</li> <li>• Analyzing invoices with customers/vendors from selected samples</li> <li>• Reviewing the logic designed in preparation of consignment notes, bill registers, lorry hire contracts and the time taken for concluding the performance obligation</li> <li>• Testing of the approval mechanism, access and change controls associated with the tariff/ rate masters</li> <li>• Reviewing the report of Internal Auditors</li> <li>• Performance of analytical procedures for reasonableness of the estimates</li> </ul>
The Company owns Wind Power Plants in Maharashtra & Rajasthan, which are considered as a Cash Generating Units for the purpose of Ind AS 36. Owing to certain impairment indicators the management has estimated an impairment allowance. The forecasting of future cash flows and applying an appropriate discount rate for arriving at the impairment allowance, inherently involves a high degree of estimation and judgement by the management. (Refer Note No. 5 & 33(a) to the Standalone Financial Statements)	Our audit approach include: <ul style="list-style-type: none"> <li>• Assessment of the design, implementation, and operating effectiveness of key controls in respect of Company's evaluation of existence of any impairment indicators</li> <li>• Review of the internal &amp; external factors that led to management do the impairment of the CGU.</li> <li>• Evaluation of management's assumptions used for reasonableness of impairment allowance by reviewing the business plans, long term / short term contract obligations and other methodology used by management</li> <li>• Assessment of the reasonableness of key management assumptions with respect to earnings forecasts (with comparison to both budget and historical performance), of growth and discount rates in arriving at value in use.</li> </ul>
Management's policy of adopting a useful life different from the life specified in Part C to Schedule II of the Companies Act, 2013. (Refer Note No. 4.1 & 5 to the Standalone Financial Statements)	Our audit approach include: <ul style="list-style-type: none"> <li>• review of the technical valuation report of the Independent agency</li> <li>• evaluating the competence and objectivity of the expert</li> <li>• Review of IACS Class certificate and statutory certificates on procurement to evaluate ship's sea worthiness</li> <li>• reviewing the periodic dry dock cycles along with the compliance of the accounting policy</li> </ul>

## INDEPENDENT AUDITOR'S REPORT (Contd.)

### Other Information

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Company's Annual Report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and in doing so, consider whether other information is materially inconsistent with standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report the fact. We have nothing to report in this regard.

### MANAGEMENT'S RESPONSIBILITIES FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of Directors are also responsible for overseeing the Company's financial reporting process.

### Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- (a) Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- (d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- (e) Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatement in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of the work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore Key Audit Matters. We describe these matters in our auditor's reports unless law or regulations precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



## INDEPENDENT AUDITOR'S REPORT (Contd.)

### Other Matter

We did not audit the financial statements of one branch included in the standalone financial statements of the Company whose financial statements reflect total assets of ₹ 398 Lakhs as at 31<sup>st</sup> March, 2021 and the total revenue of ₹ 9 Lakhs for the year ended on that date, as considered in the financial statements of this branch, has been audited by the branch auditor whose reports has been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of such branch is based solely on the report of such branch auditor.

Our opinion is not modified in respect of this matter.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - A. (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and proper financial statements adequate for the purposes of our audit have been received from the branch not visited by us.
  - (c) The report on the accounts of one branch office of the Company audited under Section 143(8) of the Act by branch auditor has been sent to us and has been properly dealt with by us in preparing this report.
  - (d) The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of cash flow, the statement of changes in equity, statement of cash flow and the branch's financial statements dealt with by this report are in agreement with the books of accounts.
  - (e) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (f) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2021 from being appointed as a director in terms of Section 164(2) of the Act.
- (g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - (a) The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note No. 44 to the standalone financial statements;
  - (b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - (c) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
3. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
 

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provision of section 197 of the Act. The remuneration paid to directors is not in excess of the limit laid down under section 197(16) which are required to be commented upon by us.

For **Brahmayya & Co.**  
Chartered Accountants  
Firm's Regn No. 000511S

**Lokesh Vasudevan**  
Partner

Place: Coonoor  
Date: 25<sup>th</sup> May, 2021

Membership No. 222320  
UDIN: 21222320AAAABM6491

## INDEPENDENT AUDITOR'S REPORT (Contd.)

## ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

The "Annexure A" referred to in clause 1 of "Report on Other Legal and Regulatory Requirements" Paragraph of the Independent Auditor's Report of even date to the members of Transport Corporation of India Limited on the standalone financial statements as on and for the year ended 31<sup>st</sup> March, 2021.

- i)
  - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - b) We are informed that a test of physical verification of these assets was carried out by the management at reasonable intervals and no material discrepancies were noticed. In our Opinion, the frequency of verification of Fixed Assets is reasonable having regards to the size of the Company and nature of its assets.
  - c) The title deeds of all the immovable properties, as disclosed in the standalone financial statements, are held in the name of the Company.
- ii) The management has conducted physical verification of inventory at reasonable interval during the year and no material discrepancies were noticed on physical verification of inventory.
- iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to Companies, Firms, Limited Liability Partnerships or other parties covered in the register maintained under Sec 189 of the Companies Act, 2013. Therefore, the provision of clause (iii), (iii)(a), (iii)(b) & (iii)(c) of paragraph 3 of the order are not applicable to the Company
- iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and section 186 of the Companies Act, 2013 to the extent applicable with respect to grant of loans, security, guarantee given and investments made.
- v) According to the information and explanations given to us, and based on our examination of the records of the Company carried out in accordance with the generally accepted auditing practices in India, the Company has not accepted any deposits from the public, therefore the provisions of clause (v) is not applicable on the Company.
- vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules made by the Central government for the maintenance of cost records under Section 148 of the Companies Act, 2013 and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of cost records with a view to determine whether they are accurate or complete.
- vii)
  - (a) According the information and explanations given to us and records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues including Provident Fund, Employee's State Insurance, Income Tax, Service Tax, Excise Duty, Value Added Tax, Goods and Service Tax, Duty of Customs, Cess, and Other Statutory Dues with the appropriate authorities. There are no outstanding undisputed statutory dues on the last day of financial year concerned for a period of more than 6 month from the date they become payable.
  - (b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues of Income Tax or Sales Tax or Service Tax or Excise Duty or Value Added Tax or Goods and Services Tax or Cess or Employees' State Insurance as at 31<sup>st</sup> March, 2021 which have not been deposited on account of any dispute are as under:

Nature of Statue	Nature of dues	Amount of Claim (₹)	Periods to which amount relates	Forum where dispute is pending
Entry Tax Act, 2001	Entry Tax	58.45	FY 2017-18	Deputy Commissioner, Ahmedabad
Employees' State Insurance Act, 1948	ESIC	20.98	FY 2005-06	Supreme Court of India
Central Excise Act, 1944	Excise duty	5.00	FY 2016-17	CESTAT, Hyderabad
Central Excise Act, 1944	Excise duty	11.82	FY 2008-09	Commissioner of Central Excise, Ramnagar, Karnataka
Central Excise Act, 1944	Excise duty	10.00	FY 2011-12	CESTAT, Chandigarh
The Sales Tax Act and Value Added Tax Act	Sales Tax and VAT	124.12	Various Financial Years	Appellate Tribunal - Various States
The Sales Tax Act and Value Added Tax Act	Sales Tax and VAT	39.53	FY 2016-17	Appellate Deputy Comissioner, Andhra Pradesh
The Sales Tax Act and Value Added Tax Act	Sales Tax and VAT	103.67	Various Financial Years	Assistant Commissioner (Commercial Taxes) - Various States
The Sales Tax Act and Value Added Tax Act	Sales Tax and VAT	5.27	FY 2004-05	Deputy Commissioner (Commercial Taxes) - Uttarakhand
The Bombay stamp Act, 1958	Stamp Act	39.69	FY 1993-94	Chief Controlling Revenue Authority [C.C.R.A.], Gandhinagar, Gujarat

- viii) According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institutions or bank or government during the year. The Company has not issued any debentures during the year.
- ix) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the current year and the term loans during the year were applied for the purpose for which they were raised.

## INDEPENDENT AUDITOR'S REPORT (Contd.)

- x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanation given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such cases by the management during the course of our audit.
- xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provision of clause 3(xii) of the paragraph 3 of the Order is not applicable.
- xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties, prima facie are in compliance with the provisions of sections 177 and 188 of the Act, where applicable, and details of such transactions have been disclosed in the standalone financial statements as required by the applicable Indian Accounting Standards.
- xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the paragraph 3 of the Order is not applicable.
- xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934, therefore, the provision of clause 3(xvi) of the paragraph 3 of the Order is not applicable to the Company.

For **Brahmayya & Co.**

Chartered Accountants

Firm's Regn No. 000511S

**Lokesh Vasudevan**

Partner

Membership No. 222320

UDIN: 21222320AAAABM6491

Place: Coonoor

Date: 25<sup>th</sup> May, 2021

## INDEPENDENT AUDITOR'S REPORT (Contd.)

**ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT**

The **Annexure B**, referred to in Clause 2.A(g) of "Report on Other Legal and Regulatory Requirements" Paragraph of the Independent Auditor's Report of even date to the members of **Transport Corporation of India Limited** on the standalone financial statements as of and for the year ended 31<sup>st</sup> March, 2021.

**Report on the Internal Financial Controls under Clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of Transport Corporation of India ("the Company") as of 31<sup>st</sup> March, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Acts

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls Over Financial Reporting**

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the standalone financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Brahmayya & Co.**Chartered Accountants  
Firm's Regn No. 000511S**Lokesh Vasudevan**

Partner

Place: Coonoor  
Date: 25<sup>th</sup> May, 2021Membership No. 222320  
UDIN: 2122320AAAABM6491

# STANDALONE BALANCE SHEET

AS AT 31<sup>ST</sup> MARCH 2021

₹ in Lakhs

Particulars	Note No	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>I. ASSETS</b>			
<b>1. Non-Current Assets</b>			
a) Property, Plant and Equipment	5	71,169.92	72,822.05
b) Capital Work-in-Progress	5A	522.15	2,158.04
c) Right of Use Assets	5B	6,377.05	2,341.15
d) Other Intangible Assets	6	310.86	44.91
e) Financial Assets			
i) Investments	7	8,578.23	8,882.78
ii) Loans	8	1,422.28	931.15
iii) Other Financial Assets	9	128.73	199.48
f) Other Non-Current Assets	10	3,659.93	4,055.27
<b>Total Non Current Assets</b>		<b>92,169.15</b>	<b>91,434.84</b>
<b>2. Current Assets</b>			
a) Inventories	11	701.19	648.64
b) Financial Assets			
i) Trade Receivables	12	45,706.72	45,446.51
ii) Cash and Cash Equivalents	13	2,532.06	1,102.98
iii) Other Bank Balances	13	545.15	680.26
iv) Loans	8	2,145.51	2,219.74
v) Other Financial Assets	9	222.96	92.69
c) Current Tax Assets (Net)	14	1,475.46	4,570.16
d) Other Current Assets	10	12,883.33	11,170.21
<b>Total Current Assets</b>		<b>66,212.38</b>	<b>65,931.19</b>
<b>3. Non-Current Assets Held for Sale</b>	15	289.41	-
<b>Total Assets</b>		<b>158,670.94</b>	<b>157,366.03</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>1. Equity</b>			
a) Equity Share Capital	16	1,541.99	1,536.52
b) Other Equity	16A	1,06,494.19	93,461.34
<b>Total Equity</b>		<b>108,036.18</b>	<b>94,997.86</b>
<b>2. Non-Current Liabilities</b>			
a) Financial Liabilities			
i) Borrowings	17	10,090.69	14,168.67
ii) Lease Liability	18	1,176.54	308.23
b) Deferred Tax Liabilities (Net)	19	2,633.54	2,973.06
c) Government Grant	20	189.10	192.60
<b>Total Non Current Liabilities</b>		<b>14,089.87</b>	<b>17,642.56</b>
<b>3. Current Liabilities</b>			
a) Financial Liabilities			
i) Borrowings	21	10,180.44	21,313.26
ii) Trade Payables	22		
a) total outstanding dues of micro and small enterprises		127.92	140.67
b) total outstanding dues of creditors other than micro and small enterprises		6,771.10	6,132.49
iii) Lease Liability	18	903.73	38.61
iv) Other Financial Liabilities	23	7,990.27	8,426.53
b) Provisions	24	850.85	1,012.91
c) Government Grant	20	3.49	3.49
d) Other Current Liabilities	25	9,717.09	7,657.65
<b>Total Current Liabilities</b>		<b>36,544.89</b>	<b>44,725.61</b>
<b>Total Equity and Liabilities</b>		<b>158,670.94</b>	<b>157,366.03</b>
<b>Summary of Significant Accounting Policies</b>	<b>2-4</b>		

The accompanying notes form an integral part of the standalone financial statements.

In terms of our Report of even date

For **Brahmayya & Co.**  
Chartered Accountants  
Firm Regn No 000511S

**Lokesh Vasudevan**  
(Partner)  
(Membership No.222320)

Place: Coonoor  
Date: 25<sup>th</sup> May, 2021

For and on behalf of the Board

**Vijay Sankar**  
(Chairman of  
Audit Committee)  
(DIN: 00007875)

**Archana Pandey**  
(Company Secretary &  
Compliance Officer)  
(Membership No: A23884)

Place: Gurugram  
Date: 25<sup>th</sup> May, 2021

**D. P. Agarwal**  
(Chairman &  
Managing Director)  
(DIN: 00084105)

**Ashish Tiwari**  
(Group CFO)  
(Membership No: 502579)

**Vineet Agarwal**  
(Managing Director)  
(DIN: 00380300)

# STANDALONE STATEMENT OF PROFIT AND LOSS

 FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021

₹ in Lakhs

Particulars	Note	Year Ended 31 <sup>st</sup> March, 2021	Year Ended 31 <sup>st</sup> March, 2020
<b>I Revenue</b>			
Revenue from Operations	26	245,201.97	251,335.88
Other Income	27	3,516.15	2,829.39
<b>Total Income</b>		<b>248,718.12</b>	<b>254,165.27</b>
<b>II Expenses</b>			
Cost of Rendering of Services	28	197,383.73	202,700.99
Employee Benefits Expense	29	14,015.02	15,237.39
Finance Costs	30	2,475.37	3,235.19
Depreciation and Amortization Expense	31	8,809.51	7,765.23
Other Expenses	32	9,018.60	10,052.44
<b>Total Expenses</b>		<b>231,702.23</b>	<b>238,991.24</b>
<b>III Profit Before Exceptional Items and Tax (I-II)</b>		<b>17,015.89</b>	<b>15,174.03</b>
IV Exceptional Items	33	1,395.70	987.68
<b>V Profit Before Tax (III-IV)</b>		<b>15,620.19</b>	<b>14,186.35</b>
<b>VI Tax Expense</b>	34		
Current Tax		2,423.56	2,475.60
Deferred Tax		(280.12)	(930.42)
<b>VII Profit for the Year (V-VI)</b>		<b>13,476.75</b>	<b>12,641.17</b>
<b>VIII Other Comprehensive Income</b>			
<b>Items that will not be Reclassified to Profit or Loss</b>			
Change in Fair Value of Equity Instruments designated as FVTOCI		-	(84.08)
Gain/(Loss) on sale of Investment classified at FVTOCI		29.48	-
Remeasurements of Post-Employment Benefit Obligations		(157.70)	(126.72)
Income Tax relating items that will not be reclassified to Profit or Loss			
Current Tax		-	-
Deferred Tax		(59.40)	(31.90)
<b>Other Comprehensive Income for the Year, Net of Tax</b>		<b>(68.82)</b>	<b>(178.90)</b>
<b>IX Total Comprehensive Income for the Year (VII+VIII)</b>		<b>13,407.93</b>	<b>12,462.27</b>
<b>Earning Per Equity Share of ₹ 2 Each</b>	35		
Basic		17.52	16.46
Diluted		17.47	16.46
<b>Summary of Significant Accounting Policies</b>	<b>2-4</b>		

The accompanying notes form an integral part of the standalone financial statements.

In terms of our Report of even date

 For **Brahmayya & Co.**  
 Chartered Accountants  
 Firm Regn No 000511S

**Lokesh Vasudevan**  
 (Partner)  
 (Membership No.222320)

 Place: Coonoor  
 Date: 25<sup>th</sup> May, 2021

For and on behalf of the Board

**Vijay Sankar**  
 (Chairman of  
 Audit Committee)  
 (DIN: 00007875)

**Archana Pandey**  
 (Company Secretary &  
 Compliance Officer)  
 (Membership No: A23884)

 Place: Gurugram  
 Date: 25<sup>th</sup> May, 2021

**D. P. Agarwal**  
 (Chairman &  
 Managing Director)  
 (DIN: 00084105)

**Ashish Tiwari**  
 (Group CFO)  
 (Membership No: 502579)

**Vineet Agarwal**  
 (Managing Director)  
 (DIN: 00380300)

# STANDALONE STATEMENT OF CASH FLOW

FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021

Particulars	₹ in Lakhs	
	Year Ended 31 <sup>st</sup> March, 2021	Year Ended 31 <sup>st</sup> March, 2020
<b>A. Cash Flow From Operating Activities:</b>		
<b>Net Profit Before Tax</b>	<b>15,620.19</b>	<b>14,186.35</b>
<b>Adjustments for :</b>		
Depreciation	8,809.51	7,765.23
Loss / (Profit) on Sale of Property, Plant & Equipment	(124.66)	48.94
Profit on Sale of Investment	(30.11)	-
Provision for Diminution of Investment	90.00	-
Share Based Payments to Employees	165.71	398.62
Impairment Loss for Assets	1,305.70	987.68
Fair Valuation of Investments Designated as FVTPL	(26.96)	12.76
Unclaimed Balances and Excess Provisions Written Back	-	(344.58)
Exchange Gain	(3.36)	-
Net Loss / (Gain) on Financial Assets	-	(12.32)
Finance Costs	2,475.37	3,235.19
Interest Income	(603.87)	(101.52)
Dividend Income	(1,016.71)	(816.84)
Government Grant	(3.50)	(3.50)
	<b>11,037.12</b>	<b>11,169.66</b>
<b>Operating Profit Before Working Capital Changes</b>	<b>26,657.31</b>	<b>25,356.01</b>
<b>Adjustments For :</b>		
Trade Receivables	(256.85)	2,211.75
Other Financial and Other Assets	(1,467.05)	2,781.61
Inventories	(52.55)	(116.72)
Trade and Other Payables	4,882.57	(2,750.59)
<b>Cash Flow From Operating Activities</b>	<b>29,763.43</b>	<b>27,482.06</b>
(Direct Taxes Paid) / Refund Received (Net)	671.14	(3,950.80)
<b>Net Cash From Operating Activities</b>	<b>30,434.57</b>	<b>23,531.26</b>
<b>B. Cash Flow From Investing Activities:</b>		
Purchase of Property, Plant & Equipment	(14,414.51)	(13,039.48)
Loans Given	(416.90)	(508.93)
Other Capital Advances	355.13	(1,349.50)
Proceeds on Sale of Property, Plant & Equipment	3,120.72	151.04
Proceeds on Redemption of Preference Shares	-	402.00
Sale of Investments	296.63	-
Investment in Subsidiary	(25.00)	-
Interest Received	473.60	71.35
Dividend Received	1,016.71	817.14
<b>Net Cash From Investing Activities</b>	<b>(9,593.62)</b>	<b>(13,456.38)</b>
<b>C. Cash Flow From Financing Activities:</b>		
Proceeds from Issue of Share Capital (ESOP)	402.21	236.48
Short Term Borrowings (Net)	(11,132.82)	(174.54)
Proceeds from Long Term Borrowings	174.00	4,401.11
Repayment of Long Term Borrowings	(5,106.97)	(8,962.18)
Finance Cost Paid	(2,495.33)	(3,237.79)
Payment of Dividend	(923.96)	(1,536.52)
Payment of Dividend Tax	-	(309.43)
Repayment of Lease Liability	(329.00)	(59.10)
<b>Net Cash From Financing Activities</b>	<b>(19,411.87)</b>	<b>(9,641.97)</b>
Net Increase, (Decrease) In Cash & Cash Equivalent(A+B+C)	1,429.08	432.91
Cash & Cash Equivalent As On 31 <sup>st</sup> March, 2020	1,102.98	670.07
Cash & Cash Equivalent As On 31 <sup>st</sup> March, 2021	2,532.06	1,102.98

The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard - 7 (Ind AS - 7) Statement of Cash Flows.

In terms of our Report of even date

For and on behalf of the Board

For **Brahmayya & Co.**

Chartered Accountants  
Firm Regn No 0005115

**Vijay Sankar**

(Chairman of  
Audit Committee)  
(DIN: 00007875)

**D. P. Agarwal**

(Chairman &  
Managing Director)  
(DIN: 00084105)

**Vineet Agarwal**

(Managing Director)  
(DIN: 00380300)

**Lokesh Vasudevan**

(Partner)  
(Membership No.222320)

**Archana Pandey**

(Company Secretary &  
Compliance Officer)  
(Membership No: A23884)

**Ashish Tiwari**

(Group CFO)  
(Membership No: 502579)

Place: Coonoor

Date: 25<sup>th</sup> May, 2021

Place: Gurugram

Date: 25<sup>th</sup> May, 2021

## STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021

### A. Equity Share Capital

Particulars	No. of Shares	₹ in Lakhs
Balance as at 1 <sup>st</sup> April, 2019	76,661,975	1,533.23
Changes in Equity Share Capital During FY 2019-20	164,250	3.29
<b>Balance as at 31<sup>st</sup> March, 2020</b>	<b>76,826,225</b>	<b>1,536.52</b>
Changes in Equity Share Capital During FY 2020-21	273,525	5.47
<b>Balance as at 31<sup>st</sup> March, 2021</b>	<b>77,099,750</b>	<b>1,541.99</b>

### B. Other Equity

₹ in Lakhs

Particulars	Other Equity										Total
	Reserves and Surplus								Other Comprehensive Income		
	Retained Earnings	Securities Premium	General Reserve	Share Options Outstanding	Tonnage Tax Reserve	Tonnage Tax Reserve (Utilised)	Capital Reserve	Capital Redemption Reserve	FVTOCI Equity Instruments	Others	
<b>Balance as at 1<sup>st</sup> April, 2019</b>	<b>10,224.46</b>	<b>806.56</b>	<b>59,139.54</b>	<b>689.44</b>	<b>1,277.00</b>	<b>4,847.50</b>	<b>4,310.02</b>	<b>194.00</b>	<b>1,042.86</b>	<b>(367.41)</b>	<b>82,163.97</b>
Profit For the Year	12,641.17	-	-	-	-	-	-	-	-	-	12,641.17
Other Comprehensive Income (Net of tax)	-	-	-	-	-	-	-	-	(84.08)	(94.83)	(178.91)
Issue of Shares/Grant of Shares Options	-	464.39	-	228.13	-	-	-	-	-	-	692.52
Cancellation of Equity Stock Options	-	-	-	(11.46)	-	-	-	-	-	-	(11.46)
Transfer In/Out General Reserve	(7,000.00)	-	7,000.00	-	-	-	-	-	-	-	-
Transfer In/Out Tonnage Tax Reserve	(1,400.00)	-	-	-	1,400.00	-	-	-	-	-	-
Transfer In/Out Tonnage Tax Reserve (Utilized)	-	-	-	-	(1,277.00)	1,277.00	-	-	-	-	-
<b>Transactions With Owners in Their Capacity as Owners :</b>											
Dividends	(1,536.52)	-	-	-	-	-	-	-	-	-	(1,536.52)
Tax on Dividends	(309.43)	-	-	-	-	-	-	-	-	-	(309.43)
<b>Balance as at 31<sup>st</sup> March, 2020</b>	<b>12,619.68</b>	<b>1,270.95</b>	<b>66,139.54</b>	<b>906.11</b>	<b>1,400.00</b>	<b>6,124.50</b>	<b>4,310.02</b>	<b>194.00</b>	<b>958.78</b>	<b>(462.24)</b>	<b>93,461.34</b>
Profit For the Year	13,476.75	-	-	-	-	-	-	-	-	-	13,476.75
Other Comprehensive Income (Net of tax)	-	-	-	-	-	-	-	-	29.48	(98.30)	(68.82)
Issue of Shares/Grant of Shares Options	-	396.74	-	200.33	-	-	-	-	-	-	597.07
Transfer to Securities Premium	-	399.67	-	(399.67)	-	-	-	-	-	-	-
Transfer In/Out with OCI	988.26	-	-	-	-	-	-	-	(988.26)	-	-
Cancellation of Equity Stock Options	-	-	-	(48.19)	-	-	-	-	-	-	(48.19)
Transfer In/Out General Reserve	(7,000.00)	-	7,000.00	-	-	-	-	-	-	-	-
Transfer In/Out Tonnage Tax Reserve	(1,200.00)	-	-	-	1,200.00	-	-	-	-	-	-
Transfer In/Out Tonnage Tax Reserve (Utilized)	-	-	-	-	(1,400.00)	1,400.00	-	-	-	-	-
<b>Transactions With Owners in Their Capacity as Owners :</b>											
Dividends	(923.96)	-	-	-	-	-	-	-	-	-	(923.96)
Tax on Dividends	-	-	-	-	-	-	-	-	-	-	-
<b>Balance as at 31<sup>st</sup> March, 2021</b>	<b>17,960.73</b>	<b>2,067.36</b>	<b>73,139.54</b>	<b>658.58</b>	<b>1,200.00</b>	<b>7,524.50</b>	<b>4,310.02</b>	<b>194.00</b>	<b>-</b>	<b>(560.54)</b>	<b>106,494.19</b>

In terms of our Report of even date

For **Brahmayya & Co.**  
Chartered Accountants  
Firm Regn No 000511S

**Lokesh Vasudevan**  
(Partner)  
(Membership No.222320)

Place: Coonoor  
Date: 25<sup>th</sup> May, 2021

For and on behalf of the Board

**Vijay Sankar**  
(Chairman of  
Audit Committee)  
(DIN: 00007875)

**Archana Pandey**  
(Company Secretary &  
Compliance Officer)  
(Membership No: A23884)

Place: Gurugram  
Date: 25<sup>th</sup> May, 2021

**D. P. Agarwal**  
(Chairman &  
Managing Director)  
(DIN: 00084105)

**Ashish Tiwari**  
(Group CFO)  
(Membership No: 502579)

**Vineet Agarwal**  
(Managing Director)  
(DIN: 00380300)



# NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021

## 1. CORPORATE INFORMATION

Transport Corporation of India Limited ('TCIL' or 'the Company') is a public Company domiciled in India and incorporated under the provision of the Companies Act, 1956. The Company is India's leading end to end integrated supply chain and logistics solutions provider (LSP) and a pioneer in the sphere of cargo transportation in India. Leveraging on its extensive infrastructure, strong foundation and skilled manpower, TCIL offers seamless multimodal transportation solutions. An ISO9001:2008 certified Company, TCIL is listed with premier stock exchange, namely, NSE and BSE.

## 2. BASIS OF PREPARATION

These notes provide the list of the significant accounting policies adopted in the preparation of these standalone financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

### a) Compliance with Ind AS

The standalone financial statements of the Company have been prepared in accordance with the Indian Accounting Standards ("Ind AS") as notified under section 133 of the Companies Act, 2013 read with prescribed rules therein. The Company has uniformly applied the accounting policies during the periods presented.

The standalone financial statements for the year ended 31<sup>st</sup> March, 2021 were authorized and approved for by the Board of Directors on 25<sup>th</sup> May, 2021.

### b) Historical cost convention

The standalone financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities (including derivative instruments) and contingent consideration that are measured at fair value or amortized cost;
- Assets held for sale – measured at fair value less cost to sell;
- Defined benefit plans – plan assets measured at fair value; and
- Share-based payments – measured at fair value of options at the grant date.

### c) Current / Non – Current Classification

Any asset or liability is satisfied as current if it satisfies any of the following conditions:

- Asset / Liability is expected to be realized / settled in the Company's normal operating cycle
- Asset is intended for sale or consumption
- Asset / Liability is held primarily for the purpose of trading
- Asset is a cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date
- In case of a Liability, the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date

For the purpose of this classification, the Company has ascertained its normal operating cycle as twelve months, which is based on the nature of business and time between acquisition of assets and their realization in cash and cash equivalents.

## 3. USE OF SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS

Estimates, assumptions concerning the future and judgments are made in the preparation of the financial statements. They affect the application of the Company's accounting policies, reporting amounts of assets, liabilities, income and expense and disclosures made. Although these estimates are based on management's best knowledge of current events and actions, actual result may differ from those estimates.

The critical accounting estimates and assumptions used and areas involving a high degree of judgments are described below:

### 3.1. USE OF ESTIMATION AND ASSUMPTION

In the process of applying the Company's accounting policies, management had made the following estimation and assumptions that have the significant effect on the amounts recognized in the financial statements. The estimates and assumptions used in accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as on the date of the financial statements, reviewed on an ongoing basis. Any revision to accounting estimates is recognized prospectively in current and future periods.

#### a) Property, Plant and Equipment & Intangible Assets

Key estimates related to long-lived assets (property, plant and equipment and intangible assets) include useful lives, recoverability of carrying values and the existence of any retirement obligations. As a result of future decisions, such estimates could be significantly modified. The useful lives as mentioned in Note 4.1 and Note 4.2 is applied as per Schedule II of Companies Act, 2013 and estimated based upon our historical experience, technical estimation and industry information. These estimates include an assumption regarding periodic maintenance and an appropriate level of annual capital expenditures to maintain the assets.

#### b) Employee Benefits - Measurement of Defined Benefit Obligation (DBO)

Management assesses post-employment and other employee benefit obligations using the projected unit credit method based on actuarial assumptions which represent management's best estimates of the variables (such as standard rates of inflation, medical cost trends, mortality, discount rate and anticipation of future salary increases) that will determine the ultimate cost of providing post-employment and other employee benefits. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses

#### c) Income Taxes

The Company recognizes tax liabilities based upon self-assessment as per the tax laws. When the final tax outcome of these matters is different from the amounts that were initially recognized, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

### 3.2. CRITICAL JUDGMENTS MADE IN APPLYING ACCOUNTING POLICIES

#### a) Revenue

The Company recognizes revenue from contracts with customers based on a five-step model as per Ind AS 115 (Refer Note 4.19) which involves judgements such

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021 (Contd.)

as identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables. The management exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. It considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

Revenue from freight services is recognized over time using percentage-of-completion method. The management uses judgement to estimate the services provided as on reporting date as a proportion of total services provided which is used to determine the degree of the completion of the performance obligation.

### b) Recognition of Deferred Tax Assets

The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized. In addition, significant judgement is required in assessing the impact of any legal or economic limits or uncertainties in various tax jurisdictions.

### c) Recognition of Deferred Tax Liabilities on Undistributed Profits

The extent to which the Company can control the timing of reversal of deferred tax liability on undistributed profits of its subsidiaries requires judgement.

### d) Evaluation of Indicators for Impairment of Assets

The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

### e) Expected Credit Losses

Expected credit losses of the Company are based on an evaluation of the collectability of receivables. A considerable amount of judgment is required in assessing the ultimate realization of these receivables, including their current credit worthiness, past collection history of each customer and ongoing dealings with them. If the financial conditions of the counterparties with which the Company contracted were to deteriorate, resulting in an impairment of their ability to make payments, additional expected credit loss may be required.

### f) Useful Life of Depreciable/Amortizable Assets

Management reviews its estimate of the useful lives of depreciable/amortizable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain software, customer relationships, IT equipment and other plant and equipment.

### g) Fair Value Measurements

Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management uses the best

information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

### h) Provisions

At each reporting date basis the management judgement, changes in facts and legal aspects, the Company assess the requirement of the provisions. However, the actual future outcome may be different from this judgement.

### i) Leases

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain or not to exercise the option to renew or terminate the lease. That considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

### j) Uncertainties resulting from global pandemic COVID-19

The Company has considered internal and external sources of information including credit reports, economics forecasts and industry report up to the date of approval of the financial statements in determining the impacts on various elements of its financial statements. The Company has applied due prudence in applying judgements, estimates and assumptions including performance of sensitivity analysis based on the current estimates in assessing the recoverability of trade receivable including unbilled receivables, investments, right of use assets and other financial assets for the possible impact on the financial statements.

## 3.3. RECENT PRONOUNCEMENTS

MCA has issued notifications dated 24<sup>th</sup> March, 2021 to amend Schedule III to the Companies Act, 2013 to enhance the disclosures required to be made by the Company in its financial statements. These amendments are applicable to the Company for the financial year starting 1<sup>st</sup> April, 2021.

## 4. SIGNIFICANT ACCOUNTING POLICIES

### 4.1 PROPERTY, PLANT AND EQUIPMENT AND DEPRECIATION

#### Initial Recognition

All items of property, plant and equipment are initially measured at cost. The cost of an item of plant and equipment is recognized as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Cost includes its purchase price (after deducting trade discounts and rebates), import duties & non-refundable purchase taxes, any costs directly attributable to bringing the asset to the location & condition necessary for it to be capable of operating in the manner intended by management, borrowing costs on qualifying assets and asset retirement costs.

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021 (Contd.)

The activities necessary to prepare an asset for its intended use or sale extend to more than just physical construction of the asset. It may also include technical (DPP, environmental, planning, Land acquisition and geological study) and administrative work such as obtaining approvals before the commencement of physical construction.

The cost of replacing a part of an item of property, plant and equipment is capitalized if it is probable that the future economic benefits of the part will flow to the Company and that its cost can be measured reliably. The carrying amount of the replaced part is derecognized.

Costs of day to day repairs and maintenance costs are recognized into the statement of profit and loss account as incurred.

### Subsequent measurement

Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual values, estimated useful lives and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

### Depreciation

Depreciation is provided on Straight Line Method, as per the provisions of Schedule II of the Companies Act, 2013 or based on useful life estimated on the technical assessment. Asset class wise useful lives are as under:

Type of Assets	Useful Life
Building	60 Years
Building- Leasehold Improvements	Lease Term
Ships	As per technical assessment
Motor Trucks	6 Years
Vehicles	8-10 Years
Plant and Machinery	15-22 Years
Computer	3 Years
Containers	15 Years
Furniture and Fixtures	10 Years
Office Equipment	5 Years
Railway Wagons	15 Years

In respect of additions / deletions to the fixed assets / leasehold improvements, depreciation is charged from the date the asset is ready to use / up to the date of deletion.

### De-recognition

An item of plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de recognition of the asset is recognized in the profit or loss in the year the asset is derecognized.

### Capital Work in Progress and Capital Advances

Cost of asset not ready for intended use and assets under installation or under construction as at the Balance Sheet date are shown as Capital Work in Progress. Advances given towards acquisition of fixed assets outstanding at each Balance Sheet date are disclosed as Other Non Current Asset in accordance with Schedule III to the Companies Act, 2013.

## 4.2 INTANGIBLE ASSETS & AMORTIZATION

### Initial Recognition

Intangible assets acquired separately are initially measured at cost. Intangible assets are recognized if, it is probable that the future economic benefits that are attributable to the asset will flow to the Company and the cost of the asset can be measured reliably.

Cost of separately acquired intangible asset includes its purchase price (after deducting trade discounts and rebates), import duties & non-refundable purchase taxes, any costs directly attributable to preparing the asset for its intended use.

Intangible assets acquired in a business combination are recognized at fair value at the acquisition date. Subsequently, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any.

### Subsequent measurement and amortization

Intangible assets are stated at cost of acquisition less accumulated amortization and accumulated impairment losses, if any. Subsequent expenditure related to an item of intangible assets are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

The carrying values of intangible assets are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual values, estimated useful lives and amortization method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

The useful lives of intangible assets are assessed as either finite or indefinite. Finite-life intangible assets are amortized on a straight-line basis over the period of their estimated useful lives. Estimated useful lives by major class of finite-life intangible assets are as follows

Intangible Assets	Method of Amortization	Estimated Useful life
Computer Software	on straight-line basis	Over a period of 3 to 10 years
Railway Operating License	on straight-line basis	20 Years based on validity of license

The amortization expense is recognized in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Indefinite-life intangible assets comprises of those assets for which there is no foreseeable limit to the period over which they are expected to generate net cash inflows. These are considered to have an indefinite life, given the strength and durability of the Company and the level of marketing support.

For indefinite life intangible assets, the assessment of indefinite life is reviewed annually to determine whether it continues, if not, it is impaired or changed prospectively based on revised estimates.

### De-recognition

An item of Intangible Assets is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de recognition of the asset is recognized in the profit or loss in the year the asset is derecognized.

## 4.3 INVENTORIES

Inventories are valued at lower of cost or net realizable value. Cost of inventory includes cost of purchase and other

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021 (Contd.)

costs incurred in bringing them to their present location and condition. Net Realizable Value in respect of spares and consumables is the estimated current procurement price in the ordinary course of the business.

### 4.4 IMPAIRMENT OF NON – FINANCIAL ASSETS

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the Company makes a formal estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount.

Recoverable amount is the greater of fair value less costs to sell and value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets, in which case, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of Profit and Loss, except for properties previously revalued with the revaluation surplus taken to Other Comprehensive Income ("OCI"). For such properties, the impairment is recognized in OCI up to the amount of any previous revaluation surplus.

After impairment, depreciation or amortization is provided on the revised carrying amount of the asset over its remaining useful life.

The impairment assessment for all assets is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit or loss.

### 4.5 FINANCIAL ASSETS

Financial assets comprise of investments in equity and debt securities, mutual funds, loans, trade receivables, cash and cash equivalents and other financial assets.

#### Initial recognition

All financial assets except investments in subsidiary, associates and jointly controlled entities are recognized initially at fair value. Purchases or sales of financial asset that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the assets.

#### Subsequent Measurement

##### a) Financial assets measured at amortized cost:

Financial assets held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest

on the principal amount outstanding are measured at amortized cost using effective interest rate (EIR) method. The EIR amortization is recognized as finance income in the Statement of Profit and Loss.

The Company while applying above criteria has classified the following at amortized cost:

- a. Loans
- b. Trade Receivable (other than those which are designated at FVTOCI)
- c. Cash and Cash Equivalents
- d. Other Financial Assets

##### b) Financial assets at fair value through other comprehensive income (FVTOCI):

Financial assets held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, selling the financial assets and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at FVTOCI. Fair Value movements in financial assets at FVTOCI are recognized in other comprehensive income. Equity instruments held for trading are classified at fair value through profit or loss (FVTPL). For other equity instruments the Company classifies the same either at FVTOCI or FVTPL on instrument to instrument basis. The classification is made on initial recognition and is irrevocable. Fair value changes on equity investments at FVTOCI, excluding dividends are recognized in other comprehensive income (OCI).

##### c) Financial assets at fair value through profit or loss (FVTPL)

Financial asset are measured at fair value through profit or loss if it does not meet the criteria for classification as measured at amortized cost or at fair value through other comprehensive income. All fair value changes are recognized in the statement of profit and loss.

##### d) Investment in subsidiaries, joint ventures & associates are carried at cost in the separate financial statements. However, a provision for diminution in value is made to recognize a decline other than temporary in value of the investments.

#### Impairment

Financial assets are tested for impairment based on the expected credit losses in accordance with Ind AS 109 on the following financial assets:

##### a) Trade Receivables

An impairment analysis is performed at each reporting date. The expected credit losses over life time of the asset are estimated by adopting the simplified approach using a provision matrix on its portfolio of trade receivables, which is based on historical loss rates reflecting current condition and forecasts of future economic conditions. In this approach assets are grouped on the basis of similar credit characteristics such as customer segment, past due status and other factors which are relevant to estimate the expected cash loss from these assets.

##### b) Other financial assets

Other financial assets are tested for impairment based on significant change in credit risk since initial recognition and impairment is measured based on probability of default over the life time when there is significant increase in credit risk.

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021 (Contd.)

### De-recognition

A financial asset is derecognized only when:

- The Company has transferred the rights to receive cash flows from the financial asset, or
- The contractual right to receive cash flows from financial asset is expired, or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset and transferred substantially all risks and rewards of ownership of the financial asset, in such cases the financial asset is derecognized. Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is also derecognized if the Company has not retained control of the financial asset.

### 4.6 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprises cash at bank (including deposits with banks with original maturity of three months or less) and cash in hand and short-term investments with an original maturity of three months or less. Deposits with banks are subsequently measured at amortized cost and short term investments are measured at fair value through statement of profit & loss account.

### 4.7 NON-CURRENT ASSETS HELD FOR SALE

Non-current assets or disposal groups comprising of assets and liabilities are classified as 'held for sale' when all the following criteria are met:

- (i) decision has been made to sell,
- (ii) the assets are available for immediate sale in its present condition,
- (iii) the assets are being actively marketed and (
- (iv) sale has been agreed or is expected to be concluded within 12 months of the Balance Sheet date.

Subsequently, such non-current assets and disposal groups classified as 'held for sale' are measured at the lower of its carrying value and fair value less costs to sell. Non-current assets held for sale are no longer depreciated or amortized.

### 4.8 SHARE CAPITAL

Equity Shares are classified as equity.

### 4.9 FINANCIAL LIABILITIES

#### Initial Recognition

Financial liabilities are recognized when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognized initially at fair value plus any directly attributable transaction costs, such as loan processing fees and issue expenses.

#### Subsequent Measurement - at amortized cost

After initial recognition, financial liabilities are subsequently measured at amortized cost using the effective interest rate (EIR) method. Gains and losses are recognized in profit or loss when the liabilities are de-recognized, and through the amortization process.

#### De-recognition

A financial liability is de-recognized when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an

exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in profit or loss.

#### Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

### 4.10 BORROWING COSTS

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. Capitalization of borrowing cost is suspended in the period during which the active development is delayed due to other than temporary interruption. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest, exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other costs that an entity incurs in connection with the borrowing of funds.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

### 4.11 EMPLOYEE BENEFITS

Employee benefits are charged to the Statement of Profit and Loss for the year.

Retirement benefits in the form of Provident Fund are defined contribution scheme and such contributions are recognized, when the contributions to the respective funds are due. There are no other obligation other than the contribution payable to the respective funds.

Gratuity liability is defined benefit obligation and is provided for on the basis of actuarial valuation on projected unit credit method made at the end of each financial year. Re measurement in case of defined benefit plans gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income and they are included in the statement of changes in equity.

Compensated absences are provided for on the basis of actuarial valuation on projected unit credit method made at the end of each financial year. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognized in statement of profit or loss account.

The amount of Non-current and Current portions of employee benefits is classified as per the actuarial valuation at the end of each financial year.

### 4.12 SHARE BASED PAYMENTS - EMPLOYEE STOCK OPTION SCHEME

The Company has formulated an Employees Stock Option Scheme which provides that subject to continued employment with the Company or the Group, employees of the Company and its Subsidiary Company are granted an option to acquire equity shares of the Company that may be exercised within a specified period. The fair value of options granted under Employee Stock Option Plan is recognized as a deferred employee's stock option compensation with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021 (Contd.)

options. The total expense is recognized over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied.

### 4.13 INCOME TAXES

Income tax expense is comprised of current and deferred taxes. Current and deferred tax is recognized in net income except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive income. Current income tax relating to items recognized outside profit and loss is recognized outside profit and loss (either in other comprehensive income or in equity). Current income taxes for the current period, including any adjustments to tax payable in respect of previous years, are recognized and measured at the amount expected to be recovered from or payable to the taxation authorities based on the tax rates that are enacted or substantively enacted by the end of the reporting period.

Deferred income tax assets and liabilities are recognized for temporary differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax base using the tax rates that are expected to apply in the period in which the deferred tax asset or liability is expected to settle, based on the laws that have been enacted or substantively enacted by the end of reporting period.

Deferred tax assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable income nor the accounting income. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable income will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and reduced accordingly to the extent that it is no longer probable that they can be utilized.

Deferred tax assets and liabilities are offset when there is legally enforceable right of offset current tax assets and liabilities when the deferred tax balances relate to the same taxation authority. Current tax asset and liabilities are offset where the entity has legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. Deferred Tax relating to items recognized outside profit or loss is recognized outside profit and loss (either in other comprehensive income or in equity).

#### Dividend Distribution Tax:

Tax on Dividends declared by the Company are recognized as an appropriation of Profit. However, with effect from April 1, 2020, Dividend Distribution Tax is not applicable.

### 4.14 LEASES

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

#### Company as a lessee

The Company assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (i) the contract involves the use of an identified asset
- (ii) the Company has substantially all of the economic

benefits from use of the asset through the period of the lease, and

- (iii) the Company has the right to direct the use of the asset
- The Company's lease assets consists of the following:

Asset Description	Useful life
Leasehold Land	As per Lease period
Leasehold Building	Lower of Lease period or useful life

At date of commencement of leases, the Company recognizes a right -of-use asset (ROU) and a corresponding lease liability for all the lease arrangements, except for those with a term of twelve month or less (short term leases) and leases of low value assets. For these leases, the Company recognizes lease payments as an operating expense on straight line basis over the lease term.

#### Initial Measurement

ROU assets are initially measured at cost that comprises of the initial amount of lease liability adjusted for any lease payments made at or prior to the date of commencement, initial direct costs and lease incentives (if any).

Lease Liability is initially measured at the present value of future lease payments that are not paid at that date. The lease payments shall be discounted using the interest rate implicit in the lease or, if not readily determinable, incremental borrowing rate.

#### Subsequent Measurement

ROU assets are subsequently measured at cost less accumulated depreciation and impairment loss, if any. ROU is depreciated from the date of commencement on a straight line basis over the shorter of lease term or useful life of the underlying asset.

Lease Liability is subsequently measured by increasing the carrying amount to reflect interest and reducing the carrying amount to reflect the lease payments made.

The carrying amount of lease liability is remeasured to reflect any reassessment or lease modification such as change in lease term.

ROU asset and lease liability are separately presented in the balance sheet and lease payments have been classified as financing cash flows.

#### Company as a lessor

Leases for which the Company is a lessor is classified as finance or operating lease. Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Lease income from operating leases is recognized in statement of profit and loss on a straight line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

### 4.15 PROVISIONS

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021 (Contd.)

Provisions are reviewed and adjusted, when required, to reflect the current best estimate at the end of each reporting period.

The Company recognizes decommissioning provisions in the period in which a legal or constructive obligation is incurred. A corresponding decommissioning cost is added to the carrying amount of the associated property, plant and equipment, and it is depreciated over the estimated useful life of the asset.

### 4.16 CONTINGENT LIABILITIES

Contingent liability is disclosed in case of:

- A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- A present obligation arising from past events, when no reliable estimate is possible;
- A possible obligation arising from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company where the probability of outflow of resources is not remote.

### 4.17 CONTINGENT ASSETS

Contingent assets are not recognized but disclosed in the financial statements when an inflow of economic benefits is probable.

### 4.18 FAIR VALUE MEASUREMENTS

Company follows the hierarchy mentioned underneath for determining fair values of its financial instruments:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (prices) or indirectly (derived from prices); and
- Level 3 – Inputs for the asset or liability that are not based on observable market data.

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting dates. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The fair value for these instruments is determined using Level 1 inputs

The fair value of financial instruments that are not traded in an active market (for example, over the counter derivatives) is determined by using valuation techniques. These valuation techniques maximize the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is fair valued using level 2 inputs

If one or more of the significant inputs is not based on observable market data, the instrument is fair valued using Level 3 inputs. Specific valuation techniques used to value financial instruments include:

- Quoted market prices or dealer quotes for similar instruments
- The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves
- The fair value of forward foreign exchange contracts is determined using forward exchange rates at the reporting dates, with the resulting value discounted

back to present value

- Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

### 4.19 REVENUE RECOGNITION

The Company derives revenues primarily from business of freight, logistic services (comprising of supply chain management warehousing and allied services) and sale of power.

The Company recognizes revenue from contracts with customers based on a five-step model, such as to, identifying the contracts with a customer, identifying the performance obligations in the contract, determine the transaction price, allocate the transaction price to the performance obligations in the contract and recognize revenue when (or as) the entity satisfies a performance obligation at a point in time or over time.

The Company satisfies a performance obligation and recognizes revenue over time, if one of the following criteria is met:

- The customer simultaneously receives and consumes the benefits provided by the Company performance as the Company performs; or
- The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- The Company's performance does not create an asset with an alternative use to the Company and the entity has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognized at the point in time at which the performance obligation is satisfied.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services.

- Freight Services - Freight income and associated expenses are recognized over time using the percentage of completion method (POCM). The stage of completion is assessed with reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be provided. Generally, the contracts are fixed price, thus the associated cost can be reliably measured.
- Logistics Services - Under Logistics Services, the principal service is related to the customer contracts for warehousing activities. Based on the customer contracts logistic income is recognized at the point in time when the services are rendered, the amount of revenue can be reliably measured and in all probability, the economic benefit from the transaction will flow to the Company.
- Sale of Power - Income from the sale of power is recognized at the point in time and measured based on the rates in accordance with the provision of the Power Purchase Agreement (PPAs) entered into by the Company and procurer(s) of power.

### 4.20 OTHER INCOME

#### Interest Income

For all debt instruments measured either at amortized cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR).

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021 (Contd.)

EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

Interest income on fixed deposits is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate.

### Dividend income

Dividend income is recognized at the time when right to receive the payment is established, which is generally when the shareholders approve the dividend.

#### 4.21 FOREIGN CURRENCY TRANSACTIONS

##### Functional and presentation Currency

The Financial statements are presented in Indian Rupee (₹) which is also the functional and presentation currency of the Company

##### Transaction and Balances

Transactions in foreign currencies are translated to the functional currency of the Company, at exchange rates in effect at the transaction date. At each reporting date monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate in effect at the date of the financial statement. The translation for other non-monetary assets and liabilities are not updated from historical exchange rates unless they are carried at fair value.

#### 4.22 GOVERNMENT GRANTS

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognized as income in equal amounts over the expected useful life of the related asset.

#### 4.23 EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the profit attributable to owners of the Company by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account, the after income tax effect of interest and other financing costs associated with dilutive potential equity shares and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

#### 4.24 SEGMENTAL REPORTING

Operating segments are identified and reported in a manner consistent with the internal financial reporting provided to the chief operating decision makers, responsible for allocating resources and assessing performance of the operating segments.

#### 4.25 EVENTS AFTER REPORTING DATE:

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the Financial Statements. Non Adjusting events after the Balance Sheet date which are material in size or nature are disclosed separately in the Financial Statements



NOTES TO STANDALONE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021 (Contd.)

5. PROPERTY, PLANT AND EQUIPMENT (PPE)

Description of Assets	Gross Block			Accumulated Depreciation & Impairment			Net Carrying Value				
	As at 31 <sup>st</sup> March, 2020	Addition During the Year	Disposals/ Transfer of the Assets	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020	For the Year	Disposals of the Assets	Impairment of Assets	Total Depreciation	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>Owned Assets:</b>											
Freehold Land	8,673.29	563.03	622.74	8,613.58	-	-	-	-	-	8,613.58	8,673.29
Buildings	13,878.90	2,059.16	2.85	15,935.21	1,124.78	300.83	0.67	-	1,424.94	14,510.27	12,754.12
Ships	31,517.81	2,122.30	4,682.06	28,958.05	8,800.73	3,469.27	1,192.84	-	11,077.16	17,880.89	22,717.08
Motor Trucks	18,930.44	492.85	1,704.31	17,718.98	9,996.44	2,418.46	1,303.28	-	11,111.62	6,607.36	8,934.00
Vehicles	1,210.12	193.91	207.40	1,196.63	318.32	152.17	106.87	-	363.62	833.01	891.80
Plant and Equipment	8,077.46	648.05	11.54	8,713.97	2,384.03	579.51	1.48	-	2,962.06	5,751.91	5,693.43
Computers	1,025.46	32.82	152.49	905.79	728.80	157.92	144.82	-	741.90	163.89	296.66
Containers	12,235.62	2,918.61	169.83	14,984.40	2,112.20	871.28	149.00	-	2,834.48	12,149.92	10,123.42
Furniture & Fixtures	2,967.49	133.57	44.06	3,057.00	1,016.79	278.38	37.86	-	1,257.31	1,799.69	1,950.70
Office Equipments	698.87	55.66	2.19	752.34	592.61	100.21	1.28	-	691.54	60.80	106.26
Railway Wagons	-	2,530.00	-	2,530.00	-	91.79	-	-	91.79	2,438.21	-
<b>Assets on Operating Lease:</b>											
Plant & Equipments	2,581.46	-	-	2,581.46	1,900.17	58.30	-	262.60	2,221.07	360.39	681.29
<b>Grand Total</b>	<b>101,796.92</b>	<b>11,749.96</b>	<b>7,599.47</b>	<b>105,947.41</b>	<b>28,974.87</b>	<b>8,478.12</b>	<b>2,938.10</b>	<b>262.60</b>	<b>34,777.49</b>	<b>71,169.92</b>	<b>72,822.05</b>
<b>Previous Year</b>	<b>91,124.76</b>	<b>11,178.39</b>	<b>506.23</b>	<b>101,796.92</b>	<b>20,623.22</b>	<b>7,677.27</b>	<b>313.30</b>	<b>987.68</b>	<b>28,974.87</b>	<b>72,822.05</b>	<b>70,501.54</b>

(i) Refer Note 17 & 21 for information on property, plant and equipment pledged as security by the Company.

(ii) The borrowing costs capitalized during the Year Ended 31<sup>st</sup> March, 2021 was ₹ 106.20 Lakhs (31<sup>st</sup> March, 2020: Nil).

(iii) In Case of Ship, the Company has adopted useful life of ship from the date of built as per the technical assessment.

(iv) Impairment of Wind Power assets has been done on the basis of internal assessment as process described in Ind AS 36 (Refer Note 33 (a))

(v) Dry dock expense capitalized and included in Ships in the above schedule and is depreciated with a useful life of 2.5 years as per company policy.

Particulars

Particulars	Gross Block			Accumulated Depreciation			Net Carrying Value			
	As at 31 <sup>st</sup> March, 2020	Addition During the Year	Disposals/ Transfer of the Assets	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020	For the Year	Disposals of the Assets	Total Depreciation	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Dry Dock	5,916.65	2,122.30	442.41	7,596.54	4,377.88	1,138.43	397.62	5,118.69	2,477.85	1,538.77

5A. CAPITAL WORK IN PROGRESS

Particulars	As at 31 <sup>st</sup> March, 2021	
	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Capital Work in Progress	522.15	2,158.04

5B. RIGHT OF USE ASSETS (REFER NOTE 43(b))

Particulars	Gross Block			Accumulated Depreciation			Net Carrying Value			
	As at 31 <sup>st</sup> March, 2020	Addition During the Year	Disposals of the Assets	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020	For the Year	Disposals of the Assets	Total Depreciation	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Leasehold Building	373.28	1,934.59	-	2,307.87	47.45	276.39	-	323.84	1,984.03	325.83
Leasehold Land	2,043.54	2,417.07	-	4,460.61	28.22	39.37	-	67.59	4,393.02	2,015.32
<b>Total</b>	<b>2,416.82</b>	<b>4,351.66</b>	<b>-</b>	<b>6,768.48</b>	<b>75.67</b>	<b>315.76</b>	<b>-</b>	<b>391.43</b>	<b>6,377.05</b>	<b>2,341.15</b>

NOTES TO STANDALONE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021 (Contd.)

**6. OTHER INTANGIBLE ASSETS**

₹ in Lakhs

Particulars	Railway Operating License		Total
	Softwares		
<b>Gross block</b>			
<b>Balance As at 31<sup>st</sup> March, 2020</b>	<b>271.23</b>	-	<b>271.23</b>
Additions	-	300.00	300.00
Disposals/adjustments	179.97	-	179.97
<b>Balance As at 31<sup>st</sup> March, 2021</b>	<b>91.26</b>	<b>300.00</b>	<b>391.26</b>
<b>Accumulated amortization</b>			
<b>Balance As at 31<sup>st</sup> March, 2020</b>	<b>226.32</b>	-	<b>226.32</b>
Charged during the year	6.42	9.21	15.63
Disposals/adjustments for the year	161.55	-	161.55
<b>Balance As at 31<sup>st</sup> March, 2021</b>	<b>71.19</b>	<b>9.21</b>	<b>80.40</b>
<b>Net Carrying Value As at 31<sup>st</sup> March, 2021</b>	<b>20.07</b>	<b>290.79</b>	<b>310.86</b>
<b>Net Carrying Value As at 31<sup>st</sup> March, 2020</b>	<b>44.91</b>	-	<b>44.91</b>

**7. INVESTMENTS**

₹ in Lakhs

Particulars	Number of Shares		Amount	
	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>In Equity Instruments</b>				
<b>In Other Companies (Quoted) (At FVTOCI)</b>				
Fully Paid up Shares of ₹ 10/- Each of TCI Developers Limited	-	100,000	-	266.50
<b>Sub total (a)</b>	-	<b>100,000</b>	-	<b>266.50</b>
<b>In Other Companies (Unquoted) (At FVTOCI)</b>				
Fully Paid up Shares of ₹ 10/- Each of TCI Distribution Centers Limited	143,700	143,700	14.37	14.37
<b>Sub total (b)</b>	<b>143,700</b>	<b>143,700</b>	<b>14.37</b>	<b>14.37</b>
<b>In Jointly Controlled Entity (Joint Venture) (Unquoted) (At Cost)</b>				
Fully Paid up Shares of ₹ 10/- Each of Transystem Logistics International Private Limited	3,920,000	3,920,000	392.00	392.00
<b>Sub total (c)</b>	<b>3,920,000</b>	<b>3,920,000</b>	<b>392.00</b>	<b>392.00</b>
<b>In Subsidiaries (Unquoted) (At Cost)</b>				
Fully Paid up Shares of BDT 10/- Each of TCI Bangladesh Limited	389,499	3,89,499	34.09	34.09
Fully Paid up Shares of ₹ 100/- Each of TCI Cold Chain Solutions Limited (Formerly known SCS Logfocus Private Limited)	100,990	101,000	6,356.99	6,357.00
Fully Paid up Shares of NC 10/- Each of TCI Nepal Limited	500,000	500,000	31.25	31.25
Fully Paid up Shares of ₹ 10/- Each of TCI Venture Limited	8,655,092	8,405,092	865.51	840.51
Fully Paid up Shares of ₹ 10/- Each of TCI-CONCOR Multimodal Solutions Private Limited	3,570,000	3,570,000	357.00	357.00
Fully Paid up Shares of S\$ 1/- Each of TCI Holding SA & E Pte Ltd	465,577	465,577	-	-
Fully Paid up Shares of S\$ 1/- Each of TCI Holdings Asia Pacific Pte Ltd.	6,725,663	6,725,663	941.83	941.83
Less: Impairment Loss for Investment in TCI Holdings Asia Pacific Pte Ltd (Note 33(c))	-	-	(490.00)	(400.00)
<b>Sub total (d)</b>	<b>20,406,821</b>	<b>20,156,831</b>	<b>8,096.67</b>	<b>8,161.68</b>
<b>In Mutual Funds (Quoted) (At FVTPL)</b>				
JM Basic Fund	149,753	149,753	62.83	35.87
<b>Sub total (e)</b>	<b>149,753</b>	<b>149,753</b>	<b>62.83</b>	<b>35.87</b>
<b>In Debt Securities (Quoted) (At Amortised Cost)</b>				
National Highway Authority of India - Bonds of ₹ 1,000 Each	1,236	1,236	12.36	12.36
<b>Sub total (f)</b>	<b>1,236</b>	<b>1,236</b>	<b>12.36</b>	<b>12.36</b>
<b>Grand total (a+b+c+d+e+f)</b>	<b>24,621,510</b>	<b>24,471,520</b>	<b>8,578.23</b>	<b>8,882.78</b>

NOTES TO STANDALONE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021 (Contd.)

₹ in Lakhs

<b>Total Non-Current Investments</b>	<b>9,068.23</b>	<b>9,282.78</b>
Aggregate Amount of Quoted Investments and their Market Value	75.19	314.73
Aggregate Amount of Unquoted Investments	8,993.04	8,968.05
Aggregate Amount of Impairment in Value of Investments	(490.00)	(400.00)

**8. LOANS**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021		As at 31 <sup>st</sup> March, 2020	
	Non-Current	Current	Non-Current	Current
(Unsecured, Considered Good unless Otherwise Stated)				
Deposits with Others	340.30	581.66	600.82	478.34
Deposits with Related Parties	-	957.49	0.48	839.23
Loans with Related Parties	975.00	-	505.00	-
Security Deposits with Customers	168.54	621.18	-	796.72
Loans to Employees	-	93.37	-	105.45
<b>Total</b>	<b>1,483.84</b>	<b>2,253.70</b>	<b>1,106.30</b>	<b>2,219.74</b>
Provision for Doubtful Deposits	(61.56)	(108.19)	(175.14)	-
<b>Total (Net of Provision)</b>	<b>1,422.28</b>	<b>2,145.51</b>	<b>931.15</b>	<b>2,219.74</b>

**9. OTHER FINANCIAL ASSETS**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021		As at 31 <sup>st</sup> March, 2020	
	Non-Current	Current	Non-Current	Current
Income Accrued But not Received	-	222.96	-	92.69
Bank Deposits with Maturity of more than 12 Months	128.73	-	199.48	-
<b>Total</b>	<b>128.73</b>	<b>222.96</b>	<b>199.48</b>	<b>92.69</b>

**10. OTHER ASSETS**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021		As at 31 <sup>st</sup> March, 2020	
	Non-Current	Current	Non-Current	Current
Deferred Employee Stock Option Compensation	82.20	181.30	82.58	207.57
Capital Advances	3,544.25	-	3,899.38	-
Prepaid Expenses	33.48	202.19	73.31	444.75
GST Credit Receivable	-	2,585.39	-	1,753.53
Operational Advances	-	772.37	-	1,095.70
Contract Assets	-	9,157.49	-	7,684.07
Other Advances & Deposit	122.97	-	122.97	-
<b>Total</b>	<b>3,782.90</b>	<b>12,898.74</b>	<b>4,178.24</b>	<b>11,185.62</b>
Provision for Doubtful Advances	(122.97)	(15.41)	(122.97)	(15.41)
<b>Total (Net of Provision)</b>	<b>3,659.93</b>	<b>12,883.33</b>	<b>4,055.27</b>	<b>11,170.21</b>

**11. INVENTORIES**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>(Valued at Cost, unless Otherwise Stated)</b>		
Ship Fuels & Consumables	701.19	648.64
<b>Total</b>	<b>701.19</b>	<b>648.64</b>

NOTES TO STANDALONE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021 (Contd.)

**12. TRADE RECEIVABLES**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>(Unsecured, Considered Good unless Otherwise Stated)</b>		
Unsecured		
Considered Good	45,706.72	45,446.51
Considered Doubtful	1,136.69	1,053.12
<b>Total</b>	<b>46,843.41</b>	<b>46,499.63</b>
Provision for Expected Credit Losses in Receivables	(1,136.69)	(1,053.12)
<b>Total (Net of Provision)</b>	<b>45,706.72</b>	<b>45,446.51</b>

**13. CASH AND CASH EQUIVALENTS**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Cash in Hand	102.06	107.61
Balances with Banks		
Current Accounts	568.11	978.19
EEFC Accounts	1,861.47	-
Deposit Accounts	0.42	17.18
<b>Sub-Total</b>	<b>2,532.06</b>	<b>1,102.98</b>
<b>Other Bank Balances</b>		
Earmarked Bank Balances		
Other Bank Deposits	349.88	477.53
Unpaid Dividend Accounts	195.27	202.73
<b>Sub-Total</b>	<b>545.15</b>	<b>680.26</b>
<b>Total</b>	<b>3,077.21</b>	<b>1,783.24</b>

(I) The Bank Balances include the Margin Money amounting to ₹ 349.88 Lakhs (31<sup>st</sup> March, 2020 of ₹ 390.15 Lakhs) against the Bank Guarantee.

(II) There are no Repatriation Restrictions with Respect to Cash and Bank Balances available with the Company.

**14. CURRENT TAX ASSET (NET)**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Advance Income Tax (Net of Provision)	1,475.46	4,570.16
<b>Total</b>	<b>1,475.46</b>	<b>4,570.16</b>

**15. NON CURRENT ASSETS CLASSIFIED AS HELD FOR SALE**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Land Held for Sale	289.41	-
<b>Total</b>	<b>289.41</b>	<b>-</b>
Liabilities associated with assets held for sale	-	-

Notes

During the Year, cost of land situated at village Marambedu, near Chennai amounting to Rs 289.41 lakhs was classified as Non Current Asset held for sale. The fair value (net of cost of sale) are expected to be same as the net carrying amount of the land and, accordingly, no impairment loss has been recognized on the classification of land as held for sale.

NOTES TO STANDALONE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021 (Contd.)

**16. EQUITY SHARE CAPITAL**

₹ in Lakhs

Particulars	As at	
	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
<b>Authorised Capital</b>		
100,000,000 (Previous Year 100,000,000) Equity Shares of ₹ 2 Each	2,000.00	2,000.00
500,000 (Previous Year 500,000) Preference Shares of ₹ 100 Each	500.00	500.00
	<b>2,500.00</b>	<b>2,500.00</b>
<b>Issued, Subscribed and Paid-up Capital</b>		
77,099,750 (Previous Year 76,826,225) Equity Shares of ₹ 2 Each	1,541.99	1,536.52
<b>Total</b>	<b>1,541.99</b>	<b>1,536.52</b>

**a) Reconciliation of Equity Shares Outstanding at the Beginning and At the End of the Year.**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021		As at 31 <sup>st</sup> March, 2020	
	No. of Shares	In ₹	No. of Shares	In ₹
Equity Shares at the Beginning of the Year	76,826,225	1,536.52	76,661,975	1,533.24
Add: Allotted under Employee Stock Option Plan	273,525	5.47	164,250	3.28
<b>Equity Shares At the End of the Year</b>	<b>77,099,750</b>	<b>1,541.99</b>	<b>76,826,225</b>	<b>1,536.52</b>

**b) Rights/Preferences/Restrictions Attached to Equity Shares**

The Company has only one class of equity shares having a par value of ₹ 2 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except interim dividend.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

**c) Details of Shareholders Holding More Than 5% Shares in the Company**

Particulars	As at 31 <sup>st</sup> March, 2021		As at 31 <sup>st</sup> March, 2020	
	No. of Shares	% Holding	No. of Shares	% Holding
<b>Equity Shares of ₹ 2 Each Fully Paid up</b>				
Bhoruka Supply Chain Solutions Holdings Limited	34,291,588	44.48%	34,263,463	44.60%
Mr. D.P Agarwal	4,974,995	6.45%	4,974,995	6.48%
HDFC Trustee Co Ltd A/C HDFC Retirement Savings Fund-Hybrid-Debt Plan	5,674,030	7.36%	-	-

NOTES TO STANDALONE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021 (Contd.)

Particulars	Other Equity										Total
	Reserves and Surplus					Other Comprehensive Income					
	Retained Earnings	Securities Premium	General Reserve	Share Options Outstanding	Tonnage Tax Reserve	Tonnage Tax Reserve (Utilised)	Capital Reserve	Capital Redemption Reserve	FVTOCI Equity Instruments	Others	
<b>Balance As at 1<sup>st</sup> April, 2019</b>	<b>10,224.46</b>	<b>806.56</b>	<b>59,139.54</b>	<b>689.44</b>	<b>1,277.00</b>	<b>4,847.50</b>	<b>4,310.02</b>	<b>194.00</b>	<b>1,042.86</b>	<b>(367.41)</b>	<b>82,163.97</b>
Profit For the Year	12,641.17	-	-	-	-	-	-	-	-	-	12,641.17
Other Comprehensive Income (Net of tax)	-	-	-	-	-	-	-	-	(84.08)	(94.83)	(178.91)
Issue of Equity Shares/Grant of Equity Stock Options	-	464.39	-	228.13	-	-	-	-	-	-	692.52
Cancellation of Equity Stock Options	-	-	-	(11.46)	-	-	-	-	-	-	(11.46)
Transfer In/Out General Reserve	(7,000.00)	-	7,000.00	-	-	-	-	-	-	-	-
Transfer In/Out Tonnage Tax Reserve	(1,400.00)	-	-	-	1,400.00	-	-	-	-	-	-
Transfer In/Out Tonnage Tax Reserve (Utilized)	-	-	-	-	(1,277.00)	1,277.00	-	-	-	-	-
<b>Transactions With Owners in Their Capacity as Owners :</b>											
Dividends	(1,536.52)	-	-	-	-	-	-	-	-	-	(1,536.52)
Tax on Dividends	(309.43)	-	-	-	-	-	-	-	-	-	(309.43)
<b>Balance As at 31<sup>st</sup> March, 2020</b>	<b>12,619.68</b>	<b>1,270.95</b>	<b>66,139.54</b>	<b>906.11</b>	<b>1,400.00</b>	<b>6,124.50</b>	<b>4,310.02</b>	<b>194.00</b>	<b>958.78</b>	<b>(462.24)</b>	<b>93,461.34</b>
Profit For the Year	13,476.75	-	-	-	-	-	-	-	-	-	13,476.75
Other Comprehensive Income (Net of tax)	-	-	-	-	-	-	-	-	29.48	(98.30)	(68.82)
Issue of Equity Shares/Grant of Equity Stock Options	-	396.74	-	200.33	-	-	-	-	-	-	597.07
Transfer to Securities Premium	-	399.67	-	(399.67)	-	-	-	-	-	-	-
Transfer In/Out with OCI	988.26	-	-	-	-	-	-	-	(988.26)	-	-
Cancellation of Equity Stock Options	-	-	-	(48.19)	-	-	-	-	-	-	(48.19)
Transfer In/Out General Reserve	(7,000.00)	-	7,000.00	-	-	-	-	-	-	-	-
Transfer In/Out Tonnage Tax Reserve	(1,200.00)	-	-	-	1,200.00	-	-	-	-	-	-
Transfer In/Out Tonnage Tax Reserve (Utilized)	-	-	-	-	(1,400.00)	1,400.00	-	-	-	-	-
<b>Transactions With Owners in Their Capacity as Owners :</b>											
Dividends	(923.96)	-	-	-	-	-	-	-	-	-	(923.96)
Tax on Dividends	-	-	-	-	-	-	-	-	-	-	-
<b>Balance As at 31<sup>st</sup> March, 2021</b>	<b>17,960.73</b>	<b>2,067.36</b>	<b>73,139.54</b>	<b>658.58</b>	<b>1,200.00</b>	<b>7,524.50</b>	<b>4,310.02</b>	<b>194.00</b>	<b>-</b>	<b>(560.54)</b>	<b>1,06,494.19</b>

₹ in Lakhs

**16A. OTHER EQUITY**

NOTES TO STANDALONE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021 (Contd.)

**17. BORROWINGS**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>Secured</b>		
Term Loans from Banks	13,981.54	18,914.51
<b>Total</b>	<b>13,981.54</b>	<b>18,914.51</b>
Less: Amount Disclosed under other Financial Liabilities (Ref Note No 23)	3,890.85	4,745.84
<b>Total</b>	<b>10,090.69</b>	<b>14,168.67</b>

There is no default as on the balance sheet date in the repayment of borrowings and interest thereon.

No loans have been guaranteed by the directors and others.

**Repayment Terms and Security Disclosure For the Outstanding Borrowings:**

Particulars of Nature of Security	Terms of Repayment	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>Term Loans from Bank:</b>			
(1) Apartment No . 801, 8th Floor Block No. A-2, "World Spa East" Building, Sector 30 & 40, Revenue State Of Village- Silokhera, Tahsil And District – Gurgaon (Haryana)	Repayable in 24 Quarterly Instalments starting from November 2016. Last Instalment due in November 2022.	115.47	179.29
(2) Dag No. 53 Khatian No. 47,N.H. 06, Mauja Sadatpur J.L. No. 89 , Revenue Survey No.5650, Tauji No. 704, Pargana Dharinda, P.S. Kharagpur, Distt. Midnapur (West Bengal)			
Secured by first charge on the mortgage of M.V. TCI Express	Repayable in 28 Quarterly Instalments starting from June 2019. Last Instalment due in March 2026.	2,871.42	3,445.71
Secured by first charge on the mortgage of M.V. TCI Anand	Repayable in 28 Quarterly Instalments starting from December 2020. Last Instalment due in September 2027.	1,928.57	2,000.00
Secured by first charge on the mortgage of 350 Containers & 30 Containers	Repayable in 16 Quarterly Instalments starting from September 2015. Last Instalment due in April 2021.	17.72	85.72
Secured by first charge on the mortgage of 500 Containers	Repayable in 59 monthly Instalments starting from December 2016. Last Instalment due in October 2021.	67.79	179.72
	Repayable in 60 monthly Instalments starting from December 2017. Last Instalment due in November 2022.	212.02	325.92
Secured by first charge on the mortgage of 500 Containers	Repayable in 49 monthly Instalments starting from January 2018 Last Instalment due in January 2022.	191.02	400.44
Secured by first charge on the mortgage of 1500 Containers-MV. TCI Express	Repayable in 24 Quarterly Instalments starting from July 2019. Last Instalment due in April 2025.	2,192.63	2,557.64
Secured by First charge on the mortgage of Rail Rake	Repayable in 32 Quarterly Instalments starting from December 2020. Last Instalment due in September 2028.	843.75	900.00
Secured by first charge on the mortgage of 100 Tank Tainers	Repayable in 24 Quarterly Instalments starting from July 2019. Last Instalments due in April 2025.	356.00	532.00
Trucks and Cars acquired against individual loans	Repayable in monthly Instalments.	5,185.15	8,308.07
<b>Total</b>		<b>13,981.54</b>	<b>18,914.51</b>

Note:

The Company has incurred interest cost during the year in the range of 7.15% to 9.55% p.a on long term borrowings (31<sup>st</sup> March, 2020 - 8.10% to 9.55%).

NOTES TO STANDALONE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021 (Contd.)

**18. LEASE LIABILITY**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021		As at 31 <sup>st</sup> March, 2020	
	Non-Current	Current	Non-Current	Current
Lease Liability	1,176.54	903.73	308.23	38.61
<b>Total</b>	<b>1,176.54</b>	<b>903.73</b>	<b>308.23</b>	<b>38.61</b>

**19. DEFERRED TAX LIABILITY/(ASSET) (NET)**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Deferred Tax Liability/(Asset)	2,633.54	2,973.06
<b>Total</b>	<b>2,633.54</b>	<b>2,973.06</b>

**Movement in Deferred Tax Assets and Liabilities During the Year Ended 31<sup>st</sup> March 2021**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2020	Recognised in Statement of Profit and Loss	As at 31 <sup>st</sup> March, 2021
Depreciation	3,276.22	(318.99)	2,957.23
Others	(303.16)	(20.53)	(323.69)
<b>Total</b>	<b>2,973.06</b>	<b>(339.52)</b>	<b>2,633.54</b>

**20. GOVERNMENT GRANT**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021		As at 31 <sup>st</sup> March, 2020	
	Non-Current	Current	Non-Current	Current
Opening Balance	192.60	3.49	196.09	3.49
Transferred from Non Current to Current	(3.50)	3.50	(3.49)	3.49
Additions During the Year	-	-	-	-
Amount Recognised as Income	-	(3.50)	-	(3.49)
<b>Total</b>	<b>189.10</b>	<b>3.49</b>	<b>192.60</b>	<b>3.49</b>

**21. BORROWINGS**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
	<b>Secured</b>	
Working Capital Loans		
From Banks	2,680.44	1,813.26
<b>Unsecured</b>		
Commercial Paper		
From Banks	4,500.00	19,500.00
From Others	3,000.00	-
<b>Total</b>	<b>10,180.44</b>	<b>21,313.26</b>

**Borrowings from Banks are Secured, in Respect of Respective Facilities by Way of :**

Hypothecation of book debts as primary security along with land properties Situated at "Khasra No. 4-21 Min, 22 Min, 8-1, 2, 3 Min, 5 Min, 8 Min, 9-1 Min, 10-1, 12-2, 13-1, 9-5, 6-1-1, in the revenue estate of Village Jhundsarai Viran, Tehsil Farokh Nagar, Pataudi, Gurugram (Haryana)." as collateral.

The Company have incurred interest cost on weighted average of Effective interest rate during the year 6.87% on short term borrowings (31<sup>st</sup> March, 2020 - 7.30 %).



NOTES TO STANDALONE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021 (Contd.)

**22. TRADE PAYABLES**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021		As at 31 <sup>st</sup> March, 2020	
	Non-Current	Current	Non-Current	Current
Dues of Micro, Small and Medium Enterprises	-	127.92	-	140.67
Dues of creditors other than Micro, Small and Medium Enterprises	-	6,771.10	-	6,132.49
<b>Total</b>	-	<b>6,899.02</b>	-	<b>6,273.16</b>

**23. OTHER FINANCIAL LIABILITIES**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021		As at 31 <sup>st</sup> March, 2020	
	Non-Current	Current	Non-Current	Current
Current Maturities of Long-Term Borrowings (Ref Note No 17)	-	-	-	-
From Banks	-	3,890.85	-	4,745.84
Interest Accrued but not due on Borrowings	-	27.55	-	47.51
Unpaid /Unclaimed Dividends*	-	195.27	-	202.74
Payable on Purchase of Fixed Assets	-	80.79	-	55.04
Trade / Security Deposits	-	754.09	-	681.62
Other Payables**	-	3,030.91	-	2,679.89
Deferred Finance Cost	-	10.81	-	13.89
<b>Total</b>	-	<b>7,990.27</b>	-	<b>8,426.53</b>

\*₹ 14.95 Lakhs (31<sup>st</sup> March, 2020 : ₹ 9.55 Lakhs) has been transferred to investor education and protection fund during the year.

\*\*Includes liability for other expenses, other than in the nature of trade payables

**24. PROVISIONS**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021		As at 31 <sup>st</sup> March, 2020	
	Non-Current	Current	Non-Current	Current
Provision For Employee Benefits & Others	-	850.85	-	1012.91
<b>Total</b>	-	<b>850.85</b>	-	<b>1,012.91</b>

**25. OTHER LIABILITIES**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021		As at 31 <sup>st</sup> March, 2020	
	Non-Current	Current	Non-Current	Current
Due to Gratuity Fund	-	351.78	-	360.95
Statutory Remittances	-	1,957.42	-	1,829.73
Employee Benefits Payable	-	565.80	-	125.35
Accrued Expenses*	-	6,842.09	-	5,341.62
<b>Total</b>	-	<b>9,717.09</b>	-	<b>7,657.65</b>

\* Includes liability for associated costs against Revenue recognised as per POCM. (Refer note 4.19 of Accounting Policy on Revenue Recognition)

NOTES TO STANDALONE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021 (Contd.)

**26. REVENUE FROM OPERATIONS**

₹ in Lakhs

Particulars	For the Year Ended 31 <sup>st</sup> March, 2021	For the Year Ended 31 <sup>st</sup> March, 2020
Freight, Demurrage, Logistics and Other Allied Services	245,096.04	251,048.15
Other Operating Income (i)	105.93	287.73
<b>Total</b>	<b>245,201.97</b>	<b>251,335.88</b>

**27. OTHER INCOME**

₹ in Lakhs

Particulars	For the Year Ended 31 <sup>st</sup> March, 2021	For the Year Ended 31 <sup>st</sup> March, 2020
<b>Income From Investments</b>		
Dividend Income*	1,016.71	817.14
<b>Sub-total</b>	<b>1,016.71</b>	<b>817.14</b>
<b>Interest From</b>		
Financial Asset Carried at Amortised Cost	43.96	105.83
Others	603.87	101.52
<b>Sub-total</b>	<b>647.83</b>	<b>207.35</b>
<b>Other income</b>		
Rent (i)	260.16	260.16
Unclaimed Balances and Excess Provisions Written Back	24.20	345.18
Bad Debts and Irrecoverable Balances Written off Earlier, Realised	53.50	114.95
Fair Valuation of Mutual Funds	26.96	-
Profit on Sale of Investment	0.63	-
Profit on Sale of Assets	305.00	42.22
Gain on Exchange Difference	3.36	-
Government Grant	3.50	3.50
Miscellaneous Income**	1,174.30	1,038.89
<b>Sub-total</b>	<b>1,851.61</b>	<b>1,804.90</b>
<b>Total</b>	<b>3,516.15</b>	<b>2,829.39</b>

\*The Company did not receive any dividend from equity instruments designated as FVTOCI.

\*\* Includes Revenue from Business Support Services.

**Note:**

(i) Break-up of Sale of Power		
Sale of Power	105.93	287.73
Rental Income due to Embedded Leases (included in Rent)	260.16	260.16
<b>Gross Sale of Power</b>	<b>366.09</b>	<b>547.89</b>

NOTES TO STANDALONE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021 (Contd.)

**28. COST OF RENDERING OF SERVICES**

₹ in Lakhs

Particulars	For the Period Ended 31 <sup>st</sup> March, 2021	For the Year Ended 31 <sup>st</sup> March, 2020
Freight	144,497.72	147,013.19
Vehicles' Trip Expenses	13,906.52	16,683.58
Tyres & Tubes etc.	298.33	515.09
Warehouse Rent	3,296.00	3,163.82
Warehouse Expenses	8,750.96	10,681.52
Other Transportation Expenses (Net of Claims)	1,872.88	2,153.15
Commission	12.18	11.72
Vehicles' Taxes	418.13	464.52
Vehicles' and Ship Insurance	659.86	700.26
Power, Fuel and Water Charges	8,123.95	8,917.72
Stores & Spare Parts Consumed	1,394.80	939.95
Port and Survey Expenses	2,212.96	2,379.52
Stevedoring and Cargo Expenses	8,944.89	6,819.39
Wages, Bonus and Other Expenses - Floating Staff	2,145.70	1,981.31
Contribution to Provident & Other Funds -Floating Staff	50.03	38.07
Clearing and Forwarding Expenses	798.82	238.18
<b>Total</b>	<b>197,383.73</b>	<b>202,700.99</b>

**29. EMPLOYEE BENEFITS EXPENSE**

₹ in Lakhs

Particulars	For the Period Ended 31 <sup>st</sup> March 2021	For the Year Ended 31 <sup>st</sup> March 2020
Salaries, Wages and Bonus	12,027.13	13,019.77
Contribution to Gratuity, Provident Fund and Other Funds	1,076.91	1,083.18
Contribution to Employees' State Insurance	180.30	176.92
Share Based Payments to Employees	165.71	398.62
Staff Welfare & Development Expenses	564.97	558.89
<b>Total</b>	<b>14,015.02</b>	<b>15,237.39</b>

**30. FINANCE COSTS**

₹ in Lakhs

Particulars	For the Period Ended 31 <sup>st</sup> March, 2021	For the Year Ended 31 <sup>st</sup> March, 2020
Interest	2,208.07	3,087.24
Interest on Lease Liability (Refer Note 43 Leases)	127.85	23.14
Guarantee, Finance and Bank Charges	139.45	124.81
<b>Total</b>	<b>2,475.37</b>	<b>3,235.19</b>

**31. DEPRECIATION AND AMORTISATION**

₹ in Lakhs

Particulars	For the Period Ended 31 <sup>st</sup> March, 2021	For the Year Ended 31 <sup>st</sup> March, 2020
<b>Depreciation on</b>		
Property, Plant and Equipment	8,478.12	7,677.27
Right of Use Assets (Refer Note 43 Leases)	315.76	75.67
<b>Amortisation on</b>		
Intangible Assets	15.63	12.29
<b>Total</b>	<b>8,809.51</b>	<b>7,765.23</b>

NOTES TO STANDALONE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021 (Contd.)

**32. OTHER EXPENSES**

₹ in Lakhs

Particulars	For the Period Ended 31 <sup>st</sup> March, 2021	For the Year Ended 31 <sup>st</sup> March, 2020
<b>(A) Administrative Expenses</b>		
Rent (i)	1,359.28	1,557.57
Rates and Taxes	114.44	129.46
Insurance	465.15	293.02
Telephone Expenses	79.95	82.38
Printing and Stationery	291.93	343.58
Travelling Expenses	709.12	1,183.03
Legal Expenses	72.43	79.20
Postage and Courier	67.30	128.06
Electricity Expenses	744.64	810.87
Advertisement Expenses	23.21	112.27
Office Maintenance & Security Expenses	697.55	666.76
E mail/Internet/Telex Expenses	109.97	132.36
Consultancy & Internal Audit Fees	189.17	200.06
Conference & Seminar Expenses	10.21	142.91
Commission & Fees to Directors	80.70	64.45
Remuneration to Auditors		
Audit Fees	20.71	17.75
Tax Audit Fees	6.00	5.46
Bad Debts and Irrecoverable Balances Written Off (ii)	667.59	515.14
Charity & Donations (Including CSR Expenses)	364.18	363.97
Assets Derecognized	25.14	-
Loss on Sale of Assets	180.34	90.76
Loss on Fair Valuation of Mutual Funds	-	12.76
Miscellaneous Expenses	466.41	697.63
<b>Sub-total</b>	<b>6,745.42</b>	<b>7,629.45</b>

(i) Includes impact of Ind AS 116- Leases, refer note 4.14 for accounting policy on leases.

 (ii) Includes Provision of ₹ 83.57 Lakhs (31<sup>st</sup> March 2020: ₹ 1.59 Lakhs)

₹ in Lakhs

Particulars	For the Year Ended 31 <sup>st</sup> March, 2021	For the Year Ended 31 <sup>st</sup> March, 2020
<b>(B) Repairs and Maintenance Expenses</b>		
Motor Trucks	556.18	1,117.03
Other Vehicles	236.30	295.59
Ships	481.61	491.15
Plant & Equipment	359.80	345.96
Computers	160.69	83.62
Buildings	478.60	89.64
<b>Sub-total</b>	<b>2,273.18</b>	<b>2,422.99</b>
<b>Total</b>	<b>9,018.60</b>	<b>10,052.44</b>

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021 (Contd.)

### 33. EXCEPTIONAL ITEMS

- a) The Company has conducted an impairment test of Wind Power Plants located in Maharashtra and Rajasthan, which are treated as cash generating units, being components of Energy Division disclosed in the Note 41 Segment Reporting, in accordance with Ind AS 36 "Impairment of Assets". Based on the terms of Power Purchase Agreement entered with the power procurers and further operational indicators the management envisages that economic performance of the asset will be lower than the expectations and estimated the recoverable amount being ₹ 393.51 Lakhs, as 'the value in use', and accordingly recognised a further impairment loss of ₹ 262.60 Lakhs (31<sup>st</sup> March, 2020 : ₹ 987.68 Lakhs), being the excess of carrying amount of the asset over its recoverable amount. The impairment loss of ₹ 262.60 Lakhs has been treated as an exceptional item in the Statement of Profit and Loss.
- b) The Company has disposed off one of its ship "TCI-Vijay" during the year, which has resulted in a loss on sale of ₹1,043 lakhs. This loss on disposal has been treated as an exceptional item in the Statement of Profit and Loss.
- c) The Company has made investments in TCI Holding Asia Pacific Pte. Ltd ("the entity"), wholly owned subsidiary, amounting to ₹ 941.83 Lakhs. During the current year, owing to certain indicators for diminution in value of investment, the management of the Company has assessed a further diminution of ₹ 90 lakhs (as at 31<sup>st</sup> March, 2020 : ₹ 400 lakhs) in the recoverable amount of investments held in the entity. The management of the Company envisages that the aggregate amount of impairment recognised in the books is adequate and no further adjustment is required. The Company has treated the impairment loss recognised during the year as an exceptional item in the Statement of Profit and Loss.

### 34. TAX EXPENSE

#### 1. Provision for tax recognised in profit and loss

₹ in Lakhs

Particulars	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
Current Tax	2,423.56	2,475.60
Deferred Tax	(280.12)	(930.42)
<b>Total</b>	<b>2,143.44</b>	<b>1,545.18</b>

The Major Components of Income Tax Expense and the Reconciliation of Expense Based on the Domestic Effective Tax Rate of at 25.17% and the Reported Tax Expense in Profit or Loss are as follows:

₹ in Lakhs

Particulars	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
Country's Statutory Income Tax Rates*	25.17%	25.17%
<b>Accounting Profit Before Income Tax</b>	<b>15,620.19</b>	<b>14,186.35</b>
Profit subject to Tonnage Tax Regime/Presumptive Taxation**	(5,667.45)	(6,659.30)
Others	(1,436.90)	(1,388.08)
<b>Taxable Income</b>	<b>8,515.84</b>	<b>6,138.97</b>
Tax Expense Provided in Statement of Profit and Loss	2,143.44	1,545.18
	<b>2,143.44</b>	<b>1,545.18</b>
Effective Tax Rate	<b>13.72%</b>	<b>10.89%</b>

\* On 20th September, 2019, vide the Taxation Laws (Amendment) Ordinance, 2019 ('the Ordinance'), the Government of India inserted Section 115BAA in the Income Tax Act, 1961 which provides domestic companies a non-reversible option to pay corporate tax at reduced rates effective 1<sup>st</sup> April, 2019, subject to certain conditions. The Company has decided to opt for the reduced corporate tax rates effective from 1<sup>st</sup> April, 2019. Accordingly, the Company has recognised Provision for Income Tax and has re-measured its deferred taxes as per the provisions of the Ordinance.

\*\* The income of Seaways Division is assessed as per Chapter XII-G "Tonnage Tax" of Income Tax Act, 1961 except for the income not qualifying to be assessed under Tonnage Taxation Regime and hence, assessed as per normal provisions of Income Tax Act, 1961.

#### 2. Income Tax Recognised in Other Comprehensive income

₹ in Lakhs

Particulars	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
<b>Deferred Tax/Current Tax</b>		
Arising on Income and expenses recognised in other comprehensive income		
-Net fair value gain on investments in equity shares at FVTOCI	-	-
-Gain/(Loss) on sale of Investment classified at FVTOCI	(57.38)	-
-Remeasurements of defined benefit obligation.	(2.02)	(31.90)
<b>Total income-tax expense recognised in Other Comprehensive Income</b>	<b>(59.40)</b>	<b>(31.90)</b>

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021 (Contd.)

### 35. EARNINGS PER EQUITY SHARE

The Company's Earnings Per Share ('EPS') is determined based on the net profit attributable to the shareholders of the Company. Basic earnings per share is computed using the weighted average number of shares outstanding during the year. Diluted earnings per share is computed using the weighted average number of common and dilutive common equivalent shares outstanding during the year including share options, except where the result would be anti-dilutive.

Particulars	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
Net Profit Attributable to Equity Shareholders for calculation of Basic Earnings Per Share. (A) (₹ in Lakhs)	13,476.75	12,641.17
Effects of Dilution:		
Add: potential instrument that effect earning per share	-	-
Net Profit Attributable to Equity Shareholders for calculation of Diluted Earnings Per Share. (B) (₹ in Lakhs)	13,476.75	12,641.17
Weighted-Average Number of Equity Shares for Computing Basic Earnings Per Share. (C)	76,940,721	76,781,348
Effects of Dilution:		
Stock Option under Scheme of Employee's Stock Option	194,388	360
Weighted-Average Number of Equity Shares Adjusted for the Effect of Dilution for Computing Diluted Earnings Per Share. (D)	77,135,109	76,781,708
<b>Basic Earnings Per Share. (A/C)</b>	<b>17.52</b>	<b>16.46</b>
<b>Diluted Earnings Per Share. (B/D)*</b>	<b>17.47</b>	<b>16.46</b>

\*Diluted Earnings Per Share when anti dilutive is restricted to Basic Earnings Per Share.

### 36. FINANCIAL INSTRUMENTS

#### i) Fair Values Hierarchy

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three Levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

**Level 1:** Quoted prices (unadjusted) in active markets for financial instruments.

**Level 2:** The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data rely as little as possible on entity specific estimates.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

#### ii) Financial Assets and Liabilities Measured at Fair Value - Recurring Fair Value Measurements at:

₹ in Lakhs

As at 31 <sup>st</sup> March, 2021	Notes	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>					
<b>Investments at FVTPL</b>					
Mutual Fund Investments	7	62.83	-	-	62.83
<b>Investments at FVTOCI</b>					
Equity Investments	7	-	-	14.37	14.37
<b>Total Financial Assets</b>		<b>62.83</b>	<b>-</b>	<b>14.37</b>	<b>77.20</b>
<b>Financial Liabilities</b>					
<b>Total Financial Liabilities</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

₹ in Lakhs

As at 31 <sup>st</sup> March, 2020	Notes	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>					
<b>Investments at FVTPL</b>					
Mutual Fund Investments	7	35.87	-	-	42.87
<b>Investments at FVTOCI</b>					
Equity Investments	7	266.50	-	14.37	287.87
<b>Total Financial Assets</b>		<b>302.37</b>	<b>-</b>	<b>14.37</b>	<b>330.74</b>
<b>Financial Liabilities</b>					
<b>Total Financial Liabilities</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

NOTES TO STANDALONE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021 (Contd.)

(iii) Assets and Liabilities which are Measured at Amortised Cost for which Fair Values are Disclosed:

₹ in Lakhs

As at 31 <sup>st</sup> March, 2021	Notes	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>					
Investments in Preference Shares and Debt Securities	7	-	-	12.36	12.36
Deposits with Others	8	-	-	722.06	722.06
Deposits with Related Parties	8	-	-	1,932.49	1,932.49
Security Deposits with Customers	8	-	-	819.87	819.87
Loans to Employees	8	-	-	93.37	93.37
Others	9	-	-	351.69	351.69
Trade Receivables	12	-	-	45,706.72	45,706.72
Cash and Cash Equivalents	13	-	-	2,532.06	2,532.06
Other Bank Balances	13	-	-	545.15	545.15
<b>Total Financial Assets</b>		-	-	<b>52,715.77</b>	<b>52,715.77</b>
<b>Financial Liabilities</b>					
Borrowings (Including Current Maturities)	17, 21 & 23	-	-	24,161.98	24,161.98
Trade Payables	22	-	-	6,899.02	6,899.02
Lease Liability	18	-	-	2,080.27	2,080.27
Others	23	-	-	4,099.42	4,099.42
<b>Total Financial Liabilities</b>		-	-	<b>37,240.69</b>	<b>37,240.69</b>

Assets and Liabilities which are Measured at Amortised Cost for which Fair Values are Disclosed:

₹ in Lakhs

As at 31 <sup>st</sup> March, 2020	Notes	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>					
Investments in Preference Shares and Debt Securities	7	-	-	278.86	278.86
Deposits with Others	8	-	-	904.02	904.02
Deposits with Related Parties	8	-	-	1,344.71	1,344.71
Security Deposits with Customers	8	-	-	796.72	796.72
Loans to Employees	8	-	-	105.45	105.45
Others	9	-	-	292.17	292.17
Trade Receivables	12	-	-	45,446.51	45,446.51
Cash and Cash Equivalents	13	-	-	1,102.98	1,102.98
Other Bank Balances	13	-	-	680.26	680.26
<b>Total Financial Assets</b>		-	-	<b>50,951.68</b>	<b>50,951.68</b>
<b>Financial Liabilities</b>					
Borrowings (Including Current Maturities)	17, 21 & 23	-	-	40,227.77	40,227.77
Trade Payables	22	-	-	6,273.16	6,273.16
Lease Liability	18	-	-	346.84	346.84
Others	23	-	-	3,680.69	3,680.69
<b>Total Financial Liabilities</b>		-	-	<b>50,528.46</b>	<b>50,528.46</b>

(iv) Valuation Process and Technique Used to Determine Fair Value

Specific valuation techniques used to value financial instruments include:

- (a) The use of quoted market prices or dealer quotes for similar instruments
- (b) The fair value of the remaining financial instruments is determined based on the following methods:
  - (i) Net assets value method
  - (ii) Valuation of investment in unquoted equity shares has been made using the Discounted cash-flow method and Net assets value method, as deemed fit by the Company's management.

Risk adjustments specific to the counterparties (including assumptions about credit default rates) are derived from credit risk grading determined by the Company's internal credit risk management group.

**NOTES TO STANDALONE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021 (Contd.)**

- (v) The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements. See above (iv)b(ii) for the valuation techniques adopted.

₹ in Lakhs

Particulars	Fair Value as at		Significant Unobservable Inputs	Probability-Weighted Range		Sensitivity
	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020		31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020	
Unquoted Equity Shares	14.37	14.37	Earnings Growth Rate	5%	5%	An increase/(decrease) in earnings growth rate of 500 basis points would increase/(decrease) fair value: 31 <sup>st</sup> March 2021 : 0.72 lakh/(0.72 lakh) 31 <sup>st</sup> March 2020 : 0.72 lakh/(0.72 lakh)

- (vi) **The Following Table Presents the Changes in Level 3 Items for the Periods Ended 31 March 2021:**

₹ in Lakhs

Particulars	Unlisted Equity Securities	Mutual Funds	Unlisted Debentures
<b>As at 31<sup>st</sup> March, 2020</b>	<b>14.37</b>	-	-
Acquisitions	-	-	-
Gain Recognised in Statement of Profit and Loss	-	-	-
Disposal	-	-	-
Gain Recognised in Other Comprehensive Income	-	-	-
<b>As at 31<sup>st</sup> March, 2021</b>	<b>14.37</b>	-	-

**37. FINANCIAL RISK MANAGEMENT**
**i) Financial Instruments by Category**

For Amortised Cost Instruments, Carrying value Represents the Best Estimate of Fair Value.

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021			As at 31 <sup>st</sup> March, 2020		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
<b>Financial Assets</b>						
Investments	62.83	14.37	12.36	35.87	280.87	12.36
Trade Receivables	-	-	45,706.72	-	-	45,446.51
Loans & Advances	-	-	3,567.79	-	-	3,150.89
Cash and Cash Equivalents (including Other Bank Balances)	-	-	3,077.21	-	-	1,783.24
Other Financial Assets	-	-	351.69	-	-	292.17
<b>Total</b>	<b>62.83</b>	<b>14.37</b>	<b>52,715.77</b>	<b>35.87</b>	<b>280.87</b>	<b>50,685.17</b>
<b>Financial Liabilities</b>						
Borrowings	-	-	24,161.98	-	-	40,227.77
Trade Payables	-	-	6,899.02	-	-	6,273.16
Lease Liabilities	-	-	2,080.27	-	-	346.84
Other Financial Liabilities	-	-	4,099.42	-	-	3,680.69
<b>Total</b>	-	-	<b>37,240.69</b>	-	-	<b>50,528.46</b>



## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021 (Contd.)

### ii) Risk Management

The Company's activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Risk	Exposure Arising from	Measurement	Management
Credit Risk	Cash And Cash Equivalents, Trade Receivables, Derivative Financial Instruments, Financial Assets Measured at Amortised Cost	Ageing Analysis	Bank Deposits, Diversification of Asset Base, Credit Limits and Collateral.
Liquidity Risk	Borrowings and Other Liabilities	Rolling Cash Flow Forecasts	Availability of Committed Credit Lines and Borrowing Facilities
Market Risk - Foreign Exchange	Recognised Financial Assets and Liabilities Not Denominated In Inr	Cash Flow Forecasting	Forward Contract/Hedging
Market Risk - Security Price	Investments in Equity Securities	Sensitivity Analysis	Portfolio Diversification

The Company's risk management is carried out by a central treasury department (of the Company) under policies approved by the board of directors. The board of directors provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity.

### A) Credit Risk

Credit risk arises from cash and cash equivalents, trade receivables, investments carried at amortised cost and deposits with banks and financial institutions.

#### a) Credit Risk Management

The finance function of the Company assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

A: No Risk

B: Low Risk

C: Medium Risk

D: High Risk

Assets Under Credit Risk –

(₹ in Lakhs)

Credit rating	Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
No Risk	Investments	8,578.23	8,882.78
Low Risk	Trade Receivables	45,706.72	45,446.51
No Risk	Loans & Advances	3,567.79	3,150.89
No Risk	Cash and Cash Equivalents (including Other Bank Balances)	3,077.21	1,783.24
No Risk	Other Financial Assets	351.69	292.17
	<b>Total</b>	<b>61,281.64</b>	<b>59,555.59</b>

The risk parameters are same for all financial assets for all period presented. The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an on-going basis throughout each reporting period. In general, it is presumed that credit risk has significantly increased since initial recognition if the payments are more than 180 days past due. A default on a financial asset is when the counterparty fails to make contractual payments when they fall due. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

**NOTES TO STANDALONE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021 (Contd.)**
**b) Credit Risk Exposure**
**Provision for Expected Credit Losses**
**The Company Provides for Expected Credit Loss Based on Lifetime Expected Credit Loss  
 Mechanism for Trade Receivables–**

₹ in Lakhs

Particular	Years	Estimated Gross Carrying Amount at Default	Expected Probability of Default	Expected Credit Losses	Carrying Amount Net of Impairment Provision
Trade receivables	31 <sup>st</sup> March, 2021	46,843.41	2.43%	1,136.69	45,706.72
	31 <sup>st</sup> March, 2020	46,499.63	2.26%	1,053.12	45,446.51

**B) Liquidity Risk**

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Company maintains flexibility in funding by maintaining availability under committed facilities.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates. In addition, the Company's liquidity management policy involves considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to the same as and when fall due.

**Maturities of Financial Liabilities**

The table below provides the details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.. (Balances due within 12 months are equal their carrying balances as the impact of discounting is not significant)

₹ in Lakhs

As at 31 <sup>st</sup> March 2021	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
<b>Financial Liabilities</b>					
Borrowings	14,071.29	3,566.50	2,517.13	4,007.06	24,161.98
Trade Payable	6,899.02	-	-	-	6,899.02
Lease Liabilities	903.73	627.04	193.88	355.62	2,080.27
Other Financial Liabilities	4,099.42	-	-	-	4,099.42
<b>Total</b>	<b>25,973.46</b>	<b>4,193.54</b>	<b>2,711.01</b>	<b>4,362.68</b>	<b>37,240.69</b>

₹ in Lakhs

As at 31 <sup>st</sup> March 2020	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
<b>Financial Liabilities</b>					
Borrowings	26,059.10	4,028.57	3,696.18	6,443.92	40,227.77
Trade Payable	6,273.16	-	-	-	6,273.16
Lease Liabilities	38.61	42.08	45.87	220.27	346.84
Other Financial Liabilities	3,680.69	-	-	-	3,680.69
<b>Total</b>	<b>36,051.56</b>	<b>4,070.65</b>	<b>3,742.05</b>	<b>6,664.19</b>	<b>50,528.46</b>

**C) Price Risk Exposure**

The Company's exposure price risk arises from investments held and classified in the balance sheet either as fair value through other comprehensive income or at fair value through profit or loss. To manage the price risk arising from investments in equity securities, the Company diversifies its portfolio of assets.

**Sensitivity**

Below is the sensitivity of profit or loss and equity changes in fair value of investments in equity. The analysis is based on the assumption that price has increased/decreased by 5% with all other variables held constant, and that all the companies equities instruments moved in line with the price.

NOTES TO STANDALONE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021 (Contd.)

₹ in Lakhs

Particulars	31 March 2021	31 March 2020
<b>Price Sensitivity (Investment at FVTOCI &amp; FVTPL)*</b>		
Price Increase by (5%)	3.86	15.84
Price Decrease by (5%)	(3.86)	(15.84)

\* Holding all other variables constant

### 38. CAPITAL MANAGEMENT

The Company's capital management objectives are

- to ensure the Company's ability to continue as a going concern
- to provide an adequate return to shareholders

The Company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet.

Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Company's various classes of debt. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Net debts (Net of Cash and Cash Equivalent) (A)	21,112.32	38,492.04
Total equity (B)	108,036.18	94,997.86
<b>Net Debt to Equity Ratio (Times) (C)=(A)/(B)</b>	<b>0.20</b>	<b>0.41</b>

#### (i) Loan Covenants

Under the terms of the major borrowing facilities, the Company is required to comply with the following financial covenants:

	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
- DSCR not to fall below 1.50 Times [Profit before tax, finance cost, depreciation and exceptional items divided by (Interest expense together with Current maturity of Long term Borrowings)]	4.45	3.28
- Term Debt (TD) to Net Cash Accruals (NCA) not to exceed 1.25 Times (NCA = (PAT+Depreciation-Dividend))	0.65	1.00

The Company has complied with these covenants throughout the reporting period.

#### (ii) Dividends on Equity Shares

(₹ in Lakhs)

Particulars	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
Interim Dividend for the Year Ended (In CY 2020-21 ₹ 1.20 Per Share and PY 2019-20 ₹ 2.00 Per Share)	923.96	1,536.52
Recommended Final Dividend per Share for the FY 2020-21 (₹ 1.65 Per Share)	1,272.15	-

### 39. NET DEBT RECONCILIATION

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Cash and Cash Equivalents (including Other Bank Balances)	3,077.21	1,783.24
Non- Current Borrowings (Including Current Maturities)	(13,981.54)	(18,914.51)
Current Borrowings	(10,180.44)	(21,313.26)
Interest Payable	(27.55)	(47.51)
<b>Net Debt</b>	<b>(21,112.32)</b>	<b>(38,492.04)</b>

NOTES TO STANDALONE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021 (Contd.)

₹ in Lakhs

Particulars	Cash and Cash Equivalents and Bank Overdrafts	Non Current Borrowings (Inc Current Maturities)	Current Borrowings	Interest Payable	Total
<b>Net Debt As at 31<sup>st</sup> March, 2020</b>	<b>1,783.24</b>	<b>(18,914.51)</b>	<b>(21,313.26)</b>	<b>(47.51)</b>	<b>(38,492.04)</b>
Cash Flows	1,293.97	4,932.97	11,132.82	-	17,359.76
Finance Costs	-	-	-	(2,475.37)	(2,475.37)
Interest Paid	-	-	-	2,495.33	2,495.33
<b>Net Debt As at 31<sup>st</sup> March, 2021</b>	<b>3,077.21</b>	<b>(13,981.54)</b>	<b>(10,180.44)</b>	<b>(27.55)</b>	<b>(21,112.32)</b>

**40. RELATED PARTY INFORMATION**
**(a) Name of Key Managerial Personnel and Relatives**

Name of Key Managerial Personnel	Designation	Close Family Member
Mr. D.P Agarwal	Chairman and Managing Director	
Mr. Vineet Agarwal	Managing Director	Mrs. Priyanka Agarwal
Mr. S. N. Agarwal	Non-Executive Director	
Mrs. Urmila Agarwal	Non-Executive Director	
Mr. Chander Agarwal	Non-Executive Director	
Mr. Ashish Bharat Ram	Non-Executive Independent Director	
Mr. Vijay Sankar	Non-Executive Independent Director	
Mr. S Madhavan	Non-Executive Independent Director	
Mr. K S Mehta <sup>#</sup>	Non-Executive Independent Director	
Mr. S M Datta <sup>##</sup>	Non-Executive Independent Director	
Mr. O Swaminatha Reddy <sup>##</sup>	Non-Executive Independent Director	
Ms. Gita Nayyar	Non-Executive Independent Director	
Mr. Ravi Uppal	Non-Executive Independent Director	
Mr. Ashish Tiwari	Group CFO	
Ms. Archana Pandey	Company Secretary	
Mr. Jasjit Singh Sethi	CEO-TCI Supply Chain Division	
Mr Ram Ujagar Singh	CEO-TCI Seaways Division	
Mr. Ishwar Singh Sigar	CEO-TCI Freight Division	

<sup>#</sup>Retired w.e.f. conclusion of Annual General Meeting held on 29<sup>th</sup> July 2019

<sup>##</sup>Resigned w.e.f. closing business hours of 31<sup>st</sup> March 2020

**(b) Subsidiary/ Step Down Subsidiary Companies:**

TCI Holdings Netherlands B.V., Netherlands	TCI Bangladesh Limited	TCI Global Pte Ltd., Singapore
TCI Holdings Asia Pacific Pte. Ltd., Singapore	TCI Nepal Private Limited	TCI Cold Chain Solutions Limited
TCI-CONCOR Multimodal Solutions Private Limited	TCI Ventures Limited	TCI Holding SA & E Pte. Ltd., Singapore
TCI Global Brazil Logistica Ltda, Brazil	Stratsol Logistics Private Limited	

**(c) Jointly Controlled Entity (Joint Venture) / Associate Entity**

Transystem Logistics International Private Limited
Cargo Exchange India Private Limited

NOTES TO STANDALONE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021 (Contd.)

**(d) Other Related Companies/Firms/Trust**

Bhoruka Supply Chain Solutions Holdings Limited	TCI Exim Private Limited	TCI Warehousing (MH) – Partnership Firm
Bhoruka Finance Corporation of India Limited	TCI India Limited	TCI Properties (South) – Partnership Firm
TCI Industries Limited	TCI Foundation (Trust)	TCI Properties (NCR) – Partnership Firm
Bhoruka International Private Limited	TCI Institute of Logistics	TCI Properties (Guj) – Partnership Firm
TCI Developers Limited	TCI Express Limited	TCI Properties (Delhi) – Partnership Firm
TCI Properties (West) Limited	TCI Infrastructure Limited	SRF Limited
XPS Cargo Services Limited	Gloxinia Farms Private Limited	Ring Plus Aqua Limited
TCI Distribution Centres Limited	Surin Automotive Private Limited	TCI Trading (Firm)
Log Labs Ventures Private Limited	Bhoruka Express Consolidated Limited	JK Files (India) Limited
TDL Real Estate Holdings Limited	Steel Infra Solutions Private Limited	
Bhoruka Power Corporation of India Limited	TCI Apex Pal Hospitality India Private Limited	

**(e) Key Managerial Personnel Compensation**

₹ in Lakhs

Description	For the Year Ended 31 <sup>st</sup> March, 2021	For the Year Ended 31 <sup>st</sup> March, 2020
Short Term Employee Benefits	2,016.91	1,935.57
Post-Employment Benefits	149.14	42.84
Employee Stock Option benefits	68.97	97.91
<b>Total Compensation</b>	<b>2,235.02</b>	<b>2,076.32</b>

**(f) Transactions During the Year with Related Parties**

₹ in Lakhs

Description	Nature of Relation	For the Year Ended 31 <sup>st</sup> March, 2021	For the Year Ended 31 <sup>st</sup> March, 2020
<b>Income</b>			
<b>Freight Income</b>	Joint Ventures	3,575.92	5,469.25
	Subsidiaries	450.38	414.85
	Other Related Party	576.47	737.08
<b>Logistic Services</b>	Joint Venture	174.59	201.24
	Subsidiary	-	263.44
<b>Miscellaneous Income</b>	Joint Venture	560.82	597.92
	Subsidiary	459.64	48.90
	Other Related Party	365.92	417.33
<b>Dividend Income</b>	Joint Venture	980.00	784.00
	Subsidiary	35.70	32.13
<b>Rent Received</b>	Subsidiary	74.96	37.39
	Other Related Party	295.73	273.89
<b>Expenditure</b>			
<b>Freight Expenses</b>	Joint Venture	276.46	163.39
	Subsidiary	559.12	545.88
	Other Related Party	137.08	234.15
<b>Fuel Purchase</b>	Other Related Party	894.95	938.63

NOTES TO STANDALONE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021 (Contd.)

₹ in Lakhs

Description	Nature of Relation	For the Year Ended 31 <sup>st</sup> March, 2021	For the Year Ended 31 <sup>st</sup> March, 2020
<b>Charity and Donation (Including CSR Expenditure)</b>	Other Related Party	300.00	340.00
<b>Business Support Services</b>	Associates	23.26	15.13
	Subsidiary	40.76	-
	Other Related Party	45.34	-
<b>Vehicle Maintenance</b>	Joint Venture	19.18	103.53
<b>Rent paid</b>	Joint Venture	22.31	19.93
	Subsidiary	-	0.89
	Other Related Party	996.66	923.56
	KMP & Relative of KMP	-	2.78
<b>Directors &amp; KMP Remuneration &amp; Commission</b>	Directors Non-Executive	80.70	64.45
	Directors Executive & Other KMP	2,235.02	2,076.32
<b>Finance and Investments</b>			
<b>Investments Made</b>	Subsidiary	25.00	-
<b>Investments Redeemed</b>	Directors Executive	0.01	-
	Other Related Party	-	402.00
<b>Loans To Subsidiaries</b>	Subsidiary	470.00	505.00
<b>Property Management Services</b>	Other Related Party	47.28	8.55
<b>Advances/Deposits Given</b>	Other Related Party	118.49	-

## (g) Balances at the End of the Year

₹ in Lakhs

Description	Nature of Relation	For the Year Ended 31 <sup>st</sup> March, 2021	For the Year Ended 31 <sup>st</sup> March, 2020
<b>Advances /Deposit Given</b>	Other Related Party	957.49	842.97
<b>Trade Receivables &amp; Others</b>	Joint Venture	941.20	758.92
	Subsidiary	433.49	217.23
	Other Related Party	172.61	322.79
<b>Guarantees/SBLC Given</b>	Subsidiary	137.09	137.09
	Joint Venture	75.00	44.49
<b>Trade Payables &amp; Others</b>	Subsidiary	145.84	196.24
	Other Related Party	15.00	166.50
	Directors & Key Managerial Personnel	664.00	349.40
<b>Loan to Subsidiary</b>	Subsidiary	975.00	505.00

**41. SEGMENT INFORMATION**
**Operating Segments:**

- |                     |                                    |
|---------------------|------------------------------------|
| a) Freight Division | b) Supply Chain Solutions Division |
| c) Seaways Division | d) Energy Division                 |

**Identification of Segments:**

The chief operating decision maker monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. Operating segments have been identified on the basis of the nature of products/services and have been identified as per the quantitative criteria specified in the Ind AS.

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021 (Contd.)

### Segment Revenue and Results:

The expenses and incomes which are not attributable to any business segment are shown as unallocated expenditure (net of unallocated income).

### Segment Assets and Liabilities:

Segment assets include all operating assets used by the operating segment and mainly consist of property plant and equipment, trade receivables, cash and cash equivalents etc. Segment liabilities primarily includes Current liabilities except for borrowings. Common assets and liabilities which cannot be allocated to any of the segments are shown as a part of unallocated Corporate assets/liabilities.

### Inter Segment Transfer:

Profit or loss on inter segment transfers are eliminated at company level.

₹ in Lakhs

Particulars	For the Year Ended 31 <sup>st</sup> March, 2021	For the Year Ended 31 <sup>st</sup> March, 2020
<b>Revenue</b>		
Freight Division	115,081.87	124,779.12
Supply Chain Solutions Division	93,763.90	92,494.75
Seaways Division	39,528.12	36,774.40
<b>Segment Revenue</b>		
Energy Division	383.24	549.09
Unallocated Income	2,906.01	2,025.32
<b>Total</b>	<b>251,663.14</b>	<b>256,622.68</b>
<b>Less: Inter Segment Revenue</b>	2,945.02	2,457.41
<b>Net Income from Operations</b>	<b>248,718.12</b>	<b>254,165.27</b>
<b>Segment Results</b>		
Freight Division	4,156.49	4,070.39
Supply Chain Solutions Division	5,959.90	5,604.45
Seaways Division	7,354.51	7,531.82
Energy Division	144.82	242.99
Unallocated Income	2,906.01	2,025.32
Unallocated Expenditure	(1,030.47)	(1,065.75)
<b>Less: Interest Expenses</b>	2,475.37	3,235.19
<b>Profit Before Tax</b>	<b>17,015.89</b>	<b>15,174.03</b>
Exceptional items (Refer Note 33)	1,395.70	987.68
<b>Less: Provision for Taxes</b>		
Current Tax	2,423.56	2,475.60
Deferred Tax	(280.12)	(930.42)
Taxes for Earlier Years	-	-
<b>Net Profit for the Year</b>	<b>13,476.75</b>	<b>12,641.17</b>
<b>Other Information</b>		
<b>Segment Assets</b>		
Freight Division	29,090.77	28,589.26
Supply Chain Solutions Division	47,224.22	39,674.33
Seaways Division	40,778.55	43,818.15
Energy Division	688.31	1,113.24
Unallocated Corporate Assets	36,579.09	39,860.55
<b>Total Assets</b>	<b>154,360.94</b>	<b>153,055.53</b>

**NOTES TO STANDALONE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021 (Contd.)**

Particulars		For the Year Ended 31 <sup>st</sup> March, 2021	For the Year Ended 31 <sup>st</sup> March, 2020
	Freight Division	6,102.90	4,991.69
	Supply Chain Solutions Division	12,917.86	9,635.12
<b>Segment Liabilities</b>	Seaways Division	1,685.62	1,718.02
	Energy Division	101.33	52.73
	Unallocated Corporate Liabilities	3,031.53	1,883.33
<b>Total Liabilities</b>		<b>23,839.24</b>	<b>18,280.89</b>
	Freight Division	52.79	129.92
<b>Capital Expenditure</b>	Supply Chain Solutions Division	6,529.43	3,709.57
	Seaways Division	4,746.33	7,935.88
	Unallocated Capital Expenditure	2,730.83	1,263.82
<b>Total Capital Expenditure</b>		<b>14,059.38</b>	<b>13,039.19</b>
	Freight Division	567.26	788.74
<b>Depreciation</b>	Supply Chain Solutions Division	4,039.07	3,507.06
	Seaways Division	4,144.89	3,347.81
	Energy Division	58.29	121.62
<b>Total Depreciation</b>		<b>8,809.51</b>	<b>7,765.23</b>

1. The Company operates mainly in India and therefore there are no separate geographical segments.
2. There are no customers having revenue exceeding 10% of total revenues

**Reconciliation of Segment Assets & Liabilities**

₹ in Lakhs

Particulars		For the Year Ended 31 <sup>st</sup> March, 2021	For the Year Ended 31 <sup>st</sup> March, 2020
Segment Operating Assets		154,360.94	153,055.53
Slump sale*		4,310.00	4,310.50
<b>Company's Total Assets</b>		<b>158,670.94</b>	<b>157,366.03</b>
Segment Operating Liabilities		23,839.24	18,280.89
Deferred Tax Liabilities & Others		2,633.54	3,859.51
Borrowing (including Current Maturities of Long-Term Borrowings)		24,161.98	40,227.77
<b>Company's Total Liabilities</b>		<b>50,634.76</b>	<b>62,368.17</b>

\*The Company has transferred the Cold Chain Business to its wholly owned subsidiary i.e TCI Cold Chain Solutions Limited, on a slump sale basis with effect from 1<sup>st</sup> January, 2019

**42.**
**A) Employee Benefit Obligations (On the Basis of Actuarial Valuation)**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021		As at 31 <sup>st</sup> March, 2020	
	Current	Non-Current	Current	Non-Current
Gratuity (Funded)	2,941.41	-	2,501.75	-
Leave Obligations	531.22	-	484.35	-
<b>Total</b>	<b>3,472.63</b>	<b>-</b>	<b>2,986.10</b>	<b>-</b>

**Leave Obligations**

The leave obligations cover the Company liability for earned leaves. The amount of provision of ₹ 531.22 Lakhs (31<sup>st</sup> March 2020 ₹ 484.35 Lakhs) is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations.



NOTES TO STANDALONE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021 (Contd.)

₹ in Lakhs		
Particulars	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
Current Leave Obligations Expected to be Settled Within the Next 12 Months	531.22	484.35
<b>Total Liability</b>	<b>531.22</b>	<b>484.35</b>
<b>Service Cost</b> <span style="float: right;">₹ in Lakhs</span>		
Particulars	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
Current Service Cost	99.59	66.31
Past Service Cost (including curtailment Gains/Losses)	-	-
Gains or Losses on Non Routine Settlements	-	-
<b>Total Liability</b>	<b>99.59</b>	<b>66.31</b>
<b>Interest Cost</b> <span style="float: right;">₹ in Lakhs</span>		
Particulars	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
Interest Cost on Defined Benefit Obligation	32.11	25.16
Interest Income on Plan Assets	-	-
<b>Total Liability</b>	<b>32.11</b>	<b>25.16</b>
<b>Movement in the Liability Recognised in the Balance Sheet is as Under:</b> <span style="float: right;">₹ in Lakhs</span>		
Particulars	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
Present Value of Defined Benefit Obligation as at the Start of the Year	484.35	326.74
Current Service Cost	99.59	66.31
Interest Cost	32.11	25.16
Actuarial Loss/(Gain) Recognized During the Year	42.32	94.52
Benefits Paid	(127.15)	(28.37)
<b>Present Value of Defined Benefit Obligation as at the End of the Year</b>	<b>531.22</b>	<b>484.35</b>
<b>Amount Recognised in the Statement of Profit And Loss is as Under:</b> <span style="float: right;">₹ in Lakhs</span>		
Particulars	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
Current Service Cost	99.59	66.31
Interest Cost	32.11	25.16
Net Actuarial (Gain)/Loss	42.32	94.52
<b>Amount Recognized in the Statement of Profit and Loss</b>	<b>174.02</b>	<b>185.98</b>
<b>Actuarial Assumptions</b>		
Particulars	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
Discount Rate	6.43%	6.63%
Future Salary Increase	5.50%	4.50%
Average Future Service (in Years)	28.36	28.60

These assumptions were developed by management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year-end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.

#### Gratuity

The Company has a defined benefit gratuity plan, which is regulated as per the provisions of Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The scheme is funded by the company and is managed by a separate Approved Trust. The liability for the same is recognized on the basis of actuarial valuation.

The weighted average duration of the defined benefit obligation As at 31<sup>st</sup> March, 2021 is 9 years (31<sup>st</sup> March, 2020: 9 years).

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

**NOTES TO STANDALONE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021 (Contd.)**

<b>Changes in Defined Benefit Obligation</b>			₹ in Lakhs
<b>Particulars</b>	<b>31<sup>st</sup> March, 2021</b>	<b>31<sup>st</sup> March, 2020</b>	
Present Value Obligation as at the Start of the Year	2,501.75	2,083.86	
Interest Cost	165.87	160.46	
Service Cost	250.45	203.75	
Benefits Paid	(185.28)	(129.21)	
Actuarial Loss/(Gain) on Obligations	208.62	182.89	
<b>Present Value Obligation as at the End of the Year</b>	<b>2,941.41</b>	<b>2,501.75</b>	
<b>Service Cost</b>			₹ in Lakhs
<b>Particulars</b>	<b>31<sup>st</sup> March, 2021</b>	<b>31<sup>st</sup> March, 2020</b>	
Current Service Cost	250.45	203.75	
Past Service Cost (including curtailment Gains/Losses)	-	-	
Gain or Losses on Non routine settlements	-	-	
<b>Service Cost</b>	<b>250.45</b>	<b>203.75</b>	
<b>Net Interest Cost</b>			₹ in Lakhs
<b>Particulars</b>	<b>31<sup>st</sup> March, 2021</b>	<b>31<sup>st</sup> March, 2020</b>	
Interest Income on Defined Benefit Obligations	165.87	160.46	
Interest Income on Plan Assets	(143.85)	(131.36)	
<b>Net Interest Cost (Income)</b>	<b>22.02</b>	<b>29.10</b>	
<b>Change in Fair Value of Plan Assets</b>			₹ in Lakhs
<b>Particulars</b>	<b>31<sup>st</sup> March, 2021</b>	<b>31<sup>st</sup> March, 2020</b>	
Fair Value of Plan Assets as at the Start of the Year	2,169.62	1,705.92	
Return on Plan Assets	194.76	187.53	
Contribution	410.53	405.38	
Benefits Paid	(185.28)	(129.21)	
<b>Fair Value of Plan Assets as at the End of the Year</b>	<b>2,589.63</b>	<b>2,169.62</b>	
<b>Breakup of Actuarial (Gain) / Loss:</b>			₹ in Lakhs
<b>Particulars</b>	<b>31<sup>st</sup> March, 2021</b>	<b>31<sup>st</sup> March, 2020</b>	
Actuarial (Gain)/Loss for the year on Present Benefits Obligation	208.62	182.89	
Actuarial (Gain)/Loss for the year on Plan Assets	(50.91)	(56.17)	
<b>Total Amount Recognised in Other Comprehensive Income</b>	<b>157.71</b>	<b>126.72</b>	
<b>Reconciliation of Present Value of Defined Benefit Obligation and the Fair Value of Plan Assets</b>			₹ in Lakhs
<b>Particulars</b>	<b>31<sup>st</sup> March, 2021</b>	<b>31<sup>st</sup> March, 2020</b>	
Present Value Obligation as at the End of the Year	2,941.41	2,501.75	
Fair Value of Plan Assets as at the End of the Year	2,589.63	2,169.62	
<b>Net Asset Recognized in Balance Sheet</b>	<b>(351.78)</b>	<b>(332.13)</b>	
<b>Amount Recognized in the Statement of Profit and Loss</b>			₹ in Lakhs
<b>Particulars</b>	<b>31<sup>st</sup> March, 2021</b>	<b>31<sup>st</sup> March, 2020</b>	
Current Service Cost	250.45	203.75	
Net Interest Cost / (Income) on the Net Defined Benefit Liability / (Asset)	22.02	29.10	
<b>Amount Recognised in the Statement of Profit and Loss</b>	<b>272.47</b>	<b>232.85</b>	
<b>Amount Recognised in the Statement of Other Comprehensive Income</b>			₹ in Lakhs
<b>Particulars</b>	<b>31<sup>st</sup> March, 2021</b>	<b>31<sup>st</sup> March, 2020</b>	
Net Cumulative Unrecognised Actuarial Gain/(Loss) Opening			
Actuarial (Gain)/Loss for the Year on PBO	208.62	182.89	
Actuarial (Gain)/Loss for the Year on Asset	(50.91)	(56.17)	
<b>Unrecognised Actuarial (Gain)/Loss at the End of the Year</b>	<b>157.71</b>	<b>126.72</b>	
<b>Assumptions</b>			
<b>Particulars</b>	<b>31<sup>st</sup> March, 2021</b>	<b>31<sup>st</sup> March, 2020</b>	
Discount Rate	6.43%	6.63%	
Future Salary Increase	5.50%	4.50%	
Rate of Return on Plan Assets	6.63%	7.70%	
Average Future Service (in Years)	28.36	28.60	

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021 (Contd.)

These assumptions were developed by management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year-end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.

### Sensitivity Analysis for Gratuity Liability

₹ in Lakhs

Particulars	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
Impact of the Change in Discount Rate		
Present Value of Obligation at the End of the Year	2,941.41	2,501.75
a) Impact Due to Increase of 1 %	(214.35)	(165.62)
b) Impact Due to Decrease of 1 %	249.42	190.88
Impact of the Change in Salary Increase		
Present Value of Obligation at the End of the Year	2,941.41	2,501.75
a) Impact Due to Increase of 1 %	237.05	181.88
b) Impact Due to Decrease of 1 %	(208.17)	(160.36)
Impact of the Change in Withdrawal Rate		
Present Value of Obligation at the End of the Year	2,941.41	2,501.75
a) Impact Due to Increase of 1 %	16.69	31.66
b) Impact Due to Decrease of 1 %	(19.39)	(36.16)

### The Major Categories of Plan Assets are as Follows:

₹ in Lakhs

Particulars	31 <sup>st</sup> March, 2021			
	Quoted	Unquoted	Total	In%
Equity Instruments	44.92	-	44.92	2%
Debt Instruments	2,079.00	-	2,079.00	80%
Cash and Cash Equivalents (Including Other bank Balances)	-	465.70	465.70	18%

₹ in Lakhs

Particulars	31 <sup>st</sup> March, 2020			
	Quoted	Unquoted	Total	In%
Equity Instruments	168.25	-	168.25	8%
Debt Instruments	1,514.27	-	1,514.27	69%
Cash and Cash Equivalents (Including Other bank Balances)	-	520.89	520.89	24%

### B) Employee Stock Option Plan (ESOP)

The Company during the year has granted 150,000 Stock Options to its eligible employees. The Company in accordance with the Employee Stock Option Plan-2017 (3rd Tranche), vesting period being 1, 2, and 3 years from the date of grant and the exercise period being one year from the date on which the options are eligible for exercise. Holder of each option is eligible for one fully paid equity share of the Company of the face value of ₹ 2 each on payment of ₹ 128 per share, the exercise price. The fair value of option determined on the date of grant is ₹ 133.55 based on black scholes methodology. The impact of above for the years is ₹ 200.33 Lakhs, accordingly provision and disclosure have been considered in the financial statements.

Particulars	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
Outstanding options at the beginning of year	602,375	486,875
Face value of share (₹)	2	2
No. of Options granted during the year	150,000	288,000
Vesting Period of Option granted during the year (graded)	1,2 & 3 Years	1,2 & 3 Years
Exercise Price of option granted during the year (₹)	128.00	155
Fair Value of the Option (₹)	133.55	159.49
No. of Options exercised during the year	273,525	164,250
No. of Options cancelled during the year (included Forfeited option due to Resignation)	33,200	8,250
Outstanding options at the end of year	445,650	602,375
Recovered from Subsidiary (₹ in Lakhs)	12.83	23.17

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021 (Contd.)

### 43. LEASES:

#### a) Company as Lessor:

The Company has given its Wind-power plants on lease under non-cancellable operating leases expiring in future. The leases have varying terms, escalation clauses and renewal rights. On renewal, the terms of the leases are renegotiated.

₹ in Lakhs

Particulars	As at	As at
	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
Future Minimum Lease Rental Receivable in relation to Non-Cancellable Operating Leases:		
Within One Year	38.75	260.16
Later Than One Year but not Later than Five Years	-	38.75
Later than Five Years	-	-
<b>Total</b>	<b>38.75</b>	<b>298.91</b>

#### b) Company as Lessee:

Effective 1<sup>st</sup> April, 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on 1<sup>st</sup> April, 2019 using the modified retrospective approach. This has resulted in recognition of 'Right of Use' asset of ₹ 2,217.41 Lakhs, a corresponding lease liability of ₹ 295.90 Lakhs, and an increase in cash outflows from financing activities by ₹ 59.10 lakhs.

The effect of this adoption is insignificant on the profit before tax, profit for the period and earnings per share.

Following are the changes in the carrying value of right of use assets for the year ended March 31, 2021: ₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021			As at 31 <sup>st</sup> March, 2020		
	Leasehold Building	Leasehold Land	Total	Leasehold Building	Leasehold Land	Total
Opening	325.83	2,015.32	2,341.15	373.28	1,844.13	2,217.41
Addition	1,934.59	2,417.07	4,351.66	-	199.41	199.41
Deletion	-	-	-	-	-	-
Depreciation	276.39	39.37	315.76	47.45	28.22	75.67
<b>Closing</b>	<b>1,984.03</b>	<b>4,393.02</b>	<b>6,377.05</b>	<b>325.83</b>	<b>2,015.32</b>	<b>2,341.15</b>

#### Movement in Lease liabilities

₹ in Lakhs

Particulars	As at	As at
	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
At Beginning of the Year	346.84	295.90
Addition	1,934.59	77.38
Deletions	-	-
Finance Cost accrued	127.84	32.66
Payment of lease liabilities	329.00	59.10
<b>At the end of the Year</b>	<b>2,080.27</b>	<b>346.84</b>

#### Break-up of current and non current lease liabilities

₹ in Lakhs

Particulars	As at	As at
	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
Current Lease Liabilities	903.73	38.61
Non Current Lease Liabilities	1,176.54	308.23

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

#### Contractual maturities (undiscounted)

₹ in Lakhs

Particulars	As at	As at
	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
Less than one year	874.45	68.88
One to five years	1,108.20	275.52
More than five years	829.68	802.93
<b>Total</b>	<b>2,812.33</b>	<b>1,147.33</b>

The incremental borrowing rate applied to lease liabilities is 9%.

Rent expense recorded for Short term and Low Value Leases was ₹ 4,655.28 Lakhs (31<sup>st</sup> March, 2020 : ₹ 4,566.15 Lakhs)

NOTES TO STANDALONE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021 (Contd.)

**44. CONTINGENT LIABILITIES AND COMMITMENTS:-**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>(i) Contingent Liabilities</b>		
(a) Claims Against the Company not Acknowledged as Debt		
Sales Tax/Excise/Entry Tax/ESI/Trade Tax/Octroi/Stamp Duty	339.90	408.29
Other demands under Dispute not acknowledged as debt	210.10	139.88
(b) Guarantees excluding Financial Guarantees; and Counter Guarantees Outstanding	2,166.59	1,921.99
<b>(ii) Commitments</b>		
Estimated Amount of Contracts Remaining to be Executed on Capital Account and Not Provided for (Net of Advance on Tangible Assets)	1,284.51	3,216.58

**45 Corporate Social Responsibility (CSR)**

(a) As per Section 135 of the Companies Act, 2013, a CSR committee has been formed by the company. The areas for CSR activities are sports, health, education, green preservation and community development. The funds were primarily allocated to a corpus and utilized throughout the year on those activities which are specified in Schedule VII of the Companies Act, 2013

**(b) Details of Corporate Social Responsibility (CSR) Expenditure:**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Amount Required to be spent as per Section 135 of the Act	294.00	242.14
Amount spent During the Year on:		
(i) Construction / Acquisition of an Asset	-	-
(ii) On Purpose other than (i) Above	300.00	340.00
<b>Total</b>	<b>300.00</b>	<b>340.00</b>

**46 Details of Loans Given, Investments Made and Guarantee Given Covered u/s 186 (4) of the Companies Act, 2013**

a) Investments made are given under the respective heads (Refer note 7)

b) Corporate Guarantees given by the Company in respect of loans as at 31<sup>st</sup> March, 2021

₹ in Lakhs

Name of the Company	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
ABC India Ltd.	742.06	742.06

**47 Disclosure in respect of Loans and advances in the nature of Loans as required under regulation 34 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

₹ in Lakhs

Name of the Company	Amount Outstanding As at 31 <sup>st</sup> March, 2021	Maximum Amount Outstanding during the year
TCI Ventures Limited	975.00	975.00

**48** (a) ₹ 127.92 Lakhs outstanding As at 31<sup>st</sup> March 2021 due to Micro and Small Enterprises registered under Micro, Small and Medium Enterprises development Act, 2006, (MSME) (31<sup>st</sup> March, 2020 : ₹ 140.67 Lakhs).

(b) Interest paid/payable to the enterprises register under MSME ₹ NIL (31<sup>st</sup> March, 2020 : ₹ NIL).

**49** Previous year figures have been regrouped /rearranged wherever considered necessary.

In terms of our Report of even date

For and on behalf of the Board

For **Brahmayya & Co.**  
Chartered Accountants  
Firm Regn No 0005115

**Vijay Sankar**  
(Chairman of  
Audit Committee)  
(DIN: 00007875)

**D. P. Agarwal**  
(Chairman &  
Managing Director)  
(DIN: 00084105)

**Vineet Agarwal**  
(Managing Director)  
(DIN: 00380300)

**Lokesh Vasudevan**  
(Partner)  
(Membership No.222320)

**Archana Pandey**  
(Company Secretary &  
Compliance Officer)  
(Membership No: A23884)

**Ashish Tiwari**  
(Group CFO)  
(Membership No: 502579)

Place: Coonoor

Place: Gurugram

Date: 25<sup>th</sup> May, 2021

Date: 25<sup>th</sup> May, 2021

# INDEPENDENT AUDITOR'S REPORT

To

The Members

**Transport Corporation of India Limited**

## REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

### Opinion

We have audited the accompanying Consolidated financial statements of **Transport Corporation of India Limited** (hereinafter referred to as "the Holding Company"), its subsidiary companies (the Holding Company and its subsidiary companies together referred to as "the Group"), its associate and jointly controlled entity, which comprise the consolidated balance sheet as at 31<sup>st</sup> March, 2021, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India including the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS"), of their consolidated state of affairs of the Group, its associate and jointly controlled entity as at 31<sup>st</sup> March, 2021, of its consolidated profit (including other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated financial statements section of our report. We are independent of the Group, its associate and jointly controlled entity in accordance with the Code of Ethics issued by Institute of Chartered Accountants of India ("ICAI"), and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Act and rules made thereunder. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

### Emphasis of Matter

Attention is invited to Note No. 49 (e) to the Consolidated Financial Statement in respect to the Transsystem Logistics International Private Limited ("TLIPL"), a Jointly Controlled Entity of the Company, which describes the fact that pandemic COVID-19 would cause various economic and social disruption to the TLIPL impacting carrying value of its assets, consumer demand, commodity prices, personnel available for work and access to offices. The impact may be different from that estimated as at the approval of the financial statements of TLIPL and that TLIPL will continue to closely monitor any material changes to future economic conditions.

Our Opinion is not qualified in respect to the above matter.

### Key Audit Matters

Key Audit Matters are those matters that, in our professional judgement, were of the most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined following matters as Key Audit Matters to be communicated in our report:

Key Audit Matter	Auditor's Response
Revenue recognition and measurement including related cost of rendering of services involves critical judgments by management including assessment of when the control of goods or services are being transferred, identifying large variety of complex performance obligations and determining if such obligations are satisfied over a period of time. (Refer Note No.3, 4.16 & 4.20 to the Consolidated Financial Statements)	Our audit approach includes : <ul style="list-style-type: none"> <li>• Testing the design and operating effectiveness of the internal controls associated with contracts with customers/vendors</li> <li>• Testing the information technology systems related to consignment notes, trip data and billing</li> <li>• Analyzing contracts with customers/vendors from selected samples</li> <li>• Analyzing invoices with customers/vendors from selected samples</li> <li>• Reviewing the logic designed in preparation of consignment notes, bill registers, lorry hire contracts and the time taken for concluding the performance obligation</li> <li>• Testing of the approval mechanism, access and change controls associated with the tariff/rate masters</li> <li>• Reviewing the report of Internal Auditors</li> <li>• Performance of analytical procedures for reasonableness of the estimates</li> </ul>
The Group owns Wind Power Plants in Maharashtra & Rajasthan, which are considered as a Cash Generating Units for the purpose of Ind AS 36. Owing to certain impairment indicators the management has estimated an impairment allowance. The forecasting of future cash flows and applying an appropriate discount rate for arriving at the impairment allowance, inherently involves a high degree of estimation and judgement by the management. (Refer Note No. 5 & 33 to the Consolidated Financial Statements)	Our audit approach include: <ul style="list-style-type: none"> <li>• Assessment of the design, implementation, and operating effectiveness of key controls in respect of Group's evaluation of existence of any impairment indicators</li> <li>• Review of the internal &amp; external factors that led to management do the impairment of the CGU.</li> <li>• Evaluation of management's assumptions used for reasonableness of impairment allowance by reviewing the business plans, long term / short term contract obligations and other methodology used by management</li> <li>• Assessment of the reasonableness of key management assumptions with respect to earnings forecasts (with comparison to both budget and historical performance), of growth and discount rates in arriving at value in use.</li> </ul>
Group's policy of adopting a useful life different from the life specified in Part C to Schedule II of the Companies Act, 2013. (Refer Note No. 4.2 & 5 to the Consolidated Financial Statements)	Our audit approach include: <ul style="list-style-type: none"> <li>• review of the technical valuation report of the Independent agency</li> <li>• evaluating the competence and objectivity of the expert</li> <li>• Review of IACS Class certificate and statutory certificates on procurement to evaluate ship's sea worthiness</li> <li>• reviewing the periodic dry dock cycles along with the compliance of the accounting policy</li> </ul>

## INDEPENDENT AUDITOR'S REPORT (Contd.)

### Other Information

The Holding Company's management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Holding Company's Annual Report, but does not include the consolidated financial statements and our auditors' report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

### MANAGEMENT'S RESPONSIBILITIES FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group, its associate and jointly controlled entity in accordance with the accounting principles generally accepted in India including Ind AS specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associate and jointly controlled entity are responsible for maintenance of adequate accounting records in accordance with provisions of the Act for safeguarding of the assets of the Group associate and jointly controlled entity and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associate and jointly controlled entity are responsible for assessing the ability of the Group and of its associate and jointly controlled entity to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group, its associate and jointly controlled entity or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associate and jointly controlled entity are also responsible for overseeing the financial reporting process of the Group and of its associate and jointly controlled entity.

### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional

judgment and maintain professional skepticism throughout the audit. We also:

- (a) Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Group and its associate and jointly controlled entity has adequate internal financial controls system in place and the operating effectiveness of such controls.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- (d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate and jointly controlled entity to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate and jointly controlled entity to cease to continue as a going concern.
- (e) Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- (f) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate and jointly controlled entity to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of Holding Company of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatement in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of the work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Holding Company of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most

## INDEPENDENT AUDITOR'S REPORT (Contd.)

significance in the audit of the consolidated financial statements of the current period and are therefore Key Audit Matters. We describe these matters in our auditor's reports unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matters

1. We did not audit the financial statements of one branch included in the consolidated financial statements whose financial statements reflect total assets of ₹ 398 Lakhs as at 31<sup>st</sup> March, 2021, total revenue of ₹ 9 Lakhs and total net Loss including comprehensive income of ₹ 5 Lakhs for the year ended on that date, as considered in the consolidated financial statements. The financial statements of this branch has been audited by the branch auditor whose report has been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of this branch, is based solely on the report of such branch auditor.
2. We did not audit financial statements of 5 subsidiaries and one jointly controlled entity; included in the consolidated financial statements, whose financial statements reflect total assets of ₹ 13,207 Lakhs as at 31<sup>st</sup> March, 2021, total revenues of ₹ 36,515 Lakhs, total net profit after tax of ₹ 2,699 Lakhs, and total comprehensive income of ₹ 2,861 Lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors.
3. We did not audit financial statements of 6 subsidiaries, included in consolidated financial statements, whose financial statements reflect total assets of ₹ 1,612 Lakhs as at 31<sup>st</sup> March, 2021, total revenue of ₹ 450 Lakhs and total net loss after tax and total comprehensive loss of ₹ 96 Lakhs, for the year ended on that date as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss including total comprehensive loss of ₹ 21 lakhs for the year 31<sup>st</sup> March, 2021, as considered in the consolidated financial statements, in respect of associate, whose financial statements has not been audited. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associate, and our report in terms of sub sections (3) and (11) of section 143 of the Act in so far as it relates to the aforesaid subsidiaries and associate, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the consolidated financial statements is not modified in respect of the above matter with respect to our reliance on the work done and the reports of other auditors and the financial statements certified by the Management.

### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report to the extent applicable that:
  - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - (b) in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
  - (c) The report on the accounts of branch office of the

Holding Company audited under Section 143(8) of the Act by branch auditor have been sent to us and have been properly dealt with in preparing this report.

- (d) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - (e) in our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (f) On the basis of the written representations received from the directors of the Holding Company as on 31<sup>st</sup> March, 2021, taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate and jointly controlled entity incorporated in India, none of the directors of the Group companies, its associate and its jointly controlled entity incorporated in India are disqualified as on 31<sup>st</sup> March, 2021 from being appointed as a director in terms of Section 164(2) of the Act.
  - (g) With respect to the adequacy of the internal financial controls over financial reporting of the Group, its associate and jointly controlled entity and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
2. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - (a) The consolidated financial statements has disclosed the impact of pending litigations on the consolidated financial position of the Group, its associate and jointly controlled entity- Refer Note No. 45 to the consolidated financial statements;
    - (b) The Group, its associate and jointly controlled entity did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - (c) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company.
  3. With respect to the matters to be included in the Auditor's Report under Section 197(16):
 

In our opinion and according to the information and explanation given to us, the remuneration paid by the Holding Company, its subsidiary companies, which are incorporated in India, associate and jointly controlled entity to its director, to the extent applicable, during the year is in accordance with the provision of section 197 of the Act. The remuneration paid to directors by the Holding Company, its subsidiary companies, which are incorporated in India, associate and jointly controlled entity, to the extent applicable, is not in excess of the limit laid down under section 197 of the Act.

For **Brahmayya & Co.**

Chartered Accountants  
Firm's Regn No. 000511S

**Lokesh Vasudevan**

Partner

Place: Coonoor

Date: 25<sup>th</sup> May, 2021

Membership No. 222320

UDIN: 21222320AAAABN9327



## INDEPENDENT AUDITOR'S REPORT (Contd.)

### ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

#### Report on the Internal Financial Controls under Clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of Transport Corporation of India Limited as of and for the year ended 31<sup>st</sup> March, 2021, we have audited the internal financial controls over financial reporting of Transport Corporation of India Limited ("the Holding Company"), its subsidiary companies (the holding Company and its subsidiaries together referred as "the Group"), its associate and jointly controlled entity, which are incorporated in India, as on that date (together referred to as the "Covered Entities" in this report). Refer Annexure B for the list of Covered Entities.

#### Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiary Companies, its associate and jointly controlled entity which are incorporated in India are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### Auditors' Responsibility for Internal Financial Controls

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company, its subsidiary companies, associate and jointly controlled entity incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the SAs, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial control over financial reporting of the Holding

Company, its subsidiary companies, associate and jointly controlled entity, incorporated in India.

#### Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

#### Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### Opinion

In our opinion and to the best of our information and according to the explanation given to us, the Holding Company, its subsidiary companies, its associate and jointly controlled entity, which are incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2021, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

#### Other Matter

Our report under Section 143 (3) (i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to the covered entities as listed in Annexure B is based on the corresponding reports of the auditors of such companies.

For **Brahmayya & Co.**  
Chartered Accountants  
Firm's Regn No. 000511S

**Lokesh Vasudevan**

Partner

Place: Coonoor  
Date: 25<sup>th</sup> May, 2021

Membership No. 222320  
UDIN: 21222320AAAABN9327

## INDEPENDENT AUDITOR'S REPORT (Contd.)

**ANNEXURE B COVERED ENTITIES**

Sl.No.	Name of the Company	Relationship
1.	Stratsol Logistics Private. Limited	Subsidiary
2.	TCI Ventures Limited	Subsidiary
3.	TCI Cold Chain Solutions Limited	Subsidiary
4.	TCI-CONCOR Multimodal Solutions Private Limited	Subsidiary
5.	Transystem Logistics International Private Limited	Jointly Controlled Entity
6.	Cargo Exchange India Private Limited	Associate

# CONSOLIDATED BALANCE SHEET

AS AT 31<sup>ST</sup> MARCH 2021

₹ in Lakhs

Particulars	Note No	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>I. ASSETS</b>			
<b>1. Non-Current Assets</b>			
a) Property, Plant and Equipment	5	73,774.88	74,786.32
b) Capital Work-in-Progress	5A	522.15	2,158.04
c) Right of use of assets	5B	6,377.05	2,341.15
d) Other Intangible Assets	6	310.86	44.91
e) Financial Assets			
i) Investments	7	14,997.94	13,534.65
ii) Loans	8	1,404.77	425.68
iii) Other Financial Assets	9	159.83	239.48
f) Other Non-Current Assets	10	3,674.02	4,055.27
<b>Total Non Current Assets</b>		<b>101,221.50</b>	<b>97,585.50</b>
<b>2. Current Assets</b>			
a) Inventories	11	711.72	658.15
b) Financial Assets			
i) Trade Receivables	12	51,104.30	48,730.29
ii) Cash and Cash Equivalents	13	3,405.48	1,316.85
iii) Other Bank Balances	13	545.15	1,275.37
iv) Loans	8	1,239.51	2,251.71
v) Other Financial Assets	9	155.16	164.17
c) Current Tax Assets (Net)	14	1,965.80	5,145.95
d) Other Current Assets	10	13,242.26	11,204.52
<b>Total Current Assets</b>		<b>72,369.38</b>	<b>70,747.01</b>
<b>3. Non-Current Assets Held for Sale</b>	15	289.41	-
<b>Total Assets</b>		<b>173,880.29</b>	<b>168,332.51</b>
<b>II. Equity And Liabilities</b>			
<b>1. Equity</b>			
a) Equity Share Capital	16	1,541.99	1,536.53
b) Other Equity	16A	115,428.88	100,851.64
<b>Total Equity</b>		<b>116,970.87</b>	<b>102,388.17</b>
<b>2. Non-Controlling Interest</b>	16A	<b>862.81</b>	<b>568.61</b>
<b>3. Non-Current Liabilities</b>			
a) Financial Liabilities			
i) Borrowings	17	10,908.73	14,800.36
ii) Lease Liability	18	1,176.54	308.23
b) Deferred Tax Liabilities (Net)	19	2,731.61	3,020.29
c) Government Grant	20	189.10	192.60
<b>Total Non Current Liabilities</b>		<b>15,005.98</b>	<b>18,321.48</b>
<b>4. Current Liabilities</b>			
a) Financial Liabilities			
i) Borrowings	21	12,558.94	22,056.40
ii) Trade Payables	22		
a) total outstanding dues of micro and small enterprises		127.92	140.66
b) total outstanding dues of creditors other than micro and small enterprises		7,465.92	6,244.96
iii) Lease Liability	18	903.73	38.61
iii) Other Financial Liabilities	23	10,293.30	10,159.87
b) Provisions	24	858.00	1,021.07
c) Government Grant	20	3.49	3.49
d) Other Current Liabilities	25	8,829.33	7,389.19
<b>Total Current Liabilities</b>		<b>41,040.63</b>	<b>47,054.25</b>
<b>Total Equity And Liabilities</b>		<b>173,880.29</b>	<b>168,332.51</b>
<b>Summary of Significant Accounting Policies</b>	<b>2-4</b>		

The accompanying notes form an integral part of the consolidated financial statements.

In terms of our Report of even date

For **Brahmayya & Co.**

Chartered Accountants  
Firm Regn No 0005115

**Lokesh Vasudevan**

(Partner)  
(Membership No.222320)

Place: Coonoor

Date: 25<sup>th</sup> May, 2021

For and on behalf of the Board

**Vijay Sankar**

(Chairman of  
Audit Committee)  
(DIN: 00007875)

**Archana Pandey**

(Company Secretary &  
Compliance Officer)  
(Membership No: A23884)

Place: Gurugram

Date: 25<sup>th</sup> May, 2021

**D. P. Agarwal**

(Chairman &  
Managing Director)  
(DIN: 00084105)

**Ashish Tiwari**

(Group CFO)  
(Membership No: 502579)

**Vineet Agarwal**

(Managing Director)  
(DIN: 00380300)

# CONSOLIDATED STATEMENT OF PROFIT AND LOSS

 FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021

₹ in Lakhs

Particulars	Note No	For the Year Ended 31 <sup>st</sup> March, 2021	For the Year Ended 31 <sup>st</sup> March, 2020
<b>I Revenue</b>			
Revenue from Operations	26	280,238.86	271,783.99
Other Income	27	2,547.36	2,011.72
<b>Total Income</b>		<b>282,786.22</b>	<b>273,795.71</b>
<b>II Expenses</b>			
Operating Expense	28	229,723.58	221,429.10
Employee Benefits Expenses	29	14,549.36	15,722.12
Finance Costs	30	2,669.68	3,431.97
Depreciation and Amortization Expense	31	9,280.55	8,248.86
Other Expenses	32	9,844.29	10,579.88
<b>Total Expenses</b>		<b>266,067.46</b>	<b>259,411.93</b>
<b>III Profit Before Tax (I-II)</b>		<b>16,718.76</b>	<b>14,383.78</b>
<b>IV Share of Profit from Joint Venture / Associate Entity</b>		2,012.56	2,515.09
<b>V Profit Before Tax (III+IV)</b>		<b>18,731.32</b>	<b>16,898.87</b>
VI Exceptional Items	33	1,305.70	987.68
<b>VII Profit Before Tax after Exceptional Items (V-VI)</b>		<b>17,425.62</b>	<b>15,911.19</b>
<b>VIII Tax Expenses:</b>	34		
Current Tax		2,661.48	2,527.07
Deferred Tax		(277.50)	(935.67)
Taxes for Earlier Years		(0.06)	1.05
<b>IX Profit for the Year (VII-VIII)</b>		<b>15,041.70</b>	<b>14,318.74</b>
<b>X Other Comprehensive Income</b>			
<b>Items that will not be Reclassified to Profit or Loss:</b>			
Change in fair value of Equity Instruments designated as FVTOCI		210.73	159.27
Gain/(Loss) on sale of Investment classified at FVTOCI		29.48	-
Remeasurements of Post-Employment Benefit obligations		(164.95)	(134.50)
Income tax relating items that will not be reclassified to Profit or Loss Statement		-	-
Current Tax		-	-
Deferred Tax		(11.36)	22.19
<b>Other Comprehensive Income for the Year, Net of Tax</b>		<b>86.62</b>	<b>2.58</b>
<b>XI Total Comprehensive Income for the Year (IX+X)</b>		<b>15,128.32</b>	<b>14,321.32</b>
<b>Profit Attributable to:</b>			
Owner of Transport Corporation of India Limited		14,713.21	14,236.21
Non-Controlling Interests		328.49	82.53
<b>Total</b>		<b>15,041.70</b>	<b>14,318.74</b>
<b>Other Comprehensive Income Attributable to:</b>			
Owner of Transport Corporation of India Limited		86.62	2.58
Non-Controlling Interests		-	-
<b>Total</b>		<b>86.62</b>	<b>2.58</b>
<b>Total Comprehensive Income Attributable to:</b>			
Owner of Transport Corporation of India Limited		14,799.83	14,238.79
Non-Controlling Interests		328.49	82.53
<b>Total</b>		<b>15,128.32</b>	<b>14,321.32</b>
<b>Earnings Per Equity Share Face Value of ₹ 2 each</b>	35		
Basic		19.12	18.54
Diluted		19.07	18.54
<b>Summary of Significant Accounting Policies</b>	<b>2-4</b>		

The accompanying notes form an integral part of the consolidated financial statements.

In terms of our Report of even date

For and on behalf of the Board

 For **Brahmayya & Co.**  
 Chartered Accountants  
 Firm Regn No 000511S

**Vijay Sankar**  
 (Chairman of  
 Audit Committee)  
 (DIN: 00007875)

**D. P. Agarwal**  
 (Chairman &  
 Managing Director)  
 (DIN: 00084105)

**Vineet Agarwal**  
 (Managing Director)  
 (DIN: 00380300)

**Lokesh Vasudevan**  
 (Partner)  
 (Membership No.222320)

**Archana Pandey**  
 (Company Secretary &  
 Compliance Officer)  
 (Membership No: A23884)

**Ashish Tiwari**  
 (Group CFO)  
 (Membership No: 502579)

 Place: Coonoor  
 Date: 25<sup>th</sup> May, 2021

 Place: Gurugram  
 Date: 25<sup>th</sup> May, 2021

# CONSOLIDATED CASH FLOW

FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021

Particulars	₹ in Lakhs	
	For the Year Ended 31 <sup>st</sup> March, 2021	For the Year Ended 31 <sup>st</sup> March, 2020
<b>A. Cash Flow from Operating Activities:</b>		
<b>Net Profit Before Tax after Exceptional Items</b>	<b>17,425.62</b>	<b>15,911.19</b>
Adjustments for :		
Depreciation	9,280.55	8,248.86
Loss / (Profit) on Sale of Property, Plant & Equipment	(124.60)	48.04
Profit on Sale of Investment	(0.63)	-
Impairment loss of Assets	1,305.70	987.68
Loss / (Profit) of the Joint Venture/Associate	(2,012.56)	(2,515.09)
Fair Valuation of Investments through FVTPL	(26.96)	12.76
Loss/(Gain) on Foreign Currency Transactions	32.78	(16.02)
Unclaimed Balances and Excess Provisions Written Back	-	(345.18)
Net Loss / (Gain) on Financial Assets	-	(12.32)
Share Based Payments to Employees	178.54	422.04
Finance Costs	2,669.68	3,431.97
Interest Income	(578.49)	(99.79)
Dividend Income	(1.72)	(1.83)
Government Grant	(3.50)	(3.50)
	<b>10,718.79</b>	<b>10,157.62</b>
<b>Operating Profit Before Working Capital Changes</b>	<b>28,144.41</b>	<b>26,068.81</b>
Adjustments for :		
Trade Receivables	(2,406.79)	2,777.54
Other Financial & Other Assets	(1,066.36)	2,222.05
Inventories	(53.57)	(126.23)
Trade Payable and Others	5,335.31	(2,558.68)
<b>Cash Generation from Operations</b>	<b>29,953.00</b>	<b>28,383.49</b>
(Direct Taxes Paid)/Refund Received (Net)	518.67	(4,101.61)
<b>Net Cash From Operating Activities</b>	<b>30,471.67</b>	<b>24,281.88</b>
<b>B. Cash Flow From Investing Activities:</b>		
Purchase of Property, Plant & Equipment	(15,526.30)	(13,359.97)
Loans Given	33.11	(1.60)
Other Capital Advances	354.83	(1,348.79)
Proceeds on Sale of Property, Plant & Equipment	3,120.72	152.79
Proceeds on Redemption of Preference Shares	-	402.00
Purchase of Investments	(466.60)	(545.46)
Sale of Investments	296.63	-
Interest Received	587.50	222.16
Dividend Received	980.00	946.83
<b>Net Cash From Investing Activities</b>	<b>(10,620.11)</b>	<b>(13,532.04)</b>
<b>C. Cash Flow From Financing Activities:</b>		
Proceeds from Issue of Share Capital (ESOP)	402.20	236.48
Short Term Borrowings (Net)	(9,497.46)	(721.97)
Proceeds From Long Term Borrowings	174.00	4,789.10
Repayment of Long Term Borrowings	(4,866.69)	(9,237.39)
Finance Cost Paid	(2,687.73)	(3,433.85)
Payment of Dividend	(958.25)	(1,536.52)
Payment of Dividend Tax	-	(477.19)
Repayment of Lease Liability	(329.00)	(59.09)
<b>Net Cash From Financing Activities</b>	<b>(17,762.93)</b>	<b>(10,440.43)</b>
<b>Net Increase(Decrease) in Cash &amp; Cash Equivalent(A+B+C)</b>	<b>2,088.63</b>	<b>309.41</b>
Cash & Cash Equivalent as on 31 <sup>st</sup> March, 2020	1,316.85	1,007.44
Cash & Cash Equivalent as on 31 <sup>st</sup> March, 2021	3,405.48	1,316.85

The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard - 7 (Ind AS 7) Statement of Cash Flows.

In terms of our Report of even date

For **Brahmayya & Co.**  
Chartered Accountants  
Firm Regn No 0005115

**Lokesh Vasudevan**  
(Partner)  
(Membership No.222320)

Place: Coonoor  
Date: 25<sup>th</sup> May, 2021

For and on behalf of the Board

**Vijay Sankar**  
(Chairman of  
Audit Committee)  
(DIN: 00007875)

**Archana Pandey**  
(Company Secretary &  
Compliance Officer)  
(Membership No: A23884)

Place: Gurugram  
Date: 25<sup>th</sup> May, 2021

**D. P. Agarwal**  
(Chairman &  
Managing Director)  
(DIN: 00084105)

**Ashish Tiwari**  
(Group CFO)  
(Membership No: 502579)

**Vineet Agarwal**  
(Managing Director)  
(DIN: 00380300)

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

 FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021

## A. Equity Share Capital

Particulars	No of Shares	₹ in Lakhs
Balance as at 01 <sup>st</sup> April 2019	76,661,975	1,533.24
Changes in Equity Share Capital During 2019-20	1,64,250	3.29
<b>Balance as at 31<sup>st</sup> March 2020</b>	<b>76,826,225</b>	<b>1,536.53</b>
Changes in Equity Share Capital During 2020-21	273,525	5.47
<b>Balance as at 31<sup>st</sup> March 2021</b>	<b>77,099,750</b>	<b>1,542.00</b>

## B. Other Equity

₹ in Lakhs

Particulars	Profits Attributable to Owners											Total	Non-Controlling Interests	Total
	Reserves and Surplus									Other Comprehensive Income				
	Retained Earnings	Securities Premium	General Reserve	Share Options Outstanding	Tonnage Tax Reserve	Tonnage Tax Reserve (Utilized)	Reserve on Consolidation	Capital Redemption Reserve	FCTR	FVTOCI Equity Instruments	Others			
<b>Balance as at 1<sup>st</sup> April 2019</b>	<b>19,398.99</b>	<b>806.56</b>	<b>59,139.54</b>	<b>689.44</b>	<b>1,277.00</b>	<b>4,847.50</b>	<b>1,239.42</b>	<b>194.00</b>	<b>(602.56)</b>	<b>1,108.28</b>	<b>(434.87)</b>	<b>87,663.30</b>	<b>523.29</b>	<b>88,186.59</b>
Profit for the Year	14,236.21	-	-	-	-	-	-	-	-	-	-	14,236.21	82.53	14,318.74
Other Comprehensive Income (Net of Taxes)	-	-	-	-	-	-	-	-	-	137.08	(134.50)	2.58	-	2.58
Addition/Deletion During the Year	-	-	-	-	-	-	-	-	282.20	-	-	282.20	-	282.20
Issue/Grant of equity shares	-	464.39	-	228.13	-	-	-	-	-	-	-	692.52	-	692.52
Cancellation of Equity Stock Options	-	-	-	(11.46)	-	-	-	-	-	-	-	(11.46)	-	(11.46)
Transfer In/Out General Reserve	(7,000.00)	-	7,000.00	-	-	-	-	-	-	-	-	-	-	-
Transfer In/Out Tonnage Tax Reserve	(1,400.00)	-	-	-	1,400.00	-	-	-	-	-	-	-	-	-
Tonnage Tax Reserve (Utilized)	-	-	-	-	(1,277.00)	1,277.00	-	-	-	-	-	-	-	-
<b>Transactions with Owners in Their Capacity as Owners :</b>														
Dividends	(1,536.52)	-	-	-	-	-	-	-	-	-	-	(1,536.52)	(30.87)	(1,567.39)
Tax on Dividends	(477.19)	-	-	-	-	-	-	-	-	-	-	(477.19)	(6.34)	(483.53)
<b>Balance as at 31<sup>st</sup> March 2020</b>	<b>23,221.49</b>	<b>1,270.95</b>	<b>66,139.54</b>	<b>906.11</b>	<b>1,400.00</b>	<b>6,124.50</b>	<b>1,239.42</b>	<b>194.00</b>	<b>(320.36)</b>	<b>1,245.36</b>	<b>(569.37)</b>	<b>100,851.64</b>	<b>568.61</b>	<b>101,420.25</b>
Profit for the Year	14,713.21	-	-	-	-	-	-	-	-	-	-	14,713.21	328.49	15,041.70
Other Comprehensive Income (Net of Taxes)	-	-	-	-	-	-	-	-	-	251.57	(164.95)	86.62	-	86.62
Addition/Deletion During the Year	-	-	-	-	-	-	-	-	152.49	-	-	152.49	-	152.49
Issue/Grant of equity shares	-	396.74	-	200.33	-	-	-	-	-	-	-	597.07	-	597.07
Transfer to Securities Premium	-	399.67	-	(399.67)	-	-	-	-	-	-	-	-	-	-
Transfer In/Out with OCI	988.26	-	-	-	-	-	-	-	-	(988.26)	-	-	-	-
Cancellation of Equity Stock Options	-	-	-	(48.19)	-	-	-	-	-	-	-	(48.19)	-	(48.19)
Transfer In/Out General Reserve	(7,000.00)	-	7,000.00	-	-	-	-	-	-	-	-	-	-	-
Transfer In/Out Tonnage Tax Reserve	(1,200.00)	-	-	-	1,200.00	-	-	-	-	-	-	-	-	-
Tonnage Tax Reserve (Utilized)	-	-	-	-	(1,400.00)	1,400.00	-	-	-	-	-	-	-	-
<b>Transactions with Owners in Their Capacity as Owners :</b>														
Dividends	(923.96)	-	-	-	-	-	-	-	-	-	-	(923.96)	(34.29)	(958.25)
Tax on Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Balance as at 31<sup>st</sup> March 2021</b>	<b>29,799.00</b>	<b>2,067.36</b>	<b>73,139.54</b>	<b>658.58</b>	<b>1,200.00</b>	<b>7,524.50</b>	<b>1,239.42</b>	<b>194.00</b>	<b>(167.87)</b>	<b>508.67</b>	<b>(734.32)</b>	<b>115,428.88</b>	<b>862.81</b>	<b>116,291.69</b>

In terms of our Report of even date

 For **Brahmayya & Co.**  
 Chartered Accountants  
 Firm Regn No 000511S

**Lokesh Vasudevan**  
 (Partner)  
 (Membership No.222320)

 Place: Coonor  
 Date: 25<sup>th</sup> May, 2021

For and on behalf of the Board

**Vijay Sankar**  
 (Chairman of  
 Audit Committee)  
 (DIN: 00007875)

**Archana Pandey**  
 (Company Secretary &  
 Compliance Officer)  
 (Membership No: A23884)

 Place: Gurugram  
 Date: 25<sup>th</sup> May, 2021

**D. P. Agarwal**  
 (Chairman &  
 Managing Director)  
 (DIN: 00084105)

**Ashish Tiwari**  
 (Group CFO)  
 (Membership No: 502579)

**Vineet Agarwal**  
 (Managing Director)  
 (DIN: 00380300)

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021

### 1. CORPORATE INFORMATION

Transport Corporation of India Limited. ('TCIL' or 'the Company'), its subsidiary companies, its associate and jointly controlled entities (hereinafter collectively referred to as 'the Group'), is a public Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company is India's leading end to end integrated supply chain and logistics solutions provider (LSP) and a pioneer in the sphere of cargo transportation in India. Leveraging on its extensive infrastructure, strong foundation and skilled manpower, TCIL offers seamless multimodal transportation solutions. An ISO 9001:2008 certified group, TCIL is listed with premier stock exchanges, namely, NSE and BSE.

### 2. BASIS OF PREPARATION

These notes provide the list of the significant accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### a) Compliance with Ind AS

The consolidated financial statements of the Group have been prepared in accordance with the India Accounting Standard as notified under section 133 of the Companies Act, 2013 read with prescribed rules therein. The Group has uniformly applied the accounting policies during the periods presented.

The consolidated financial statements for the year ended 31<sup>st</sup> March, 2021 were authorized and approved for by the Board of Directors on 25<sup>th</sup> May, 2021.

#### b) Historical Cost Convention

The consolidated financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities (including derivative instruments) and contingent consideration that is measured at fair value or amortized cost
- Assets held for sale – measured at fair value less cost to sell
- Defined benefit plans – plan assets measured at fair value; and
- Share-based payments — measured at fair value options at the grant date

#### c) Current / Non-Current Classification

Any asset or liability is satisfied as current if it satisfies any of the following conditions:

- Asset / Liability is expected to be realized / settled in the Group's normal operating cycle
- Asset is intended for sale or consumption
- Asset / Liability is held primarily for the purpose of trading.
- Asset is a cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.
- In case of a Liability, the Group does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date

For the purpose of this classification, the Group has ascertained its normal operating cycle as twelve months, which is based on

the nature of business and time between acquisition of assets and inventories for processing and their realization in cash and cash equivalents.

### 3. USE OF SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS

Estimates, assumptions concerning the future and judgments are made in the preparation of the financial statements. They affect the application of the Group's accounting policies, reporting amounts of assets, liabilities, income and expense and disclosures made. Although these estimates are based on management's best knowledge of current events and actions, actual result may differ from those estimates.

The critical accounting estimates and assumptions used and areas involving a high degree of judgments are described below:

#### 3.1. USE OF ESTIMATION AND ASSUMPTION

In the process of applying the group's accounting policies, management had made the following estimation and assumptions that have the significant effect on the amounts recognized in the financial statements. The estimates and assumptions used in accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as on the date of the financial statements, reviewed on an ongoing basis. Any revision to accounting estimates is recognized prospectively in current and future periods.

##### a) Property, Plant and Equipment & Intangible Assets

Key estimates related to long-lived assets (property, plant and equipment and intangible assets) include useful lives, recoverability of carrying values and the existence of any retirement obligations. As a result of future decisions, such estimates could be significantly modified. The useful lives as mentioned in Note 4.2 and Note 4.3 is applied as per Schedule II of Companies Act, 2013 and estimated based upon our historical experience, technical estimates and industry information. These estimates include an assumption regarding periodic maintenance and an appropriate level of annual capital expenditures to maintain the assets.

##### b) Employee Benefits - Measurement of Defined Benefit Obligation (DBO)

Management assesses post-employment and other employee benefit obligations using the projected unit credit method based on actuarial assumptions which represent management's best estimates of the variables (such as standard rates of inflation, medical cost trends, mortality, discount rate and anticipation of future salary increases) that will determine the ultimate cost of providing post-employment and other employee benefits. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses

##### c) Income Taxes

The Group recognizes tax liabilities based upon self-assessment as per the tax laws. When the final tax outcome of these matters is different from the amounts that were initially recognized, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021

## 3.2. CRITICAL JUDGMENTS MADE IN APPLYING ACCOUNTING POLICIES

### a) Revenue

The Group recognizes revenue from contracts with customers based on a five-step model as per Ind AS 115 (Refer Note 4.20) which involves judgements such as identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables. The management exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. It considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

Revenue from freight services is recognized over time using percentage-of-completion method. The management uses judgement to estimate the services provided as on reporting date as a proportion of total services provided which is used to determine the degree of the completion of the performance obligation.

### b) Recognition of Deferred Tax Assets

The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized. In addition, significant judgement is required in assessing the impact of any legal or economic limits or uncertainties in various tax jurisdictions.

### c) Recognition of Deferred Tax Liabilities on Undistributed Profits

The extent to which the Group can control the timing of reversal of deferred tax liability on undistributed profits of its subsidiaries requires judgement.

### d) Evaluation of Indicators for Impairment of Assets

The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

### e) Expected Credit Losses

Expected credit losses of the Group are based on an evaluation of the collectability of receivables. A considerable amount of judgment is required in assessing the ultimate realization of these receivables, including their current credit worthiness, past collection history of each customer and ongoing dealings with them. If the financial conditions of the counterparties with which the Group contracted were to deteriorate, resulting in an impairment of their ability to make payments, additional expected credit loss may be required.

### f) Useful Life of Depreciable/Amortizable Assets

Management reviews its estimate of the useful lives of depreciable/amortizable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain software, customer relationships, IT equipment and other plant and equipment.

### g) Fair Value Measurements

Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

### h) Provisions

At each balance sheet date basis the management judgement, changes in facts and legal aspects, the Group assess the requirement of the provisions. However, the actual future outcome may be different from this judgement.

### i) Leases

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain or not to exercise the option to renew or terminate the lease. That considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

### j) Uncertainties resulting from global pandemic COVID-19

The Group has considered internal and external sources of information including credit reports, economics forecasts and industry report up to the date of approval of the financial statements in determining the impacts on various elements of its financial statements. The Group has applied due prudence in applying judgements, estimates and assumptions including performance of sensitivity analysis based on the current estimates in assessing the recoverability of trade receivable including unbilled receivables, investments, right of use assets and other financial assets for the possible impact on the financial statements.

## 3.3. RECENT PRONOUNCEMENTS

MCA has issued notifications dated 24<sup>th</sup> March, 2021 to amend Schedule III to the Companies Act, 2013 to enhance the disclosures required to be made by the Company in its financial statements. These amendments are applicable to the Company for the financial year starting 1<sup>st</sup> April, 2021.

## 4. SIGNIFICANT ACCOUNTING POLICIES

### 4.1. BASIS OF CONSOLIDATION

#### Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021

affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. Profit or loss and other comprehensive income ('OCI') of subsidiaries acquired or disposed of during the period are recognized from the effective date of acquisition, or up to the effective date of disposal, as applicable. All the consolidated subsidiaries have a consistent reporting date of 31<sup>st</sup> March, 2021.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intergroup transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests, presented as part of equity, represent the portion of a subsidiary's profit or loss and net assets that is not held by the Group. Profit or loss and each component of OCI are attributed to the equity holders of the Parent Company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. The Group attributes total comprehensive income or loss of subsidiaries between the owners of the parent and the non-controlling interests based on their respective ownership interests.

The group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognized within equity.

### Associates and Joint Ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies. Investments in associates are accounted for using the equity method, after initially being recognized at cost.

Investments in joint arrangement are classified as either Joint operations or Joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the Joint arrangement.

- Joint ventures – Interest in joint venture are accounted for using the equity method, after initially being recognized at cost
- Joint operations – The Group recognizes its direct right to the assets, liabilities, revenue and expenses of Joint operations and its share of any jointly held or incurred assets, liabilities, revenue and expenses. These have been incorporated in the financial statement under the appropriate heading

Under the equity method of accounting, the investments are initially recognized at cost and adjusted thereafter to recognize the Group's share of the post-acquisition profits or losses of the investee in profit and loss, and the Group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognized as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealized gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group. The carrying amount of equity accounted investments is tested for impairment in accordance with impairment of non-financial asset policy.

### Business Combinations

The Group applies the acquisition method in accounting for business combinations. The consideration transferred by the Group to obtain control of a subsidiary is calculated as the sum of the acquisition-date fair values of assets transferred, liabilities incurred and the equity interests issued by the Group, which includes the fair value of any asset or liability arising from a contingent consideration arrangement. Acquisition costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their acquisition date fair values.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognized for noncontrolling and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the difference is recognized in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognizes the gain directly in equity as capital reserve, without routing the same through OCI.

Where settlement of any part of cash consideration is deferred, the amount payable in the future is discounted to their present value as at the date of exchange. The discount rate used is the Group's incremental borrowing rate, being the rate at which the similar borrowing could be obtained from an independent financier under comparable terms and condition.

Contingent consideration is classified either as equity or financial liability. Amount classified as financial liability are subsequently re-measured to fair value with changes in fair value recognized in profit or loss.

Business combinations involving entities or businesses under common control have been accounted for using the pooling of interest's method. The assets and liabilities of the combining entities are reflected at their carrying amounts. No adjustments have been made to reflect fair values, or to recognize any new assets or liabilities except changes made to harmonize the accounting policies.

## 4.2. PROPERTY, PLANT AND EQUIPMENT AND DEPRECIATION

### Initial Recognition

All items of property, plant and equipment are initially measured at cost. The cost of an item of plant and equipment is recognized as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. Cost includes its purchase price (after deducting trade

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021

discounts and rebates), import duties & non-refundable purchase taxes, any costs directly attributable to bringing the asset to the location & condition necessary for it to be capable of operating in the manner intended by management, borrowing costs on qualifying assets and asset retirement costs.

The activities necessary to prepare an asset for its intended use or sale extend to more than just physical construction of the asset. It may also include technical (DPR, environmental, planning, Land acquisition and geological study) and administrative work such as obtaining approvals before the commencement of physical construction.

The cost of replacing a part of an item of property, plant and equipment is capitalized if it is probable that the future economic benefits of the part will flow to the Group and that its cost can be measured reliably. The carrying amount of the replaced part is derecognized.

Costs of day to day repairs and maintenance costs are recognized into the statement of profit and loss account as incurred.

### Subsequent measurement

Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual values, estimated useful lives and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

### Depreciation

Depreciation is provided on Straight Line Method, as per the provisions of Schedule II of the Companies Act, 2013 or based on useful life estimated on the technical assessment. Asset class wise useful lives are as under:

Type of Assets	Useful Life
Building	60 Years
Building - Leasehold Improvements	Lease Term
Ships	As per technical assessment
Motor Trucks	6 Years
Vehicles	8-10 Years
Plant and Machinery	15-22 Years
Computer	3 Years
Containers	15 Years

In respect of additions / deletions to the fixed assets / leasehold improvements, depreciation is charged from the date the asset is ready to use / up to the date of deletion

### De-recognition

An item of plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de recognition of the asset is recognized in the profit or loss in the year the asset is derecognized.

### Capital Work in Progress and Capital Advances

Cost of asset not ready for intended use and assets under installation or under construction as at the Balance Sheet date are shown as Capital Work in Progress. Advances given towards acquisition of fixed assets outstanding at each

Balance Sheet date are disclosed as Other Non Current Asset in accordance with Schedule III to the Companies Act, 2013.

## 4.3. INTANGIBLE ASSETS & AMORTIZATION

### Initial Recognition

Intangible assets acquired separately are initially measured at cost. Intangible assets are recognized if and only if, it is probable that the future economic benefits that are attributable to the asset will flow to the Company and the cost of the asset can be measured reliably.

Cost of separately acquired intangible assets includes its purchase price (after deducting trade discounts and rebates), import duties & non-refundable purchase taxes, any costs directly attributable to preparing the asset for its intended use.

### Subsequent measurement and amortization

Intangible assets are stated at cost of acquisition less accumulated amortization and accumulated impairment losses, if any. Subsequent expenditure related to an item of intangible assets are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

The carrying values of intangible assets are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual values, estimated useful lives and amortization method are reviewed at each financial year-end, and adjusted prospectively, if appropriate

The useful lives of intangible assets are assessed as either finite or indefinite. Finite-life intangible assets are amortized on a straight-line basis over the period of their estimated useful lives. Estimated useful lives by major class of finite-life intangible assets are as follows

Intangible Assets	Method of Amortization	Estimated Useful life
Computer Software	on straight-line basis	Over a period of 3 to 10 years
Railway Operating License	on straight-line basis	20 Years based on validity of license

The amortization period and the amortization method for Other Intangible Assets with a finite useful life are reviewed at each reporting date.

Indefinite-life intangible assets comprises of those assets for which there is no foreseeable limit to the period over which they are expected to generate net cash inflows. These are considered to have an indefinite life, given the strength and durability of the Company and the level of marketing support.

For indefinite life intangible assets, the assessment of indefinite life is reviewed annually to determine whether it continues, if not, it is impaired or changed prospectively based on revised estimates.

### De-recognition

An item of Intangible assets is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de recognition of the asset is recognized in the profit or loss in the year the asset is derecognized.

## 4.4. INVENTORIES

Inventories are valued at lower of cost or net realizable value. Cost of inventory includes cost of purchase and other costs incurred in bringing them to their present location and

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021

condition. Net Realizable Value in respect of consumables & spares is the estimated current procurement price in the ordinary course of the business.

## 4.5. IMPAIRMENT OF NON – FINANCIAL ASSETS

At each reporting date, the Group assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the Group makes a formal estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount.

Recoverable amount is the greater of fair value less costs to sell and value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of Profit and Loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognized in OCI up to the amount of any previous revaluation surplus.

After impairment, depreciation or amortization is provided on the revised carrying amount of the asset over its remaining useful life.

The impairment assessment for all assets is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit or loss.

## 4.6. FINANCIAL ASSETS

Financial assets comprise of investments in equity and debt securities, mutual funds, loans, trade receivables, cash and cash equivalents and other financial assets.

### Initial Recognition

All financial assets except investments in subsidiary, associates and jointly controlled entities are recognized initially at fair value. Purchases or sales of financial asset that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Group commits to purchase or sell the assets.

### Subsequent Measurement

#### a) Financial assets measured at amortized cost:

Financial assets held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash

flows that are solely payments of principal and interest on the principal amount outstanding are measured at amortized cost using effective interest rate (EIR) method. The EIR amortization is recognized as finance income in the Statement of Profit and Loss.

The Group while applying above criteria has classified the following at amortized cost:

- a. Loans
- b. Trade Receivable
- c. Cash and Cash Equivalents
- d. Other Financial Assets

#### b) Financial assets at fair value through other comprehensive income (FVTOCI):

Financial assets held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, selling the financial assets and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at FVTOCI. Fair Value movements in financial assets at FVTOCI are recognized in other comprehensive income. Equity instruments held for trading are classified at fair value through profit or loss (FVTPL). For other equity instruments the Group classifies the same at FVTOCI. The classification is made on initial recognition and is irrevocable. Fair value changes on equity investments at FVTOCI, excluding dividends are recognized in other comprehensive income (OCI).

#### c) Financial assets at fair value through profit or loss (FVTPL)

Financial asset are measured at fair value through profit or loss if it does not meet the criteria for classification as measured at amortized cost or at fair value through other comprehensive income. All fair value changes are recognized in the statement of profit and loss.

#### d) Investment in subsidiaries, joint ventures & associates are carried at cost in the separate financial statements.

### Impairment

Financial assets are tested for impairment based on the expected credit losses in accordance with Ind AS 109 on the following financial assets:

#### a) Trade Receivables

An impairment analysis is performed at each reporting date. The expected credit losses over life time of the asset are estimated by adopting the simplified approach using a provision matrix on its portfolio of trade receivables, which is based on historical loss rates reflecting current condition and forecasts of future economic conditions. In this approach assets are grouped on the basis of similar credit characteristics such as customer segment, past due status and other factors which are relevant to estimate the expected cash loss from these assets.

#### b) Other financial assets

Other financial assets are tested for impairment based on significant change in credit risk since initial recognition and impairment is measured based on probability of default over the life time when there is significant increase in credit risk

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021

## De-recognition

A financial asset is derecognized only when:

- The Group has transferred the rights to receive cash flows from the financial asset or
- The contractual right to receive cash flows from financial asset is expired or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients

Where the entity has transferred an asset and transferred substantially all risks and rewards of ownership of the financial asset, in such cases the financial asset is derecognized. Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is also derecognized if the Group has not retained control of the financial asset.

## 4.7. CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprises cash at bank (including deposits with banks with original maturity of three months or less) and cash in hand and short-term investments with an original maturity of three months or less. Deposits with banks are subsequently measured at amortized cost and short term investments are measured at fair value through statement of profit & loss account.

## 4.8. NON-CURRENT ASSETS HELD FOR SALE

Non-current assets or disposal groups comprising of assets and liabilities are classified as 'held for sale' when all the following criteria are met:

- (i) decision has been made to sell,
- (ii) the assets are available for immediate sale in its present condition,
- (iii) the assets are being actively marketed and (
- (iv) sale has been agreed or is expected to be concluded within 12 months of the Balance Sheet date.

Subsequently, such non-current assets and disposal groups classified as 'held for sale' are measured at the lower of its carrying value and fair value less costs to sell. Non-current assets held for sale are no longer depreciated or amortized.

## 4.9. SHARE CAPITAL

Equity Shares are classified as equity

## 4.10. FINANCIAL LIABILITIES

### Initial Recognition

Financial liabilities are recognized when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognized initially at fair value plus any directly attributable transaction costs, such as loan processing fees and issue expenses.

### Subsequent Measurement - at amortized cost

After initial recognition, financial liabilities are subsequently measured at amortized cost using the effective interest rate (EIR) method. Gains and losses are recognized in profit or loss when the liabilities are de recognized, and through the

amortization process.

## De-recognition

A financial liability is de recognized when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in profit or loss.

## 4.11. BORROWING COSTS

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. Capitalization of borrowing cost is suspended in the period during which the active development is delayed due to other than temporary interruption. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest, exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other costs that an entity incurs in connection with the borrowing of funds.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

## 4.12. EMPLOYEE BENEFITS

Employee benefits are charged to the Statement of Profit and Loss for the year.

Retirement benefits in the form of Provident Fund are defined contribution scheme and such contributions are recognized, when the contributions to the respective funds are due. There are no other obligation other than the contribution payable to the respective funds

Gratuity liability is defined benefit obligation and is provided for on the basis of actuarial valuation on projected unit credit method made at the end of each financial year. Re measurement in case of defined benefit plans gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income and they are included in the statement of changes in equity.

Compensated absences are provided for on the basis of actuarial valuation on projected unit credit method made at the end of each financial year. Re measurements as a result of experience adjustments and changes in actuarial assumptions are recognized in statement of profit or loss account.

The amount of Non-current and Current portions of employee benefits is classified as per the actuarial valuation at the end of each financial year.

## 4.13. SHARE BASED PAYMENTS - EMPLOYEE STOCK OPTION SCHEME

The Group has formulated an Employees Stock Option Scheme which provides that subject to continued employment with the Company or the group, employees of the Company and its subsidiary Company are granted an option to acquire equity shares of the Company that may be

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021

exercised within a specified period. The fair value of options granted under Employee Stock Option Plan is recognized as an Deferred employees stock option compensation with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options. The total expense is recognized over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied.

### 4.14. INCOME TAXES

Income tax expense is comprised of current and deferred taxes. Current and deferred tax is recognized in net income except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive income. Current income tax relating to items recognized outside profit and loss is recognized outside profit and loss (either in other comprehensive income or in equity). Current income taxes for the current period, including any adjustments to tax payable in respect of previous years, are recognized and measured at the amount expected to be recovered from or payable to the taxation authorities based on the tax rates that are enacted or substantively enacted by the end of the reporting period.

Deferred income tax assets and liabilities are recognized for temporary differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax base using the tax rates that are expected to apply in the period in which the deferred tax asset or liability is expected to settle, based on the laws that have been enacted or substantively enacted by the end of reporting period.

Deferred tax assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable income nor the accounting income. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable income will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and reduced accordingly to the extent that it is no longer probable that they can be utilized

Deferred tax assets and liabilities are offset when there is legally enforceable right of offset current tax assets and liabilities when the deferred tax balances relate to the same taxation authority. Current tax asset and liabilities are offset where the entity has legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. Deferred Tax relating to items recognized outside profit or loss is recognized outside profit and loss (either in other comprehensive income or in equity).

### 4.15. LEASES

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

#### Group as a lessee

The Group assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether

- (i) the contract involves the use of an identified asset

- (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease, and

- (iii) the Group has the right to direct the use of the asset

The Group's lease assets consist of the following:

Asset Description	Useful life
Leasehold Land	As per Lease period
Leasehold Building	Lower of Lease period or useful life

At date of commencement of leases, the Group recognized a right -of-use of asset (ROU) and a corresponding lease liability for all the lease arrangements, except for those with a term of twelve month or less (short term leases) and leases of low value assets. For these leases, the Group recognizes lease payments as an operating expense on straight line basis over the lease term.

#### Initial Measurement

ROU assets are initially measured at cost that comprises of the initial amount of lease liability adjusted for any lease payments made at or prior to the date of commencement, initial direct costs and lease incentives (if any).

Lease Liability is initially measured at the present value of future lease payments that are not paid at that date. The lease payments shall be discounted using the interest the interest rate implicit in the lease or, if not readily determinable, incremental borrowing rate.

#### Subsequent Measurement

ROU assets are subsequently measured at cost less accumulated depreciation and impairment loss, if any. ROU is depreciated from the date of commencement on a straight-line basis over the shorter of lease term or useful life of the underlying asset.

Lease Liability is subsequently measured by increasing the carrying amount to reflect interest and reducing the carrying amount to reflect the lease payments made.

The carrying amount of lease liability is remeasured to reflect any reassessment or lease modification such as change in lease term.

ROU asset and lease liability are separately presented in the balance sheet and lease payments have been classified as financing cash flows.

#### Group as a lessor

Leases for which the Group is a lessor is classified as finance or operating lease. Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Lease income from operating leases is recognized in the statement of profit and loss income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

### 4.16. PROVISIONS

A provision is recognized if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021

The Group recognizes decommissioning provisions in the period in which a legal or constructive obligation is incurred. A corresponding decommissioning cost is added to the carrying amount of the associated property, plant and equipment, and it is depreciated over the estimated useful life of the asset.

#### 4.17. CONTINGENT LIABILITIES

Contingent liability is disclosed in case of:

- A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- A present obligation arising from past events, when no reliable estimate is possible;
- A possible obligation arising from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group where the probability of outflow of resources is not remote.

#### 4.18. CONTINGENT ASSETS

Contingent assets are not recognized but disclosed in the financial statements when an inflow of economic benefits is probable.

#### 4.19. FAIR VALUE MEASUREMENTS

Group follows the following mentioned underneath hierarchy for determining fair values of its financial instruments:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (prices) or indirectly (derived from prices); and
- Level 3 – Inputs for the asset or liability that are not based on observable market data.

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting dates. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The fair value for these instruments is determined using Level 1 inputs.

The fair value of financial instruments that are not traded in an active market (for example, over the counter derivatives) is determined by using valuation techniques. These valuation techniques maximize the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is fair valued using level 2 inputs.

If one or more of the significant inputs is not based on observable market data, the instrument is fair valued using Level 3 inputs. Specific valuation techniques used to value financial instruments include:

- Quoted market prices or dealer quotes for similar instruments
- The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves

- The fair value of forward foreign exchange contracts is determined using forward exchange rates at the reporting dates, with the resulting value discounted back to present value
- Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

#### 4.20. REVENUE RECOGNITION

The Group derives revenues primarily from business of freight, logistic services (comprising of supply chain management, warehousing and allied services) and sale of power.

The Group recognizes revenue from contracts with customers based on a five-step model, such as to, identifying the contracts with a customer, identifying the performance obligations in the contract, determine the transaction price, allocate the transaction price to the performance obligations in the contract and recognize revenue when (or as) the entity satisfies a performance obligation at a point in time or over time.

The Group satisfies a performance obligation and recognizes revenue over time, if one of the following criteria is met:

- The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs; or
- The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- The Group's performance does not create an asset with an alternative use to the Group and the entity has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognized at the point in time at which the performance obligation is satisfied.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services.

- Freight Services - Freight income and associated expenses are recognized over time using the percentage of completion method (POC method). The stage of completion is assessed with reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be provided. Generally, the contracts are fixed price, thus the associated cost can be reliably measured.
- Logistics Services - Under Logistics Services, the principal service is related to the customer contracts for warehousing activities. Based on the customer contracts logistic income is recognized at the point in time when the services are rendered, the amount of revenue can be reliably measured and, in all probability,, the economic benefit from the transaction will flow to the Group.
- Sale of Power - Income from the sale of power is recognized at the point in time on transfer of significant risks and rewards of ownership to the buyer, and measured based on the rates in accordance with the provision of the Power Purchase Agreement (PPAs) entered into by the Group and procurer(s) of power.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021

### 4.21. OTHER INCOME

#### Interest Income

For all debt instruments measured either at amortized cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

Interest income on fixed deposits is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate.

#### Dividend income

Dividend income is recognized at the time when right to receive the payment is established, which is generally when the shareholders approve the dividend and it is probable that the economic benefit associate with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

### 4.22. FOREIGN CURRENCY TRANSACTIONS

Functional and presentation Currency

The Financial statements are presented in Indian Rupee (₹) which is also the functional and presentation currency of the Group.

#### Transaction and Balances

Transactions in foreign currencies are translated to the functional currency of the Group, at exchange rates in effect at the transaction date. At each reporting date monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate in effect at the date of the financial statement. The translation for other non-monetary assets and liabilities are not updated from historical exchange rates unless they are carried at fair value.

### 4.23. GOVERNMENT GRANTS

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognized as income in equal amounts over the expected useful life of the related asset.

### 4.24. EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the profit attributable to owners of the Group by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account, the after income tax effect of interest and other financing costs associated with dilutive potential equity shares and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

### 4.25. SEGMENTAL REPORTING

Operating segments are identified and reported in a manner consistent with the internal financial reporting provided to the chief operating decision makers responsible for allocating resources and assessing performance of the operating segments.

### 4.26. EVENTS AFTER REPORTING DATE:

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the Financial Statements. Non Adjusting events after the Balance Sheet date which are material in size or nature are disclosed separately in the Financial Statements

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021 (Contd.)

Description of Assets	Gross Block			Accumulated Depreciation & Impairment			Net Carrying Value	
	As at 31 <sup>st</sup> March, 2020	Addition During the Year	Disposals/ Transfer of the Assets	As at 31 <sup>st</sup> March, 2020	For the Year	Disposals/ Transfer of the Assets	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
<b>Owned Assets:</b>								
Freehold Land	8,673.30	563.03	622.74	8,613.59	-	-	8,613.59	8,673.30
Buildings	13,878.90	2,059.16	3.51	15,934.55	300.83	1.33	14,510.27	12,754.12
Ships	31,517.81	2,122.30	4,682.06	28,958.05	3,469.27	1,192.86	11,077.16	22,717.06
Motor Trucks	22,140.58	870.20	6,215.58	16,795.20	2,787.88	5,803.22	8,921.22	10,204.02
Vehicles	1,210.13	193.91	226.91	1,177.13	152.17	121.51	348.97	891.82
Plant and Machinery	8,916.15	1,351.71	11.54	10,256.32	670.65	1.49	3,221.88	6,363.43
Computers	1,048.30	46.22	152.49	942.03	163.38	144.82	761.14	180.89
Containers	12,235.62	2,918.61	169.83	14,984.40	871.28	149.44	2,834.48	10,122.98
Furniture & Fixtures	2,979.90	137.62	120.96	2,996.56	279.13	131.48	1,171.68	1,955.87
Office Equipments	718.31	70.22	32.15	756.38	104.48	28.96	677.12	116.71
Railway Wagons	-	2,530.00	-	2,530.00	91.79	-	91.79	2,438.21
<b>Assets on Operating Lease:</b>								
Plant & Equipments	2,581.46	-	-	2,581.46	58.30	-	262.60	681.29
<b>Grand Total</b>	<b>105,900.46</b>	<b>12,862.98</b>	<b>12,237.77</b>	<b>106,525.67</b>	<b>8,949.16</b>	<b>7,575.11</b>	<b>32,750.79</b>	<b>74,786.32</b>
<b>Previous Year</b>	<b>94,980.31</b>	<b>11,498.39</b>	<b>578.24</b>	<b>105,900.46</b>	<b>8,160.91</b>	<b>384.85</b>	<b>31,114.14</b>	<b>72,629.91</b>

(i) Refer Note 17 & 21 for information on property, plant and equipment pledged as security by the Group.

(ii) The borrowing costs capitalised during the year ended 31<sup>st</sup> March, 2021 was ₹ 106.20 Lakhs (31<sup>st</sup> March, 2020: Nil).

(iii) In Case of Ship, the Group has adopted useful life of ship from the date of built as per the technical assessment.

(iv) Impairment of Wind Power assets has been done on the basis of internal assessment as process described in Ind AS 36 (Refer Note 33 (a))

(v) Dry dock expense capitalized and included in Ships in the above schedule and is depreciated with a useful life of 2.5 years as per company policy:

Particulars	Gross Block			Accumulated Depreciation			Net Carrying Value	
	As at 31 <sup>st</sup> March, 2020	Addition During the Year	Disposals/ Transfer of the Assets	As at 31 <sup>st</sup> March, 2020	For the Year	Disposals of the Assets	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
<b>Dry Dock</b>	5,916.65	2,122.30	442.41	7,596.54	1,138.43	397.62	2,477.85	1,538.77

**5A. CAPITAL WORK-IN-PROGRESS**

Particulars	Gross Block		Accumulated Depreciation		Net Carrying Value	
	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>Capital Work in Progress</b>						
		As at 31 <sup>st</sup> March 2020				
		522.15				
		2,158.04				

**5B. RIGHT OF USE OF ASSETS (REFER NOTE 44(B))**

Particulars	Gross Block			Accumulated Depreciation			Net Carrying Value	
	As at 31 <sup>st</sup> March, 2020	Addition During the Year	Disposals/ Transfer of the Assets	As at 31 <sup>st</sup> March, 2020	For the Year	Disposals of the Assets	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
Leasehold Building	373.28	1,934.59	-	2,307.87	276.39	-	1,984.03	325.83
Leasehold Land	2,043.54	2,417.07	-	4,460.61	39.37	-	4,393.02	2,015.32
<b>Total</b>	<b>2,416.82</b>	<b>4,351.66</b>	<b>-</b>	<b>6,768.48</b>	<b>315.76</b>	<b>-</b>	<b>6,377.05</b>	<b>2,341.15</b>



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021 (Contd.)

**6. OTHER INTANGIBLE ASSETS**

(₹ in Lakhs)

Particulars	Softwares	Railway Operating Licence	Total
<b>Balance as at 31<sup>st</sup> March, 2020</b>	<b>271.23</b>	-	271.23
Additions	-	300.00	300.00
Disposals/Adjustments	179.97	-	179.97
<b>Balance as at 31<sup>st</sup> March, 2021</b>	<b>91.26</b>	<b>300.00</b>	<b>391.26</b>
Accumulated Amortisation			
<b>Balance as at 31<sup>st</sup> March, 2020</b>	<b>226.32</b>	-	226.32
Charged During the Year	6.42	9.21	15.63
Disposals/Adjustments for the Year	161.55	-	161.55
<b>Balance as at 31<sup>st</sup> March, 2021</b>	<b>71.19</b>	<b>9.21</b>	<b>80.40</b>
<b>Net Book Value as at 31<sup>st</sup> March, 2021</b>	<b>20.07</b>	<b>290.79</b>	<b>310.86</b>
<b>Net Book Value as at 31<sup>st</sup> March, 2020</b>	<b>44.91</b>	-	<b>44.91</b>

**7. INVESTMENTS**

Particulars	Number of Shares		₹ in Lakhs	
	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
<b>In Equity Instruments</b>				
<b>In Other Companies (Quoted) (at FVTOCI)</b>				
Fully Paid up Shares of ₹ 10/- Each of TCI Developers Limited	-	100,000	-	266.50
<b>Sub total(a)</b>	<b>-</b>	<b>100,000</b>	<b>-</b>	<b>266.50</b>
<b>In Other Companies (Unquoted) (at FVTOCI)</b>				
Fully Paid up Shares of ₹ 10/- Each of TCI Distribution Centres Limited	143,700	143,700	14.37	14.37
Fully Paid up Shares of ₹ 20/- Each of AIOT Foundry Private Limited	40	-	50.76	-
<b>Sub total (b)</b>	<b>143,740</b>	<b>143,700</b>	<b>65.13</b>	<b>14.37</b>
<b>In Jointly Controlled Entity (Joint Ventures) (Unquoted) (at Cost)</b>				
Fully Paid up Shares of ₹ 10/- Each of Transystem Logistics International Private Limited	3,920,000	3,920,000	11,659.19	10,061.86
Profits for the Year			2,033.90	2,548.31
Share of Other Comprehensive Income			(7.07)	(5.83)
Dividend Received & Tax			(980.00)	(945.15)
<b>Sub total (ci)</b>	<b>3,920,000</b>	<b>3,920,000</b>	<b>12,706.02</b>	<b>11,659.19</b>
<b>In Associate (Unquoted) (at Cost)</b>				
Fully Paid up Shares of ₹ 10/- Each of Cargo Exchange India Private Limited	377,637	223,473	591.78	367.61
Investment made during the Year	30,211	154,164	50.00	255.00
De-recognition gain/(loss) on fair valuation			-	2.49
Share of Profit/(Loss) during the Year			(21.34)	(33.32)
<b>Sub total (cii)</b>	<b>407,848</b>	<b>377,637</b>	<b>620.44</b>	<b>591.78</b>
<b>Sub total (c) (ci+cii)</b>	<b>4,327,848</b>	<b>4,297,637</b>	<b>13,326.46</b>	<b>12,250.97</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021 (Contd.)

Particulars	Number of Shares		₹ in Lakhs	
	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
<b>In Preference Shares</b>				
<b>In Other Company (Unquoted) (at FVTOCI)</b>				
Preference Share Fully Paid up Shares of ₹ 1,000/- Each of Leap India Limited	2,770	2,770	550.69	550.69
Preference Share Fully Paid up Shares of ₹ 55/- Each of Dunzo Digital Private Limited	378	378	400.69	200.06
Preference Share Fully Paid up Shares of ₹ 20/- Each of AIOT Foundry Private Limited	-	40	-	50.40
<b>Sub total (d)</b>	<b>3,148</b>	<b>3,188</b>	<b>951.38</b>	<b>801.15</b>
<b>In Mutual Funds (Quoted) (at FVTPL)</b>				
JM Basic Fund	149,753	149,753	62.83	35.87
<b>In Venture Capital Funds (Unquoted) (at FVTOCI)</b>				
PI Ventures Fund I	177,333	137,333	203.54	153.43
Welspun one Logistics Parks Fund I (A Category II AIF Scheme - A2 Unit)	200	-	200.00	-
Fund Invested with LV Angel Fund	-	-	176.24	-
<b>Sub total (e)</b>	<b>327,286</b>	<b>287,086</b>	<b>642.61</b>	<b>189.30</b>
<b>In Debt Securities (Quoted) (at Amortised Cost)</b>				
National Highway Authority of India - Bonds of ₹ 1,000 Each	1,236	1,236	12.36	12.36
<b>Sub total (f)</b>	<b>1,236</b>	<b>1,236</b>	<b>12.36</b>	<b>12.36</b>
<b>Grand total (a+b+c+d+e+f)</b>	<b>4,803,258</b>	<b>4,832,847</b>	<b>14,997.94</b>	<b>13,534.65</b>
<b>Total Non-Current Investments</b>			<b>14,997.94</b>	<b>13,534.65</b>
Aggregate Amount of Quoted Investments and their Market Value			75.19	314.73
Aggregate Amount of Unquoted Investments			14,922.75	13,219.92

**8. LOANS**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021		As at 31 <sup>st</sup> March, 2020	
	Non-Current	Current	Non-Current	Current
<b>(Unsecured, Considered Good Unless Otherwise Stated)</b>				
Deposits with Others	340.30	628.83	600.82	1,324.22
Security Deposits with Customers	1,126.03	619.34	-	820.22
Loans to Employees	-	99.53	-	107.27
<b>Total</b>	<b>1,466.33</b>	<b>1,347.70</b>	<b>600.82</b>	<b>2,251.71</b>
Provision for Doubtful Deposits	(61.56)	(108.19)	(175.14)	-
<b>Total (Net of Provision)</b>	<b>1,404.77</b>	<b>1,239.51</b>	<b>425.68</b>	<b>2,251.71</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021 (Contd.)

9. OTHER FINANCIAL ASSETS

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021		As at 31 <sup>st</sup> March, 2020	
	Non-Current	Current	Non-Current	Current
<b>Unsecured</b>				
Income Accrued but not Received	-	155.16	-	164.17
In Deposit Accounts	159.83	-	239.48	-
<b>Total</b>	<b>159.83</b>	<b>155.16</b>	<b>239.48</b>	<b>164.17</b>

10. OTHER ASSETS

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021		As at 31 <sup>st</sup> March, 2020	
	Non-Current	Current	Non-Current	Current
Deferred Employee Stock Option Compensation	82.20	181.30	82.58	207.57
Capital Advances	3,544.55	-	3,899.38	-
Prepaid Expenses	33.48	250.12	73.31	494.32
GST Credit Receivable	-	2,832.11	-	1,868.83
Operational Advances	-	1,322.11	-	1,253.13
Contract Assets	-	8,647.68	-	7,371.16
Other Advances & Deposit	136.76	24.35	122.97	24.92
<b>Total</b>	<b>3,796.99</b>	<b>13,257.67</b>	<b>4,178.24</b>	<b>11,219.93</b>
Provision for Doubtful Advances	(122.97)	(15.41)	(122.97)	(15.41)
<b>Total (Net of Provision)</b>	<b>3,674.02</b>	<b>13,242.26</b>	<b>4,055.27</b>	<b>11,204.52</b>

11. INVENTORIES

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>(Valued at cost, unless otherwise stated)</b>		
Ship Fuels & Consumables	711.72	658.15
<b>Total</b>	<b>711.72</b>	<b>658.15</b>

12. TRADE RECEIVABLES

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>(Unsecured, Considered Good Unless Otherwise Stated)</b>		
Unsecured		
Considered Good	51,104.30	48,730.29
Considered Doubtful	1,171.91	1,080.01
<b>Total</b>	<b>52,276.21</b>	<b>49,810.30</b>
Provision for Expected Credit Losses in Receivables	(1,171.91)	(1,080.01)
<b>Total (Net of Provision)</b>	<b>51,104.30</b>	<b>48,730.29</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021 (Contd.)

**13. CASH AND CASH EQUIVALENTS**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Cash in Hand	121.28	129.45
<b>Balances with Banks</b>		
Current Accounts	1,422.31	1,065.22
EEFC Accounts	1,861.47	-
Bank Deposits with Maturity less than 3 Months	0.42	122.18
<b>Sub-total</b>	<b>3,405.48</b>	<b>1,316.85</b>
<b>Other Bank Balances</b>		
Earmarked Bank Balances		
Unpaid Dividend Accounts	195.27	202.73
Fixed Deposits Maturity for more than 3 Months but less than 12 Months	349.88	1,072.64
<b>Sub-total</b>	<b>545.15</b>	<b>1,275.37</b>
<b>Total</b>	<b>3,950.63</b>	<b>2,592.22</b>

(I) The Bank Balances include the Margin Money amounting to ₹ 349.88 Lakhs (31<sup>st</sup> March, 2020 of ₹ 390.15 Lakhs) against the Bank Guarantee.

(II) There are no Repatriation Restrictions with Respect to Cash and Bank Balances available with the Group

**14. CURRENT TAX ASSET (NET)**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Advance Income Tax (Net of Provision)	1,965.80	5,145.95
<b>Total</b>	<b>1,965.80</b>	<b>5,145.95</b>

**15. NON CURRENT ASSETS CLASSIFIED AS HELD FOR SALE**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Land Held for Sale	289.41	-
<b>Total</b>	<b>289.41</b>	<b>-</b>
Liabilities associated with assets held for sale	-	-

## Notes

During the Year, cost of land situated at village Marambedu, near Chennai amounting to ₹ 289.41 lakhs was classified as Non Current Asset held for sale. The fair value (net of cost of sale) are expected to be same as the net carrying amount of the land and, accordingly, no impairment loss has been recognized on the classification of land as held for sale.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021 (Contd.)

**16. EQUITY SHARE CAPITAL**

₹ in Lakhs

Particulars	As at	
	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
<b>Authorised Capital</b>		
100,000,000 (Previous Year 100,000,000) Equity Shares of ₹ 2 Each	2,000.00	2,000.00
500,000 (Previous Year 500,000) Preference Shares of ₹ 100 Each	500.00	500.00
	<b>2,500.00</b>	<b>2,500.00</b>
<b>Issued, Subscribed and Paid-Up Capital</b>		
77,099,750 (Previous Year 76,826,225) Equity Shares of ₹ 2 Each	1,541.99	1,536.53
<b>Total</b>	<b>1,541.99</b>	<b>1,536.53</b>

**a) Reconciliation of Equity Shares Outstanding at the Beginning and at the End of the Year.**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021		As at 31 <sup>st</sup> March, 2020	
	No. of Shares	In Rupees	No. of Shares	In Rupees
Equity Shares at the Beginning of the Year	76,826,225	1,536.53	76,661,975	1,533.24
Add: Allotted under Employee Stock Option Scheme	273,525	5.47	164,250	3.29
<b>Equity Shares at the End of the Year</b>	<b>77,099,750</b>	<b>1,542.00</b>	<b>76,826,225</b>	<b>1,536.53</b>

**b) Rights/Preferences/Restrictions Attached to Equity Shares**

The Parent Company has only one class of equity shares having a par value of ₹ 2 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except interim dividend.

In the event of liquidation of the Parent Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

**c) Details of Shareholders Holding More Than 5% Shares in the Company**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021		As at 31 <sup>st</sup> March, 2020	
	No. of Shares	% Holding	No. of Shares	% Holding
Equity Shares of ₹ 2 Each Fully Paid up				
Bhoruka Supply Chain Solutions Holdings Limited	34,291,588	44.48	34,263,463	44.60
Mr. D.P Agarwal	4,974,995	6.45	4,974,995	6.48
HDFC Trustee Co Ltd A/C HDFC Retirement Savings Fund-Hybrid-Debt Plan	5,674,030	7.36	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021 (Contd.)

₹ in Lakhs

**16A. OTHER EQUITY**

Particulars	Profits attributable to owners										Non-Controlling Interests	Total		
	Retained Earnings	Reserves and Surplus					Other Comprehensive Income						Total	
		Securities Premium	General Reserve	Share Options Outstanding	Tonnage Tax Reserve	Tonnage Tax Reserve (Utilised)	Reserve on Consolidation	Capital Redemption Reserve	FCTR	FVTOCI Equity Instruments				Others
<b>Balance as at 1<sup>st</sup> April 2019</b>	<b>19,398.99</b>	<b>806.56</b>	<b>59,139.54</b>	<b>689.44</b>	<b>1,277.00</b>	<b>4,847.50</b>	<b>1,239.42</b>	<b>194.00</b>	<b>(602.56)</b>	<b>1,108.28</b>	<b>(434.87)</b>	<b>87,663.30</b>	<b>523.29</b>	<b>88,186.59</b>
Profit for the Year	14,236.21	-	-	-	-	-	-	-	-	-	-	14,236.21	82.53	14,318.74
Other Comprehensive Income (Net of Taxes)	-	-	-	-	-	-	-	-	-	137.08	(134.50)	2.58	-	2.58
Addition/Deletion During the Year	-	-	-	-	-	-	-	-	282.20	-	-	282.20	-	282.20
Issue/Grant of equity shares	-	464.39	-	228.13	-	-	-	-	-	-	-	692.52	-	692.52
Cancellation of Equity Stock Options	-	-	-	(11.46)	-	-	-	-	-	-	-	(11.46)	-	(11.46)
Transfer In/Out-General Reserve	(7,000.00)	-	7,000.00	-	-	-	-	-	-	-	-	-	-	-
Transfer In/Out-Tonnage Tax Reserve	(1,400.00)	-	-	-	1,400.00	-	-	-	-	-	-	-	-	-
Tonnage Tax Reserve (Utilized)	-	-	-	-	(1,277.00)	1,277.00	-	-	-	-	-	-	-	-
Transactions with Owners in Their Capacity as Owners:														
Dividends	(1,536.52)	-	-	-	-	-	-	-	-	-	-	(1,536.52)	(30.87)	(1,567.39)
Tax on Dividends	(477.19)	-	-	-	-	-	-	-	-	-	-	(477.19)	(6.34)	(483.53)
<b>Balance as at 31<sup>st</sup> March, 2020</b>	<b>23,221.49</b>	<b>1,270.95</b>	<b>66,139.54</b>	<b>906.11</b>	<b>1,400.00</b>	<b>6,124.50</b>	<b>1,239.42</b>	<b>194.00</b>	<b>(320.36)</b>	<b>1,245.36</b>	<b>(569.37)</b>	<b>100,851.64</b>	<b>568.61</b>	<b>101,420.25</b>
Profit for the Year	14,713.21	-	-	-	-	-	-	-	-	-	-	14,713.21	328.49	15,041.70
Other Comprehensive Income (Net of Taxes)	-	-	-	-	-	-	-	-	-	251.57	(164.95)	86.62	-	86.62
Addition/Deletion During the Year	-	-	-	-	-	-	-	-	152.49	-	-	152.49	-	152.49
Issue/Grant of equity shares	-	396.74	-	200.33	-	-	-	-	-	-	-	597.07	-	597.07
Transfer to Securities Premium	-	399.67	-	(399.67)	-	-	-	-	-	-	-	-	-	-
Transfer In/Out with OCI	988.26	-	-	(48.19)	-	-	-	-	-	(988.26)	-	-	-	-
Cancellation of Equity Stock Options	-	-	-	-	-	-	-	-	-	-	-	(48.19)	-	(48.19)
Transfer In/Out-General Reserve	(7,000.00)	-	7,000.00	-	-	-	-	-	-	-	-	-	-	-
Transfer In/Out-Tonnage Tax Reserve	(1,200.00)	-	-	-	1,200.00	-	-	-	-	-	-	-	-	-
Tonnage Tax Reserve (Utilized)	-	-	-	-	(1,400.00)	1,400.00	-	-	-	-	-	-	-	-
Transactions with Owners in Their Capacity as Owners:														
Dividends	(923.96)	-	-	-	-	-	-	-	-	-	-	(923.96)	(34.29)	(958.25)
Tax on Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Balance as at 31<sup>st</sup> March, 2021</b>	<b>29,799.00</b>	<b>2,067.36</b>	<b>73,139.54</b>	<b>658.58</b>	<b>1,200.00</b>	<b>7,524.50</b>	<b>1,239.42</b>	<b>194.00</b>	<b>(167.87)</b>	<b>508.67</b>	<b>(734.32)</b>	<b>115,428.88</b>	<b>862.81</b>	<b>116,291.69</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021 (Contd.)

**17. BORROWINGS**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>Secured</b>		
Term Loans from Banks	15,109.16	19,801.85
<b>Total</b>	<b>15,109.16</b>	<b>19,801.85</b>
Less: Amount Disclosed under Other Financial Liabilities (Ref Note 23)	4,200.43	5,001.49
<b>Total</b>	<b>10,908.73</b>	<b>14,800.36</b>

There is no default as on the balance sheet date in the repayment of borrowings and interest thereon.

No loans have been guaranteed by the directors and others.

**Repayment Terms and Security Disclosure for the Outstanding Borrowings:**

₹ in Lakhs

Particulars of Nature of Security	Terms of Repayment	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>Term Loans from Banks</b>			
(1) Apartment No. 801, 8th Floor Block No. A-2, "World Spa East" Building, Sector 30 & 40, Revenue State Of Village- Silokhera, Tahsil And District – Gurgaon (Haryana)	Repayable in 24 Quarterly instalments starting from November 2016. Last instalment due in November 2022.	115.47	179.29
(2) Dag No. 53 Khatian No. 47, N.H. 06, Mauja Sadatpur J.L. No. 89, Revenue Survey No.5650, Tauji No. 704, Pargana Dharinda, P.S. Kharagpur, Distt. Midnapur (West Bengal)			
Secured by first charge on the mortgage of M.V. TCI Express	Repayable in 28 Quarterly Instalments starting from June 2019. Last Instalment due in March 2026.	2,871.42	3,445.71
Secured by first charge on the mortgage of M.V. TCI Anand	Repayable in 28 Quarterly Instalments starting from December 2020. Last installment due in September 2027.	1,928.57	2,000.00
Secured by first charge on the mortgage of 350 Containers & 30 Containers	Repayable in 16 Quarterly Instalments starting from September 2015. Last installment due in April 2021.	17.72	85.72
Secured by first charge on the mortgage of 500 Containers	Repayable in 59 monthly Instalments starting from December 2016. Last installment due in October 2021.	67.79	179.71
	Repayable in 60 monthly Instalments starting from December 2017. Last installment due in November 2022.	212.02	325.92
Secured by first charge on the mortgage of 500 Containers	Repayable in 49 monthly Instalments starting from January 2018 Last installment due in January 2022.	191.02	400.44
Secured by first charge on the mortgage of 1500 Containers-MV. TCI Express	Repayable in 24 Quarterly Instalments starting from July 2019. Last installment due in April 2025.	2,192.63	2,557.64
Secured by First charge on the mortgage of Rail Rake	Repayable in 32 Quarterly Instalments starting from December 2020. Last installment due in September 2028.	843.75	900.00
Secured by first charge on the mortgage of 100 Tank Tainers	Repayable in 24 Quarterly Instalments starting from July 2019. Last Instalment due in April 2025.	356.00	532.00
Trucks and Cars acquired against individual loans	Repayable in monthly Instalments.	6,312.77	9,195.42
<b>Total</b>		<b>15,109.16</b>	<b>19,801.85</b>

Note:

The Group has incurred interest cost during the year in the range of 7.15% to 9.55% p.a on long term borrowings (31<sup>st</sup> March, 2020 - 8.10% to 9.55%).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021 (Contd.)

**18. LEASE LIABILITY**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021		As at 31 <sup>st</sup> March, 2020	
	Non-Current	Current	Non-Current	Current
Lease Liability	1,176.54	903.73	308.23	38.61
<b>Total</b>	<b>1,176.54</b>	<b>903.73</b>	<b>308.23</b>	<b>38.61</b>

**19. DEFERRED TAX LIABILITY/(ASSET) (NET)**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Deferred Tax Liability/(Asset)	2,731.61	3,020.29
<b>Total</b>	<b>2,731.61</b>	<b>3,020.29</b>

**Movement in Deferred Tax Assets and Liabilities During the Year Ended 31<sup>st</sup> March 2021**

₹ in Lakhs

Particulars	31 <sup>st</sup> March, 2020	Recognised in Statement of Profit and Loss	31 <sup>st</sup> March, 2021
Depreciation	3,202.67	(316.36)	2,886.31
Others Items	(182.38)	27.68	(154.70)
<b>Total</b>	<b>3,020.29</b>	<b>(288.68)</b>	<b>2,731.61</b>

**20. GOVERNMENT GRANT**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021		As at 31 <sup>st</sup> March, 2020	
	Non-Current	Current	Non-Current	Current
Opening Balance	192.60	3.49	196.09	3.49
Transferred from Non Current to Current	(3.50)	3.50	(3.49)	3.49
Additions During the Year	-	-	-	-
Amount Recognised as Income	-	(3.50)	-	(3.49)
<b>Total</b>	<b>189.10</b>	<b>3.49</b>	<b>192.60</b>	<b>3.49</b>

**21. BORROWINGS**

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
	<b>Secured</b>	
Working Capital Loans		
From Banks	5,058.94	2,556.40
<b>Unsecured</b>		
Commercial Paper		
From Banks	4,500.00	19,500.00
From Others	3,000.00	-
<b>Total</b>	<b>12,558.94</b>	<b>22,056.40</b>

**Borrowings from banks are secured, in respect of respective facilities by way of :**

Hypothecation of book debts as primary security along with land properties Situated at "Khasra No. 4-21 Min, 22 Min, 8-1, 2, 3 Min, 5 Min, 8 Min, 9-1 Min, 10-1, 12-2, 13-1, 9-5, 6-1-1, in the revenue estate of Village Jhundsarai Viran, Tehsil Farokh Nagar, Pataudi, Gurugram (Haryana)" as collateral.

The Group have incurred interest cost on weighted average of Effective interest rate during the year 6.87% on short term borrowings (31<sup>st</sup> March, 2020 - 7.30 %).



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021 (Contd.)

**22. TRADE PAYABLES**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021		As at 31 <sup>st</sup> March, 2020	
	Non-Current	Current	Non-Current	Current
Dues of Micro, Small and Medium Enterprises	-	127.92	-	140.66
Dues of creditors other than Micro Small and Medium Enterprises	-	7,465.92	-	6,244.96
<b>Total</b>	-	<b>7,593.84</b>	-	<b>6,385.62</b>

**23. OTHER FINANCIAL LIABILITIES**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021		As at 31 <sup>st</sup> March, 2020	
	Non-Current	Current	Non-Current	Current
Current Maturities of Long-Term Borrowings (Refer Note 17)	-	-	-	-
From Banks	-	4,200.43	-	5,001.49
Interest Accrued but not due on Borrowings	-	32.76	-	50.81
Unpaid /Unclaimed Dividends*	-	195.27	-	202.74
Payable on Purchase of Fixed Assets	-	80.79	-	55.04
Trade / Security Deposits	-	754.09	-	681.62
Other Payables **	-	5,019.15	-	4,154.28
Deferred Finance Cost	-	10.81	-	13.89
<b>Total</b>	-	<b>10,293.30</b>	-	<b>10,159.87</b>

**Note:**

\*₹ 14.95 Lakhs (31<sup>st</sup> March, 2020 : ₹ 9.55 Lakhs) has been transferred to investor education and protection fund during the year.

\*\* Includes liability for other expenses other than in the nature of trade payables

**24. PROVISIONS**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021		As at 31 <sup>st</sup> March, 2020	
	Non-Current	Current	Non-Current	Current
Provision for Employee Benefits	-	858.00	-	1,021.07
<b>Total</b>	-	<b>858.00</b>	-	<b>1,021.07</b>

**25. OTHER LIABILITIES**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021		As at 31 <sup>st</sup> March, 2020	
	Non-Current	Current	Non-Current	Current
Due to Gratuity Fund	-	351.95	-	361.18
Statutory Remittances	-	2,126.16	-	1,990.97
Accrued Expenses*	-	6,351.22	-	5,037.04
<b>Total</b>	-	<b>8,829.33</b>	-	<b>7,389.19</b>

\* Includes liability for associated costs against Revenue recognised as per POCM. (Refer note 4.20 for Accounting policy on Revenue Recognition)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021 (Contd.)

**26. REVENUE FROM OPERATIONS**

₹ in Lakhs

Particulars	For the Year Ended 31 <sup>st</sup> March, 2021	For the Year Ended 31 <sup>st</sup> March, 2020
Freight, Demurrage, Logistics and Other Miscellaneous Charges	280,132.93	271,496.26
Other Operating Income (i)	105.93	287.73
<b>Total</b>	<b>280,238.86</b>	<b>271,783.99</b>

**27. OTHER INCOME**

₹ in Lakhs

Particulars	For the Year Ended 31 <sup>st</sup> March, 2021	For the Year Ended 31 <sup>st</sup> March, 2020
<b>Income from Investments</b>		
Dividend Income*	1.72	1.83
<b>Sub-total</b>	<b>1.72</b>	<b>1.83</b>
<b>Interest from</b>		
Financial Asset Carried at Amortised Cost	43.96	105.83
Others	578.49	99.79
<b>Sub-total</b>	<b>622.45</b>	<b>205.62</b>
Rent (i)	260.16	260.16
Profit on Disposal of Fixed Assets	305.05	43.29
Unclaimed Balances and Excess Provisions Written Back	100.57	345.18
Bad Debts and Irrecoverable Balances Written off Earlier, Realised	53.50	114.95
Fair Valuation of Mutual Funds	26.96	-
Exchange Difference (Gain)	-	16.02
Government Grant (ii)	3.50	3.50
Profit on Sale of Investment	0.63	-
Miscellaneous Income**	1,172.82	1,021.17
<b>Sub-total</b>	<b>1,923.19</b>	<b>1,804.27</b>
<b>Total</b>	<b>2,547.36</b>	<b>2,011.72</b>

\* The Group did not receive any dividend from the equity instruments designated as FVTOCI.

\*\* Includes Revenue from Business Support Services.

**Note:**

₹ in Lakhs

(i)	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
Break-Up of Sale of Power		
Sale of Power	105.93	287.73
Rental Income due to Embedded Leases (included in Rent)	260.16	260.16
<b>Gross Sale of Power</b>	<b>366.09</b>	<b>547.89</b>

(ii) Government grants are received from the Ministry of Food Processing Industries (MoFPI) for Cold Chain Projects across various locations. There are no unfulfilled conditions or other contingencies attached to these grants.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021 (Contd.)

**28. COST OF RENDERING OF SERVICES**

₹ in Lakhs

Particulars	For the Year Ended 31 <sup>st</sup> March, 2021	For the Year Ended 31 <sup>st</sup> March, 2020
Freight	172,204.52	162,192.47
Vehicles' Trip Expenses	15,846.91	18,160.20
Tyres & Tubes etc.	362.82	561.87
Warehouse Rent	3,355.98	3,197.96
Warehouse Expenses	9,159.96	10,815.72
Other Transportation Expenses (Net of claims)	2,297.10	2,381.90
Commission	12.18	11.72
Vehicles' Taxes	449.32	503.33
Vehicles' and Ship Insurance	707.93	741.92
Power, Fuel and Water Charges	8,152.19	8,934.42
Stores & Spare Parts Consumed	1,394.80	939.95
Port and Survey Expenses	2,212.96	2,379.52
Stevedoring and Cargo Expenses	8,944.89	6,819.39
Wages, Bonus and Other Expenses - Floating Staff	2,145.70	1,981.31
Contribution to Provident & Other funds -Floating Staff	50.03	38.07
Clearing and Forwarding Expenses	2,426.29	1,769.35
<b>Total</b>	<b>229,723.58</b>	<b>221,429.10</b>

**29. EMPLOYEE BENEFITS EXPENSE**

₹ in Lakhs

Particulars	For the Year Ended 31 <sup>st</sup> March, 2021	For the Year Ended 31 <sup>st</sup> March, 2020
Salaries, Wages And Bonus	12,485.50	13,419.65
Contribution to Provident and Other Funds	1,108.75	1,116.05
Contribution to Employees' State Insurance	183.16	180.18
Share Based Payments to Employees	178.54	422.04
Staff Welfare & Development Expenses	593.41	584.20
<b>Total</b>	<b>14,549.36</b>	<b>15,722.12</b>

**30. FINANCE COSTS**

₹ in Lakhs

Particulars	For the Year Ended 31 <sup>st</sup> March, 2021	For the Year Ended 31 <sup>st</sup> March, 2020
Interest	2,391.30	3,259.56
Interest on Lease Liability (Refer Note 44 Leases)	127.85	32.65
Guarantee, Finance and Bank Charges	150.53	139.76
<b>Total</b>	<b>2,669.68</b>	<b>3,431.97</b>

**31. DEPRECIATION AND AMORTISATION**

₹ in Lakhs

Particulars	For the Year Ended 31 <sup>st</sup> March, 2021	For the Year Ended 31 <sup>st</sup> March, 2020
<b>Depreciation on</b>		
Property, Plant and Equipment	8,949.16	8,160.90
Right of Use of Assets (Refer Note 44(b) Leases)	315.76	75.67
<b>Amortisation on</b>		
Intangible Assets	15.63	12.29
<b>Total</b>	<b>9,280.55</b>	<b>8,248.86</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021 (Contd.)

**32. OTHER EXPENSES**
**(A) Administrative Expenses**

₹ in Lakhs

Particulars	For the Year Ended 31 <sup>st</sup> March, 2021	For the Year Ended 31 <sup>st</sup> March, 2020
Rent (i)	1,420.68	1,615.96
Rates and Taxes	114.44	129.46
Insurance	470.96	298.73
Telephone Expenses	82.76	84.77
Printing and Stationery	301.04	349.95
Travelling Expenses	776.75	1,272.75
Legal Expenses	74.34	80.67
Postage and Courier	71.08	133.90
Electricity Expenses	804.70	821.35
Advertisement Expenses	23.25	112.31
Office Maintenance & Security exp.	713.82	686.39
E mail/I. net/Telex Expenses	117.39	136.05
Consultancy & Internal Audit fees	249.08	232.10
Conference & Seminar exp.	10.25	146.54
Commission & Fees to Directors	80.70	64.45
Remuneration to Auditors		
Audit Fees	20.71	29.36
Tax Audit Fees	6.00	6.76
Other Services	-	0.44
Bad Debts and Irrecoverable Balances Written Off (ii)	841.94	529.18
Agricultural Expenses (Net of income)	6.65	10.13
Charity & Donations (Including CSR Expenses)	365.32	363.99
Assets Derecognized	25.14	-
Loss on Sale of Assets	180.45	91.33
Loss on Fair Valuation of Mutual Funds	-	12.76
Exchange Difference (Loss)	32.78	-
Miscellaneous Expenses	618.16	789.03
<b>Sub-total</b>	<b>7,408.39</b>	<b>7,998.36</b>

(i) Includes impact of Ind AS 116- Leases, refer note 4.15 for accounting policy on leases.

 (ii) Includes Provision of ₹ 105.73 Lakhs (31<sup>st</sup> March 2020: ₹ 1.59 Lakhs)

**(B) Repairs and Maintenance Expenses**

₹ in Lakhs

Particulars	For the Year Ended 31 <sup>st</sup> March, 2021	For the Year Ended 31 <sup>st</sup> March, 2020
Motor Trucks	688.44	1,261.29
Other Vehicles	251.94	300.43
Ships	481.61	491.15
Plant & Equipment	367.65	351.08
Computers	167.66	87.93
Buildings	478.60	89.64
<b>Sub-total</b>	<b>2,435.90</b>	<b>2,581.52</b>
<b>Total</b>	<b>9,844.29</b>	<b>10,579.88</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021 (Contd.)

### 33. EXCEPTIONAL ITEMS

- a) The Group has conducted an impairment test of Wind Power Plants located in Maharashtra and Rajasthan, which are treated as cash generating units, being components of Energy Division disclosed in the Note 43 Segment Reporting, in accordance with Ind AS 36 "Impairment of Assets". Based on the terms of Power Purchase Agreement entered with the power procurers and further operational indicators the management envisages that economic performance of the asset will be lower than the expectations and estimated the recoverable amount being ₹ 393.51 Lakhs, as 'the value in use', and accordingly recognised a further impairment loss of ₹ 262.60 Lakhs (previous year ₹ 987.68 Lakhs), being the excess of carrying amount of the asset over its recoverable amount. The impairment loss of ₹ 262.60 Lakhs has been treated as an exceptional item in the Statement of Profit and Loss.
- b) The Group has disposed off one of its ship "TCI-Vijay" during the year, which has resulted in a loss on sale of ₹ 1,043 lakhs. This loss on disposal has been treated as an exceptional item in the Statement of Profit and Loss.

### 34. TAX EXPENSE

#### 1. Provision for tax recognised in profit and loss

₹ in Lakhs		
Particulars	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
Current Tax	2,661.48	2,527.07
Deferred Tax	(277.50)	(935.67)
<b>Total</b>	<b>2,383.98</b>	<b>1,591.40</b>

The major components of income tax expense and the reconciliation of expense based on the domestic effective tax rate of at 25.17% and the reported tax expense in profit or loss are as follows:

₹ in Lakhs		
Particulars	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
Country's Statutory Income Tax Rates*	25.17%	25.17%
<b>Accounting Profit Before Income Tax</b>	<b>17,425.62</b>	<b>15,911.19</b>
Profit subject to Tonnage Tax Regime/Presumptive Taxation**	(5,667.45)	(6,576.90)
Others	(2,286.66)	(3,011.68)
<b>Taxable Income</b>	<b>9,471.51</b>	<b>6,322.61</b>
Tax Expense Provided in Statement of Profit and Loss	2,383.98	1,591.40
	<b>2,383.98</b>	<b>1,591.40</b>
Effective Tax Rate	<b>13.68%</b>	<b>10.00%</b>

\* On 20<sup>th</sup> September, 2019, vide the Taxation Laws (Amendment) Ordinance, 2019 ('the Ordinance'), the Government of India inserted Section 115BAA in the Income Tax Act, 1961 which provides domestic companies a non-reversible option to pay corporate tax at reduced rates effective 1<sup>st</sup> April, 2019, subject to certain conditions. The Group has decided to opt for the reduced tax rates effective from 1<sup>st</sup> April, 2019. Accordingly, the Group has recognised Provision for Income Tax and has re-measured its deferred taxes as per the provisions of the Ordinance.

\*\* The Income of Seaways Division is assessed as per Chapter XII-G "Tonnage Tax" of Income Tax Act, 1961 except for the income not qualifying to be assessed under Tonnage Taxation Regime and hence, assessed as per normal provisions of Income Tax Act, 1961.

#### 2. Income Tax Recognised in Other Comprehensive income

₹ in Lakhs		
Particulars	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
<b>Deferred Tax</b>		
Arising on Income and expenses recognised in other comprehensive income		
- Net fair value gain on investments in equity shares at FVTOCI	(9.34)	-
- Remeasurements of defined benefit obligation.	(2.02)	(22.19)
<b>Total income-tax expense recognised in Other Comprehensive Income</b>	<b>(11.36)</b>	<b>(22.19)</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021 (Contd.)

### 35. EARNINGS PER EQUITY SHARE

The Group's Earnings Per Share ('EPS') is determined based on the net profit attributable to the shareholders of the Parent. Basic earnings per share is computed using the weighted average number of shares outstanding during the year. Diluted earnings per share is computed using the weighted average number of common and dilutive common equivalent shares outstanding during the year including share options, except where the result would be anti-dilutive.

₹ in Lakhs		
Particulars	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
Net Profit Attributable to Equity Shareholders for calculation of Basic EPS (A) ₹ in Lakhs	14,713.21	14,236.21
Effects of Dilution:		
Add: potential instrument that effect earning per share	-	-
Net Profit Attributable to Equity Shareholders for calculation of Diluted EPS (B) (₹ in Lakhs)	14,713.21	14,236.21
Weighted-Average Number of Equity Shares for Computing Basic Earnings Per Share (C)	76,940,721	76,781,348
Effects of Dilution:		
Stock Option under Scheme of Employee's Stock Option	194,388	360
Weighted-Average Number of Equity Shares Adjusted for the Effect of Dilution for Computing Diluted Earnings Per Share (D)	77,135,109	76,781,708
<b>Basic Earnings Per Share (A/C)</b>	<b>19.12</b>	<b>18.54</b>
<b>Diluted Earnings Per Share (B/D)*</b>	<b>19.07</b>	<b>18.54</b>

\*Diluted EPS where anti dilutive is restricted to basic EPS.

### 36. FINANCIAL INSTRUMENTS

#### i) Fair Values Hierarchy

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three Levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

**Level 1:** Quoted prices (unadjusted) in active markets for financial instruments.

**Level 2:** The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and minimise the reliance on entity specific estimates.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

#### ii) Financial Assets and Liabilities Measured at Fair Value - Recurring Fair Value Measurements:

₹ in Lakhs					
As at 31 <sup>st</sup> March, 2021	Notes	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>					
<b>Investments at FVTPL</b>					
Mutual Fund Investments	7	62.83	-	-	62.83
<b>Investments at FVTOCI</b>					
Equity/Preference Investments & Mutual fund	7	-	-	1,596.29	1,596.29
<b>Total Financial Assets</b>		<b>62.83</b>	<b>-</b>	<b>1,596.29</b>	<b>1,659.12</b>
<b>Financial Liabilities</b>					
<b>Total Financial Liabilities</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

#### Financial Assets and Liabilities Measured at Fair Value - Recurring Fair Value Measurements:

₹ in Lakhs					
As at 31 <sup>st</sup> March, 2020	Notes	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>					
<b>Investments at FVTPL</b>					
Mutual Fund Investments	7	35.87	-	-	35.87
<b>Investments at FVTOCI</b>					
Equity/Preference Investments & Mutual fund	7	266.50	-	968.95	1,235.45
<b>Total financial Assets</b>		<b>302.37</b>	<b>-</b>	<b>968.95</b>	<b>1,271.32</b>
<b>Financial Liabilities</b>					
<b>Total Financial Liabilities</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021 (Contd.)

iii) Financial Assets and Liabilities which are Measured at Amortised Cost for which Fair Values are Disclosed:

₹ in Lakhs

As at 31 <sup>st</sup> March, 2021	Notes	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>					
Investments in Preference Shares and Debt Securities	7	-	-	12.36	12.36
Deposits with Others	8	-	-	769.23	769.23
Security Deposits with Customers	8	-	-	1,775.52	1,775.52
Loans to Employees	8	-	-	99.53	99.53
Others	9	-	-	314.99	314.99
Trade Receivables	12	-	-	51,104.30	51,104.30
Cash and Cash Equivalents	13	-	-	3,405.48	3,405.48
Other Bank Balances	13	-	-	545.15	545.15
<b>Total Financial Assets</b>		-	-	<b>58,026.56</b>	<b>58,026.56</b>
<b>Financial Liabilities</b>					
Borrowings	17, 21 & 23	-	-	27,668.10	27,668.10
Trade Payables	22	-	-	7,593.84	7,593.84
Lease Liability	18	-	-	2,080.27	2,080.27
Others	23	-	-	6,092.87	6,092.87
<b>Total Financial Liabilities</b>		-	-	<b>43,435.08</b>	<b>43,435.08</b>

Assets and Liabilities which are Measured at Amortised Cost for which Fair Values are Disclosed:

₹ in Lakhs

As at 31 <sup>st</sup> March, 2020	Notes	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>					
Investments in Preference Shares and Debt Securities	7	-	-	12.36	12.36
Deposits with Others	8	-	-	1,749.90	1,749.90
Security Deposits with Customers	8	-	-	820.22	820.22
Loans to Employees	8	-	-	107.27	107.27
Others	9	-	-	403.65	403.65
Trade Receivables	12	-	-	48,730.29	48,730.29
Cash and Cash Equivalents	13	-	-	1,316.85	1,316.85
Other Bank Balances	13	-	-	1,275.37	1,275.37
<b>Total Financial Assets</b>		-	-	<b>54,415.91</b>	<b>54,415.91</b>
<b>Financial Liabilities</b>					
Borrowings	17, 21 & 23	-	-	41,858.25	41,858.25
Trade Payables	22	-	-	6,385.62	6,385.62
Lease Liability	18	-	-	346.84	346.84
Others	23	-	-	5,158.38	5,158.38
<b>Total Financial Liabilities</b>		-	-	<b>53,749.09</b>	<b>53,749.09</b>

iv) Valuation Process and Technique Used to Determine Fair Value

Specific valuation techniques used to value financial instruments include:

- (a) The use of quoted market prices or dealer quotes for similar instruments
- (b) The fair value of the remaining financial instruments is determined based on the following methods:
  - (i) Net assets value method
  - (ii) Valuation of investment in unquoted equity shares has been made using the Discounted Cash Flow model and Net Assets Value method, as deemed fit by the Company's management.

Risk adjustments specific to the counterparties (including assumptions about credit default rates) are derived from credit risk grading determined by the Group's internal credit risk management group.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021 (Contd.)**

- (v) The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements. See above (iv)(b)(ii) for the valuation techniques adopted.

₹ in Lakhs

Particulars	Fair Value as at		Significant Unobservable Inputs	Probability-Weighted Range		Sensitivity
	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020		31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020	
Unquoted Equity/ Preference Shares and Mutual Fund	1,596.29	968.95	Earnings growth rate	5%	5%	An increase/(decrease) in earnings growth rate of 500 basis points would increase/(decrease) fair value: 31 <sup>st</sup> March 2021: 79.81 lakh/(79.81 lakh) 31 <sup>st</sup> March 2020: 48.45 lakh/(48.45 lakh)

- vi) The Following Table Presents the Changes in Level 3 Items for the Periods Ended 31<sup>st</sup> March, 2021 and 31<sup>st</sup> March, 2020:

₹ in Lakhs

Particulars	Unlisted Equity Securities	Preference Shares	Mutual Funds/ Venture Capital	Unlisted Debentures
<b>As at 31<sup>st</sup> March, 2020</b>	<b>14.37</b>	<b>801.15</b>	<b>153.43</b>	-
Acquisitions /Conversion	50.76	-	416.24	-
Gains/losses recognised in statement of profit and loss	-	200.63	10.11	-
Disposal /Conversion	-	(50.40)	-	-
Gains/losses recognised in other comprehensive income	-	-	-	-
<b>As at 31<sup>st</sup> March, 2021</b>	<b>65.13</b>	<b>951.38</b>	<b>579.78</b>	-

**37. FINANCIAL RISK MANAGEMENT**
**i) Financial Instruments by Category**

For amortised cost instruments, carrying value represents the best estimate of fair value.

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021			As at 31 <sup>st</sup> March, 2020		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
<b>Financial Assets</b>						
Investments	62.83	1,596.29	12.36	35.87	1,235.45	12.36
Trade Receivables	-	-	51,104.30	-	-	48,730.29
Loans	-	-	2,644.28	-	-	2,677.39
Cash and Equivalents	-	-	3,950.63	-	-	2,592.22
Other Financial Assets	-	-	314.99	-	-	403.65
<b>Total</b>	<b>62.83</b>	<b>1,596.29</b>	<b>58,026.56</b>	<b>35.87</b>	<b>1,235.45</b>	<b>54,415.91</b>
<b>Financial Liabilities</b>						
Borrowings	-	-	27,668.10	-	-	41,858.25
Trade payable	-	-	7,593.84	-	-	6,385.62
Lease Liability	-	-	2,080.27	-	-	346.84
Other financial liabilities	-	-	6,092.87	-	-	5,158.38
<b>Total</b>	-	-	<b>43,435.08</b>	-	-	<b>53,749.09</b>



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021 (Contd.)

### ii) Risk Management

The Group's activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Risk	Exposure Arising from	Measurement	Management
Credit Risk	Cash and cash equivalents, trade receivables, derivative financial instruments, financial assets measured at amortised cost	Ageing analysis	Bank deposits, diversification of asset base, credit limits and collateral.
Liquidity Risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market Risk - Foreign Exchange	Recognised financial assets and liabilities not denominated in Indian rupee (INR)	Cash flow forecasting	Forward contract/hedging
Market Risk - Security Price	Investments in equity securities	Sensitivity analysis	Portfolio diversification

The Group's risk management is carried out by a central treasury department (of the Company) under policies approved by the board of directors. The board of directors provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity.

### A) Credit Risk

Credit risk arises from cash and cash equivalents, trade receivables, investments carried at amortised cost and deposits with banks and financial institutions.

#### a) Credit Risk Management

The finance function of the Group assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

A: No Risk

B: Low Risk

C: Medium Risk

D: High Risk

Assets Under Credit Risk :

(₹ in Lakhs)

Credit rating	Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Low Risk	Trade Receivables	51,104.30	48,730.29
No Risk	Investments	14,997.94	11,680.69
No Risk	Loans	2,644.28	2,677.39
No Risk	Cash and Cash Equivalents	3,950.63	2,592.22
No Risk	Other Financial Assets	314.99	403.65
	<b>Total</b>	<b>73,012.14</b>	<b>66,084.24</b>

The risk parameters are same for all financial assets for all period presented. The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an on-going basis throughout each reporting period. In general, it is presumed that credit risk has significantly increased since initial recognition if the payments are more than 180 days past due. A default on a financial asset is when the counterparty fails to make contractual payments when they fall due. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021 (Contd.)

### b) Credit Risk Exposure

#### Provision for Expected Credit Losses

The Group provides for expected credit loss based on lifetime expected credit loss mechanism for loans and advances, deposits and other investments :

₹ in Lakhs

Particular	Years	Estimated Gross Carrying Amount at Default	Expected Probability of Default	Expected Credit Losses	Carrying Amount Net of Impairment Provision
Trade receivables	31 <sup>st</sup> March, 2021	52,276.21	2.24%	1,171.91	51,104.30
	31 <sup>st</sup> March, 2020	49,810.30	2.17%	1,080.01	48,730.29

### B) Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Company maintains flexibility in funding by maintaining availability under committed facilities.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates. In addition, the Company's liquidity management policy involves considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to the same as and when fall due.

#### Maturities of Financial Liabilities

The table below provides the details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments. (Balances due within 12 months are equal their carrying balances as the impact of discounting is not significant)

₹ in Lakhs

As at 31 <sup>st</sup> March 2021	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
<b>Financial Liabilities</b>					
Borrowings	16,759.37	3,960.20	2,687.68	4,260.85	27,668.10
Trade Payable	7,593.84	-	-	-	7,593.84
Lease Liabilities	903.73	627.04	193.88	355.62	2,080.27
Other Financial Liabilities	6,092.87	-	-	-	6,092.87
<b>Total</b>	<b>31,349.81</b>	<b>4587.24</b>	<b>2881.56</b>	<b>4,616.47</b>	<b>43,435.08</b>

₹ in Lakhs

As at 31 <sup>st</sup> March 2020	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
<b>Financial Liabilities</b>					
Borrowings	27,057.89	4,284.22	3,951.83	6,564.31	41,858.25
Trade Payable	6,385.62	-	-	-	6,385.62
Lease Liabilities	38.61	42.08	45.87	220.28	346.84
Other Financial Liabilities	5,158.38	-	-	-	5,158.38
<b>Total</b>	<b>38,640.50</b>	<b>4,326.30</b>	<b>3,997.70</b>	<b>6,784.59</b>	<b>53,749.09</b>

### b) Price Risk Exposure

The Group's exposure price risk arises from investments held and classified in the balance sheet either as fair value through other comprehensive income or at fair value through profit or loss. To manage the price risk arising from investments in equity securities, the Group diversifies its portfolio of assets.

#### Sensitivity

Below is the sensitivity of profit or loss and equity changes in fair value of investments in equity. The analysis is based on the assumption that price has increased/decreased by 5% with all other variables held constant, and that all the companies equities instruments moved in line with the price.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021 (Contd.)

₹ in Lakhs

Particulars	31 March 2021	31 March 2020
<b>Price sensitivity (Investment at FVTOCI &amp; FVTPL)</b>		
Price Increase by (5 %)	82.96	63.57
Price Decrease by (5 %)	(82.96)	(63.57)

\* Holding all other variables constant

### 38. CAPITAL MANAGEMENT

The Group's capital management objectives are

- to ensure the Group's ability to continue as a going concern
- to provide an adequate return to shareholders

The Group monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet.

Management assesses the Group's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Group's various classes of debt. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Net debts (Net of Cash and Cash Equivalent) (A)	23,750.23	39,316.84
Total equity (B)	116,970.87	102,388.17
Net Debt to Equity Ratio (Times) (C)=(A)/(B)	<b>0.20</b>	<b>0.38</b>

#### (i) Loan Covenants

Under the terms of the major borrowing facilities, the Group is required to comply with the following financial covenants:

	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
- DSCR not to fall below 1.50 Times [Profit before tax, finance cost, depreciation and exceptional items divided by (Interest expense together with Current maturity of Long term Borrowings)]	4.47	3.39
- Term Debt (TD) to Net Cash Accruals (NCA) not to exceed 1.25 Times (NCA = (PAT+Depreciation-Dividend))	0.60	0.82

The Company has complied with these covenants throughout the reporting period.

#### (ii) Dividends on Equity Shares

(₹ in Lakhs)

Particulars	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
Interim Dividend for the Year Ended (In CY 2020-21 ₹ 1.20 Per Share and PY 2019-20 ₹ 2.00 Per Share)	923.96	1,536.52
Recommended Final Dividend per Share for the FY 2020-21 (₹ 1.65 Per Share)	1,272.15	-

### 39. NET DEBT RECONCILIATION

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Cash and Cash Equivalents (Including Other Bank Balances)	3,950.63	2,592.22
Non- Current Borrowings (Including Current Maturities)	(15,109.16)	(19,801.85)
Current Borrowings	(12,558.94)	(22,056.40)
Interest Payable	(32.76)	(50.81)
<b>Net Debt</b>	<b>(23,750.23)</b>	<b>(39,316.84)</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021 (Contd.)**

₹ in Lakhs

Particulars	Cash and Cash Equivalents and Bank Overdrafts	Non Current Borrowings (Inc Current Maturities)	Current Borrowings	Interest Payable	Total
<b>Net Debt As at 31<sup>st</sup> March, 2020</b>	<b>2,592.22</b>	<b>(19,801.85)</b>	<b>(22,056.40)</b>	<b>(50.81)</b>	<b>(39,316.84)</b>
Cash Flows	1,358.41	4,692.69	9,497.46	-	15,548.56
Finance Costs	-	-	-	(2,541.83)	(2,541.83)
Interest Paid	-	-	-	2,559.88	2,559.88
<b>Net Debt As at 31<sup>st</sup> March, 2021</b>	<b>3,950.63</b>	<b>(15,109.16)</b>	<b>(12,558.94)</b>	<b>(32.76)</b>	<b>(23,750.23)</b>

**40. The Consolidated Financial Statement Include Results of all the Subsidiaries, Step-Down Subsidiaries and Jointly Controlled Entity (Joint Ventures) / Associates of Transport Corporation Of India Limited.**

Sl.	Name of the Company	Country of Incorporation	% of Shareholding	Consolidated as
1	Transystem Logistics International Private Limited	India	49.00%	Jointly Controlled Entity (Joint Venture)
2	TCI Global Pte Ltd.	Singapore	100.00%	Step-down Subsidiary
3	TCI Global Brazil Logistica Ltda	Brazil	100.00%	Step-down Subsidiary
4	TCI Holdings Netherlands B.V.	Netherlands	100.00%	Step-down Subsidiary
5	TCI Holdings Asia Pacific Pte. Ltd.	Singapore	100.00%	Subsidiary
6	TCI Holdings SA & E PTE LTD	Singapore	100.00%	Subsidiary
7	TCI Bangladesh Limited	Bangladesh	100.00%	Subsidiary
8	TCI Nepal Private Limited	Nepal	100.00%	Subsidiary
9	TCI Venture Limited	India	100.00%	Subsidiary
10	TCI Cold Chain Solutions Limited	India	99.98%	Subsidiary
11	Stratsol Logistic Private Limited	India	100.00%	Step-down Subsidiary
12	TCI-CONCOR Multimodal Solutions Private Limited	India	51.00%	Subsidiary
13	Cargo Exchange India Private Limited	India	32.50%	Associate

(a) The financial statements of these companies are for the period as under:-

Sl.	Name of the Company	Period		Remarks
		From	To	
1	Transystem Logistics International Private Limited	1 <sup>st</sup> April, 2020	31 <sup>st</sup> March, 2021	Financial year of the Company
2	TCI Global Pte Ltd.	1 <sup>st</sup> April, 2020	31 <sup>st</sup> March, 2021	Financial year of the Company
3	TCI Global Brazil Logistica Ltda	1 <sup>st</sup> April, 2020	31 <sup>st</sup> March, 2021	Financial year of the Company
4	TCI Holdings Netherlands B.V.	1 <sup>st</sup> April, 2020	31 <sup>st</sup> March, 2021	Financial year of the Company
5	TCI Holdings Asia Pacific Pte. Ltd.	1 <sup>st</sup> April, 2020	31 <sup>st</sup> March, 2021	Financial year of the Company
6	TCI Holdings SA & E PTE LTD	1 <sup>st</sup> April, 2020	31 <sup>st</sup> March, 2021	Financial year of the Company
7	TCI Bangladesh Limited	1 <sup>st</sup> April, 2020	31 <sup>st</sup> March, 2021	Financial year of the Company
8	TCI Nepal Private Limited	1 <sup>st</sup> April, 2020	31 <sup>st</sup> March, 2021	Financial year of the Company
9	TCI Cold Chain Solutions Limited	1 <sup>st</sup> April, 2020	31 <sup>st</sup> March, 2021	Financial year of the Company
10	TCI Venture Limited	1 <sup>st</sup> April, 2020	31 <sup>st</sup> March, 2021	Financial year of the Company
11	Stratsol Logistic Private Limited	1 <sup>st</sup> April, 2020	31 <sup>st</sup> March, 2021	Financial year of the Company
12	TCI-CONCOR Multimodal Solutions Private Limited	1 <sup>st</sup> April, 2020	31 <sup>st</sup> March, 2021	Financial year of the Company
13	Cargo Exchange India Private Limited	1 <sup>st</sup> April, 2020	31 <sup>st</sup> March, 2021	Financial year of the Company

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021 (Contd.)

- (b) The Consolidated financial statements have been prepared on the following principles:
- (i) In respect of Subsidiary Companies, the financial statements have been consolidated on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and unrealized profits/losses on intra-group transactions as per Ind AS 110 "Consolidated Financial Statement".
  - (ii) In case of Jointly Controlled Entity / Joint Venture and associate, the financial statements have been consolidated considering the interest in the Jointly Controlled Entity / Joint Venture and associate using equity method as per the applicable Ind AS.
  - (iii) In case of Foreign Subsidiaries, being Non-Integral Foreign Operations, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at the rate prevailing at the end of the year. Any exchange difference arising on consolidation is recognized as " Foreign Currency Translation Reserve"
  - (iv) The Excess of cost to the Company of its investment in Subsidiaries and Joint Venture is recognized in the financial statements as a Goodwill, which is tested for impairment on every Balance Sheet date. The excess of Company's share of equity and reserves of the subsidiary and joint venture companies over the cost of acquisition is treated as Capital Reserve.  
The goodwill/capital Reserve arising from acquisition of an associates is included in carrying amount of the investment in associates

### 41. Additional Information, as Required Under Schedule III to the Companies Act 2013, of Enterprises Consolidated as Subsidiaries/Associates/Joint Ventures.

Name of the Enterprise	Net Assets, i.e., Total Assets Minus Total Liabilities		Share in Profit or Loss	
	As % of Consolidated Net Assets	Amount (In Lakh)	As % of Consolidated Profit or Loss	Amount (In Lakh)
<b>Parent</b>				
Transport Corporation of India Limited	92.36	108,036.19	91.60	13,476.76
<b>Subsidiary</b>				
<b>Indian</b>				
1 TCI-CONCOR Multimodal Solutions Private Limited	1.51	1,760.81	4.56	670.39
2 TCI Cold Chain Solutions Limited	1.98	2,310.28	0.33	48.18
3 TCI Venture Limited	0.98	1,142.28	(0.34)	(50.35)
4 Stratsol Logistic Private Limited	0.24	285.12	(0.00)	(0.56)
<b>Foreign</b>				
1 TCI Global (Singapore) Pte Ltd.	0.21	246.53	(0.04)	(6.31)
2 TCI Holdings Asia Pacific Pte. Ltd.	0.72	838.50	(0.26)	(38.26)
3 TCI Global Brazil Logistica Ltda	0.01	9.98	(0.30)	(44.00)
4 TCI Holdings Netherlands B.V.	(0.20)	(233.72)	(0.21)	(30.47)
5 TCI Holdings SA & E PTE LTD	(0.03)	(32.50)	(0.02)	(3.13)
6 TCI Bangladesh Limited	0.09	102.68	0.18	26.41
7 TCI Nepal Private Limited	0.00	1.19	(0.04)	(5.37)
Non-Controlling Interests in All Subsidiaries	(0.74)	(862.81)	(2.23)	(328.49)
<b>Joint Ventures (As Per Equity Method)</b>				
<b>Indian</b>				
1 Transystem Logistics International Private Limited	10.68	12,493.73	13.78	2,026.83
2 Cargo Exchange Private Limited	0.53	620.44	(0.15)	(21.34)
Intercompany and Consolidation Adjustments	(8.33)	(9,747.83)	(6.84)	(1,007.08)
<b>Grand Total</b>	<b>100.00</b>	<b>116,970.87</b>	<b>100.00</b>	<b>14,713.21</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021 (Contd.)**
**42. RELATED PARTY INFORMATION**
**(a) Name of Key Managerial Personnel and Relatives**

Name of Key Managerial Personnel	Designation	Close Family Member
Mr. D.P Agarwal	Vice Chairman and Managing Director	
Mr. Vineet Agarwal	Managing Director	Mrs. Priyanka Agarwal
Mr. S. N. Agarwal	Non-Executive Director	
Mrs. Urmila Agarwal	Non-Executive Director	
Mr. Chander Agarwal	Non-Executive Director	
Mr. Ashish Bharat Ram	Non-Executive Independent Director	
Mr. Vijay Sankar	Non-Executive Independent Director	
Mr. S Madhavan	Non-Executive Independent Director	
Mr. K S Mehta <sup>#</sup>	Non-Executive Independent Director	
Mr. S M Datta <sup>##</sup>	Non-Executive Independent Director	
Mr. O Swaminatha Reddy <sup>##</sup>	Non-Executive Independent Director	
Ms. Gita Nayyar	Non-Executive Independent Director	
Mr. Ravi Uppal	Non-Executive Independent Director	
Mr Ashish Tiwari	Group CFO	
Ms. Archana Pandey	Company Secretary	
Mr. Jasjit Singh Sethi	CEO-TCI Supply Chain Division	
Mr. Ram Ujagar Singh	CEO-TCI Seaways Division	
Mr. Ishwar Singh Sagar	CEO-TCI Freight	

<sup>#</sup> Retired w.e.f. conclusion of Annual General Meeting held on 29<sup>th</sup> July 2019

<sup>##</sup> Resigned w.e.f. closing business hours of 31<sup>st</sup> March, 2020

**(b) Joint Venture/Associate Entities**

Transsystem Logistics International Private Limited
Cargo Exchange India Private Limited

**(c) Other Related Party: Companies/Firms/Trust**

Bhoruka Supply Chain Solutions Holdings Limited	TCI Exim Private Limited	TCI Warehousing (MH) – Partnership Firm
Bhoruka Finance Corporation of India Limited	TCI India Limited	TCI Properties (South) – Partnership Firm
TCI Industries Limited	TCI Foundation (Trust)	TCI Properties (NCR) – Partnership Firm
Bhoruka International Private Limited	TCI Institute of Logistics	TCI Properties (Guj) – Partnership Firm
TCI Developers Limited	TCI Express Limited	TCI Properties (Delhi) – Partnership Firm
TCI Properties (West) Limited	TCI Infrastructure Limited	SRF Limited
XPS Cargo Services Limited	Gloxinia Farms Private Limited	Ring Plus Aqua Limited
TCI Distribution Centres Limited	Surin Automotive Private Limited	TCI Trading (Firm)
Log Labs Ventures Private Limited	Bhoruka Express Consolidated Limited	JK Files (India) Limited
TDL Real Estate Holdings Limited	Steel Infra Solutions Private Limited	
Bhoruka Power Corporation of India Limited	TCI Apex Pal Hospitality India Private Limited	

**(d) Key Managerial Personnel Compensation**

₹ in Lakhs

Description	For the Year Ended 31 <sup>st</sup> March, 2021	For the Year Ended 31 <sup>st</sup> March, 2020
Short Term Employee Benefits	2,016.91	1,935.57
Post-Employment Benefits	149.14	42.84
Employee Stock Option benefits	68.97	97.91
<b>Total Compensation</b>	<b>2,235.02</b>	<b>2,076.32</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021 (Contd.)

(e) Transactions During the Year with Related Parties

₹ in Lakhs

Description	Nature of Relation	For the Year Ended 31 <sup>st</sup> March, 2021	For the Year Ended 31 <sup>st</sup> March, 2020
<b>Income</b>			
Freight Income	Joint Ventures	3,575.92	5,469.25
	Other Related Party	576.47	737.08
Logistic Services	Joint Venture	174.59	201.24
Miscellaneous Income	Joint Venture	560.82	597.92
	Other Related Party	365.92	417.33
Dividend Income	Joint Venture	980.00	784.00
Rent Received	Other Related Party	295.73	273.89

₹ in Lakhs

Description	Nature of Relation	For the Year Ended 31 <sup>st</sup> March, 2021	For the Year Ended 31 <sup>st</sup> March, 2020
<b>Expenditure</b>			
Freight Expenses	Joint Venture	276.46	163.39
	Other Related Party	137.08	234.15
Fuel Purchase	Other Related Party	894.95	938.63
Charity and Donation (Including CSR Expenditure)	Other Related Party	300.00	340.00
Business Support Services	Associates	23.26	15.13
	Other Related Party	45.34	
Vehicle Maintenance	Joint Venture	19.18	103.53
Rent paid	Joint Venture	22.31	19.93
	Other Related Party	1,001.46	923.56
	KMP & Relative of KMP	-	2.78
Directors & KMP Remuneration & Commission	Directors Non-Executive	80.70	64.45
	Directors Executive & Other KMP	2,235.02	2,076.32
<b>Finance and Investments</b>			
Investments Redeemed	Directors Executive	0.01	-
	Other Related Party	-	402.00
Property Management Services	Other Related Party	47.28	8.55
Advances/Deposits Given	Other Related Party	118.49	-

(g) Balances at the End of the Year

₹ in Lakhs

Description	Nature of Relation	For the Year Ended 31 <sup>st</sup> March, 2021	For the Year Ended 31 <sup>st</sup> March, 2020
Advances /Deposit Given	Other Related Party	957.49	842.97
Trade Receivables & Others	Joint Venture	941.20	758.92
	Other Related Party	172.61	322.79
Trade Payables & Others	Joint Venture	75.00	44.49
	Other Related Party	15.94	166.50
	Directors & Key Managerial Personnel	664.00	349.40

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021 (Contd.)

### 43. SEGMENT INFORMATION

#### Operating Segments:

- a) Freight Division  
 c) Seaways Division  
 b) Supply Chain Solutions Division  
 d) Energy Division

#### Identification of Segments:

The chief operating decision maker monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. Operating segments have been identified on the basis of the nature of products/services and have been identified as per the quantitative criteria specified in the Ind AS.

#### Segment Revenue and Results:

The expenses and incomes which are not attributable to any business segment are shown as unallocated expenditure (net of unallocated income).

#### Segment Assets and Liabilities:

Segment assets include all operating assets used by the operating segment and mainly consist of property plant and equipment, trade receivables, cash and cash equivalents etc. Segment liabilities primarily includes Current liabilities except for borrowings. Common assets and liabilities which cannot be allocated to any of the segments are shown as a part of unallocated Corporate assets/liabilities.

#### Inter Segment Transfer:

Profit or loss on inter segment transfers are eliminated at Group level.

		₹ in Lakhs	
Particulars		For the Year Ended 31 <sup>st</sup> March, 2021	For the Year Ended 31 <sup>st</sup> March, 2020
<b>Revenue</b>			
	Freight Division	147,886.78	143,511.96
	Supply Chain Solutions Division	97,110.99	94,903.54
	Seaways Division	39,528.12	36,774.40
<b>Segment Revenue</b>	Energy Division	383.24	549.09
	Unallocated Income/Expenditure	1,803.31	888.23
	<b>Total</b>	<b>286,712.44</b>	<b>276,627.22</b>
	Less: Inter Segment Revenue	3,926.22	2,831.51
<b>Net Income from Operations</b>		<b>282,786.22</b>	<b>273,795.71</b>
	Freight Division	5,219.20	4,415.86
	Supply Chain Solutions Division	6,073.38	5,655.81
	Seaways Division	7,354.51	7,531.82
<b>Segment Results</b>	Energy Division	144.82	243.21
	Unallocated Income	1,829.53	868.49
	Unallocated Expenditure	(1,233.00)	(899.44)
	Less: Interest Expenses	2,669.68	3,431.97
<b>Profit Before Tax</b>		<b>16,718.76</b>	<b>14,383.78</b>
<b>Exceptional items (Refer Note 33)</b>		<b>1,305.70</b>	<b>987.68</b>
	Share of Profit/(Loss) from Joint Ventures	2,012.56	2,515.09
<b>Less: Provision for Taxes</b>			
	Current Tax	2,661.48	2,527.07
	Deferred Tax	(277.50)	(935.67)
	Taxes for Earlier Years	(0.06)	1.05
<b>Net Profit for the Year</b>		<b>15,041.70</b>	<b>14,318.74</b>
<b>Other Information</b>			
	Freight Division	33,979.76	31,202.43
	Supply Chain Solutions Division	49,079.65	40,325.67
<b>Segment Assets</b>	Seaways Division	40,778.55	43,818.49
	Energy Division	688.31	1,113.24
	Unallocated Corporate Assets	49,354.02	51,872.68
<b>Total Assets</b>		<b>173,880.29</b>	<b>168,332.51</b>



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021 (Contd.)

Particulars	For the Year Ended 31 <sup>st</sup> March, 2021	For the Year Ended 31 <sup>st</sup> March, 2020
<b>Segment Liabilities</b>		
Freight Division	7,751.02	5,897.86
Supply Chain Solutions Division	13,039.78	9,614.74
Seaways Division	1,685.62	1,718.02
Energy Division	101.33	53.28
Unallocated Corporate Liabilities	3,069.15	2,455.61
<b>Total Liabilities</b>	<b>25,646.90</b>	<b>19,739.51</b>
<b>Capital Expenditure</b>		
Freight Division	60.50	336.66
Supply Chain Solutions Division	7,633.81	3,823.62
Seaways Division	4,746.33	7,935.88
Unallocated Capital Expenditure	2,730.83	1,263.82
<b>Total Capital Expenditure</b>	<b>15,171.47</b>	<b>13,359.98</b>
<b>Depreciation</b>		
Freight Division	592.62	865.86
Supply Chain Solutions Division	4,484.75	3,913.57
Seaways Division	4,144.89	3,347.81
Energy Division	58.29	121.62
<b>Total Depreciation</b>	<b>9,280.55</b>	<b>8,248.86</b>

- The Group operates in India and other geographical location like Nepal and Bangladesh. The total assets, liabilities, revenue and expense of other geographical location does not exceed the threshold limit under Ind AS 108, therefore no separate geographical segments is disclosed.

- There are no customers having revenue exceeding 10% of total revenues

**Reconciliation of Segment Assets & Liabilities**

Particulars	For the Year Ended 31 <sup>st</sup> March, 2021	For the Year Ended 31 <sup>st</sup> March, 2020
Segment Operating Assets	173,880.29	168,332.51
<b>Group's Total Assets</b>	<b>173,880.29</b>	<b>168,332.51</b>
Segment Operating Liabilities	25,646.90	19,739.51
Deferred Tax Liabilities & Others	2,731.61	3,777.97
Borrowing (Including Current Maturities of Long-Term Borrowings)	27,668.10	41,858.25
<b>Group's Total Liabilities</b>	<b>56,046.61</b>	<b>65,375.73</b>

**44. LEASES:**

**a) Group as Lessor:**

The Group has given its Wind-power plants on lease under non-cancellable operating leases expiring in future. The leases have varying terms, escalation clauses and renewal rights. On renewal, the terms of the leases are renegotiated. ₹ in Lakhs

Particulars	For the Year Ended 31 <sup>st</sup> March, 2021	For the Year Ended 31 <sup>st</sup> March, 2020
Future Minimum Lease Rental Receivable in relation to Non-Cancellable Operating Leases:		
Within One Year	38.75	260.16
Later Than One Year but not Later than Five Years	-	38.75
Later than Five Years	-	-
Total	<b>38.75</b>	<b>298.91</b>

**b) Group as Lessee:**

Effective 1<sup>st</sup> April 2019, the Group adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on 1<sup>st</sup> April 2019 using the modified retrospective approach. This has resulted in recognition of 'Right of Use' asset of ₹ 2,217.41 Lakhs, a corresponding lease liability of ₹ 295.90 Lakhs, and an increase in cash outflows from financing activities by ₹ 59.09 lakhs.

The effect of this adoption is insignificant on the profit before tax, profit for the period and earnings per share.

**Following are the changes in the carrying value of right of use assets for the year ended March 31, 2021:** ₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021			As at 31 <sup>st</sup> March, 2020		
	Leasehold Building	Leasehold land	Total	Leasehold Building	Leasehold land	Total
Opening	325.83	2,015.32	2,341.15	373.28	1,844.13	2,217.41
Addition	1,934.59	2,417.07	4,351.66	-	199.41	199.41
Deletion	-	-	-	-	-	-
Depreciation	276.39	39.37	315.76	47.45	28.22	75.67
<b>Closing</b>	<b>1,984.03</b>	<b>4,393.02</b>	<b>6,377.05</b>	<b>325.83</b>	<b>2,015.32</b>	<b>2,341.15</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021 (Contd.)**
**Movement in Lease liabilities**

₹ in Lakhs

Particulars	For the Year Ended 31 <sup>st</sup> March, 2021	For the Year Ended 31 <sup>st</sup> March, 2020
At Beginning of the Year	346.84	295.90
Addition	1,934.59	77.38
Deletions	-	-
Finance Cost Accrued	127.84	32.66
Payment of Lease Liabilities	329.00	59.10
<b>At the end of the Year</b>	<b>2080.27</b>	<b>346.84</b>

**Break-up of current and non current lease liabilities**

₹ in Lakhs

Particulars	For the Year Ended 31 <sup>st</sup> March, 2021	For the Year Ended 31 <sup>st</sup> March, 2020
Current Lease Liabilities	903.73	38.61
Non Current Lease Liabilities	1,176.54	308.23

The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

**Contractual maturities (undiscounted)**

₹ in Lakhs

Particulars	For the Year Ended 31 <sup>st</sup> March, 2021	For the Year Ended 31 <sup>st</sup> March, 2020
Less than one year	874.45	68.88
One to five years	1,108.20	275.52
More than five years	829.68	802.93
<b>Total</b>	<b>2,812.33</b>	<b>1,147.33</b>

The incremental borrowing rate applied to lease liabilities is 9%.

Rent expense recorded for Short term and Low Value Leases was ₹ 4,776.66 Lakhs (Previous year ₹ 4,813.92 Lakhs)

**45. CONTINGENT LIABILITIES AND COMMITMENTS:-**

₹ in Lakhs

Particulars	For the Year Ended 31 <sup>st</sup> March, 2021	For the Year Ended 31 <sup>st</sup> March, 2020
<b>(i) Contingent Liabilities</b>		
(a) Claims Against the Company not Acknowledged as Debt		
Sales Tax / Excise / Entry Tax / ESI / Trade Tax / Octroi / Duty	339.90	408.29
Other demands under Dispute not acknowledged as debt	210.10	139.88
(b) Guarantees excluding Financial Guarantees; and Counter Guarantees Outstanding	2,546.31	2,209.91
<b>(ii) Commitments</b>		
Estimated Amount of Contracts Remaining to be Executed on Capital Account and Not Provided for Net of Advance on Tangible Assets	1,284.51	3,216.58

**46 Corporate Social Responsibility (CSR)**

(a) As per Section 135 of the Companies Act, 2013, a CSR committee has been formed by the Group. The areas for CSR activities are sports, health, education, green preservation and community development. The funds were primarily allocated to a corpus and utilized throughout the year on those activities which are specified in Schedule VII of the Companies Act, 2013

**(b) Details of Corporate Social Responsibility (CSR) Expenditure:**

₹ in Lakhs

Particulars	For the Year Ended 31 <sup>st</sup> March, 2021	For the Year Ended 31 <sup>st</sup> March, 2020
Amount Required to be Spent as per Section 135 of the Act	294.00	242.14
Amount Spent During the Year on:		
(i) Construction / Acquisition of an Asset	-	-
(ii) On Purpose other than (i) Above	300.00	340.00
<b>Total</b>	<b>300.00</b>	<b>340.00</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021 (Contd.)

### 47 Details of Loans Given, Investments Made and Guarantee Given Covered U/S 186 (4) of the Companies Act, 2013

a) Investments made are given under the respective heads (Refer note 7)

b) Corporate Guarantees given by the Group in respect of loans As at 31<sup>st</sup> March, 2021

₹ in Lakhs

Name of the Company	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
ABC India Ltd.	742.06	742.06

### 48 Employee Stock Option plan

The Group during the year has granted 150000 Stock Options to its eligible employees. The Company in accordance with the Employee Stock Option Plan-2017 (3rd Tranche), vesting period being 1, 2, and 3 years from the date of grant and the exercise period being one year from the date on which the options are eligible for exercise. Holder of each option is eligible for one fully paid equity share of the Company of the face value of ₹ 2 each on payment of ₹ 128 per share, the exercise price. The fair value of option determined on the date of grant is ₹ 133.55 based on black scholes methodology. The impact of above for the years is ₹ 200.33 Lakhs, accordingly provision and disclosure have been considered in the financial statements.

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Outstanding options at the beginning of year	602,375	486,875
Face value of share (₹)	2	2
No. of Options granted during the year	150,000	288,000
Vesting Period of Option granted during the year (graded)	1,2 & 3 Years	1,2 & 3 Years
Exercise Price of option granted during the year (₹)	128	155
Fair Value of the Option (₹)	133.55	159.49
No. of Options exercised during the year	273,525	164,250
No. of Options cancelled during the year (included Forfeited option due to Resignation)	33,200	8,250
Outstanding options at the end of year	445,650	602,375

- 49 (a) ₹ 127.92 Lakhs outstanding As at 31<sup>st</sup> March, 2021 due to Micro and Small Enterprises registered under Micro, Small and Medium Enterprises development Act, 2006, (MSME) (31<sup>st</sup> March, 2020 : ₹ 140.67 Lakhs).
- (b) Interest paid/payable to the enterprises register under MSME ₹ NIL (31<sup>st</sup> March, 2020 : ₹ NIL).
- (c) In case of TCI Concor Multimedia Solutions Private Limited, a subsidiary of the Company, the directors have waived off the sitting fees for attending the Board Meetings.
- (d) In case of TCI Concor Multimedia Solutions Private Limited, a subsidiary of the Company, balances of some of the customer / suppliers / receivable / payables and deposits with others are subject to confirmation / reconciliations and consequential adjustments, if any, which in the opinion of the management of TCI Concor Multimedia, would not be material.
- (e) In case of Transystem Logistics International Private Limited (TLIPL), a jointly control entity of the Company, TLIPL has considered internal and certain external sources of information including economic forecasts and budgets required to meet performance obligations and likely delays on contractual commitments upto the date of approval of these financial statements, in determining the possible impact from the COVID-19 pandemic. The management of TLIPL has used the principles of prudence in applying judgements, estimates and assumptions and based on the current estimates, TLIPL expects to fully recover the carrying amount of its assets. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements and TLIPL will continue to closely monitor any material changes to its assessment of economic impact of COVID- 19 pandemic.

50 Previous year figure's have been regrouped /rearranged wherever considered necessary

In terms of our Report of even date

For **Brahmayya & Co.**  
Chartered Accountants  
Firm Regn No 000511S

**Lokesh Vasudevan**  
(Partner)  
(Membership No.222320)

Place: Coonoor  
Date: 25<sup>th</sup> May, 2021

For and on behalf of the Board

**Vijay Sankar**  
(Chairman of  
Audit Committee)  
(DIN: 00007875)

**Archana Pandey**  
(Company Secretary &  
Compliance Officer)  
(Membership No: A23884)

Place: Gurugram  
Date: 25<sup>th</sup> May, 2021

**D. P. Agarwal**  
(Chairman &  
Managing Director)  
(DIN: 00084105)

**Ashish Tiwari**  
(Group CFO)  
(Membership No: 502579)

**Vineet Agarwal**  
(Managing Director)  
(DIN: 00380300)

**Form AOC-I**
**Persuant to First Proviso to Sub-Section (3) of Section 129 Read With Rules 5 of Companies (Accounts) Rules, 2014  
 Statement Containing Salient Features of the Financial Statement of Subsidiaries/Associate Companies/Joint Ventures**
**Part "A" : Subsidiaries**

SI No	Name of the Subsidiary*	Reporting Currency and Exchange Rate as on the last date of the Financial Year in Case of Foreign Subsidiaries	Equity Share Capital	Other Equity	Total Assets	Total Liabilities	Investments (*)	Turnover	Profit Before Taxation	Provision for Taxation	Profit after Taxation	% of Shareholding
1	TCI Global (Singapore) Pte Ltd.	SGD 1 = ₹ 54.43	1,138.87	(1,128.89)	9.98	0.00	Nil	0.00	(6.31)	-	(6.31)	100%
2	TCI Holdings Asia Pacific Pte. Ltd.	SGD 1 = ₹ 54.43	3,736.75	(2,898.25)	849.30	10.80	Nil	3.59	(38.26)	-	(38.26)	100%
3	TCI Global Brazil Logistica Ltda	BRL 1 = ₹ 12.94	36.05	(68.55)	0.00	32.50	Nil	76.37	(44.00)	-	(44.00)	100%
4	TCI Holdings Netherlands B.V.	EUR 1 = ₹ 85.92	270.97	(504.69)	23.63	257.35	Nil	0.41	(30.47)	-	(30.47)	100%
5	TCI Holdings SA & E Pte Ltd.	SGD 1 = ₹ 54.43	304.36	(57.82)	306.01	59.48	Nil	2.01	(3.13)	-	(3.13)	100%
6	TCI Bangladesh Limited	BDT 1 = ₹ 0.86	33.63	69.04	423.48	320.80	Nil	367.79	40.20	13.79	26.41	100%
7	TCI Nepal Pvt. Limited	NC 1 = ₹ 0.62	31.10	(29.91)	259.75	258.56	Nil	495.50	(5.37)	-	(5.37)	100%
8	TCI-CONCOR Multimodal Solutions Pvt. Ltd.		700.00	1,060.81	5,455.46	3,694.65	Nil	32,406.26	895.54	225.15	670.39	51%
9	TCI Cold Chain Solutions Limited		101.00	2,209.28	4,336.56	2,026.28	Nil	3,612.82	52.47	4.29	48.18	100%
10	TCI Ventures Limited		865.51	276.77	2,297.05	1,154.77	1,581.91	0.71	(50.42)	(0.06)	(50.35)	100%
11	Stratsol Logistics Private Limited		292.50	(7.38)	675.27	390.15	675.00	0.00	(0.56)	-	(0.56)	100%

₹ in Lakhs

(\*) Excluding investment in subsidiaries / Step down subsidiaries

(\*\*) The annual accounts of subsidiaries and step down subsidiaries with related detailed information are available for inspection by the members at the registered/corporate office of the Company

**Part "B" : Associates and Joint Ventures**
**Persuant to First Proviso to Sub-Section (3) of Section 129 read with Rules 5 of Companies (Accounts) Rules, 2014**

₹ in Lakhs

SI No	Name of Joint Venture/ Associate	1. Latest Audited Balance Sheet Date		2. Shares of Associate/ Joint Ventures Held By The Company On The Year End		3. Description of how there is Significant Influence	4. Reason Why the Associate/Joint Venture is Not Consolidated	5. Networth Attributable to Shareholding as Per Latest Audited Balance Sheet	6. Adjusted Profit / (Loss) for the year	
		No of Shares (in Lakhs)	Amount of Investment in Joint Venture/ Associate (NAV)	Extend of Holding %	Considered in Consolidation				Not Considered in Consolidation	
1	Transystem Logistics International Pvt. Ltd.	31.03.2021	12,706.02	39.20	49.00%	N.A.	N.A.	12,493.73	2,026.83	2,116.92
2	Cargo Exchange Private Limited	31.03.2021	620.44	4.08	32.50%	N.A.	N.A.	620.44	(21.34)	(46.35)

## NOTICE 26<sup>TH</sup> ANNUAL GENERAL MEETING

**NOTICE** is hereby given that the Twenty Sixth Annual General Meeting (AGM) of the Company will be held on Tuesday, the 3<sup>rd</sup> August, 2021 at 11:00 A.M. through Video Conferencing (VC) / Other Audio Visual Means (OAVM) to transact the following businesses:

### ORDINARY BUSINESS:

1. To consider and adopt Financial Statements (Standalone & Consolidated) for the FY ended 31<sup>st</sup> March, 2021 together with the Reports of Directors and Auditors thereon.
2. To consider and approve payment of Final Dividend for FY 2020-21, if any.
3. To appoint a Director in place of Mr. D. P. Agarwal, Chairman & Managing Director, (DIN-00084105) who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. S N Agarwal, Director, (DIN-00111187) who retires by rotation and, being eligible, offers himself for re-appointment.

### SPECIAL BUSINESS:

5. **To consider and approve re-appointment of Mr. Vijay Sankar (DIN-00007875) as Non-Executive Independent Director for a 2<sup>nd</sup> term of five consecutive years effective from 4<sup>th</sup> November, 2021**

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 149, 150 & 152 read with Schedule IV and other applicable provisions including any modification or re-enactment thereof, if any, of the Companies Act, 2013 & rules made thereunder and Regulation 25 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, Mr. Vijay Sankar, (DIN-00007875) whose tenure is expiring at the closing of business hours of 3<sup>rd</sup> November, 2021 and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director under section 160 of the Companies Act, 2013 and from whom the Company has received consent to act as director in writing, if re-appointed & the declaration of Independence thereof, be and is hereby re-appointed as an Non-Executive Independent Director of the Company, for a 2<sup>nd</sup> term of five consecutive years effective from 4<sup>th</sup> November, 2021, not liable to retire by rotation.

**RESOLVED FURTHER THAT** the Board of Directors and the Company Secretary be & are hereby severally authorized to do all such acts, deeds and things as may be required to give effect to the above resolution".

6. **To consider and approve the appointment of Mr. Vikrampati Singhania (DIN: 00040659), as Non-Executive Independent Director**

To consider and, if thought fit, to pass, the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 149, 152 and other applicable provisions including any modification or re-enactment thereof, if any, of the Companies Act, 2013 & rules made thereunder and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Vikrampati Singhania (DIN: 00040659), who was appointed as Additional Director by the Board of Directors and whose term expires at this Annual General Meeting and in respect of whom the Company has received

a notice in writing from a member proposing his candidature for the office of Director under section 160 of the Companies Act, 2013, be and is hereby appointed as a Non-Executive Independent Director of the Company, for a period of five consecutive years commencing from 5<sup>th</sup> July, 2021, not liable to retire by rotation.

**RESOLVED FURTHER THAT** The Board of Directors and the Company Secretary be & are hereby severally authorized to do all such acts, deeds and things as may be required to give effect to the above resolution".

7. **To consider and approve payment of remuneration to Non-Executive Directors by way of commission for a period of five years effective from FY 2021-22**

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

**"RESOLVED THAT** in accordance with the provisions of Sections 149, 197, 198 and other applicable provisions including any modification or re-enactment thereof, if any, of the Companies Act, 2013 & rules made thereunder, the Articles of Association of the Company and subject to all applicable approval(s) as may be required, consent of the Members be and is hereby accorded to the payment of commission to the Non-Executive Directors of the Company, for a period of five years, commencing from FY 2021-22, as may be decided by the Board from time to time, provided that the total commission payable to the Non-Executive Directors per annum shall not exceed 0.5% of the net profits of the Company for that year as computed in the manner specified under Section 198 of the Companies Act, 2013, with authority to the Board to determine the manner and proportion in which the amount be distributed among Non-Executive Directors.

**RESOLVED FURTHER THAT** the Board of Directors and the Company Secretary be & are hereby severally authorized to do all such acts, deeds and things as may be required to give effect to the above resolution".

8. **Authorize Borrowings by way of Issuance of Non-Convertible Debentures/Bonds/Other similar Instruments**

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 42, 71 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, and subject to all the applicable laws and Regulations, including but not limited to SEBI (Issue and Listing of Debt Securities) Regulations, 2008, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, for the time being in force and subject to the provisions of the Memorandum and Articles of Association of the Company, consent of the members be and is hereby accorded to the Board of Directors (hereinafter referred to as the "Board", which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) to borrow from time to time by making offer(s) or invitation(s) to subscribe or issuance of redeemable Non-Convertible Debentures (NCD)/Bonds/Other similar instruments, whether secured or unsecured, on a private placement basis, in one or more tranches, upto an amount not exceeding Rs 200 Crores (Rupees Two Hundred Crores Only) during a period of

## NOTICE 26<sup>TH</sup> ANNUAL GENERAL MEETING

one year from the date of passing of this Resolution, on such terms and conditions, as the Board may, from time to time, determine and consider proper and that the said borrowing shall be within the overall borrowing limits of the Company as may be approved by the Members from time to time.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above, the Board of Directors and the Company Secretary be and are hereby authorized on behalf of the Company to take all actions and do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient for the Issue and to take such steps and to do all such acts, deeds, matters and things as they may deem fit and proper for the purposes of the Issue and resolve and settle all questions or difficulties that may arise in regard to such Issue without being required to seek any further consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution".

**BY Order of the Board  
For Transport Corporation of India Limited**

**Place: Gurugram**

**Date: 25<sup>th</sup> May, 2021**

**Archana Pandey**

**Company Secretary &  
Compliance Officer**

**Membership No.: A23884**

**Registered Office:**

Flat Nos. 306 & 307, 1-8-201 to 203, 3<sup>rd</sup> Floor, Ashoka Bhoopal Chambers, S.P. Road, Secunderabad-500003,

Phone: +91 40 2784-0104, Email: [secretarial@tcil.com](mailto:secretarial@tcil.com) | Website: [www.tcil.com](http://www.tcil.com), CIN: L70109TG1995PLC019116

### NOTES:

- In view of the prevailing lock down situation across the country due to outbreak of the COVID-19 pandemic and restrictions on the movements apart from social distancing, MCA (Ministry of Corporate Affairs) vide Circular No. 14/2020 dated 08<sup>th</sup> April, 2020, Circular No.17/2020 dated 13<sup>th</sup> April, 2020 read with Circular No. 20/2020 dated 05<sup>th</sup> May, 2020, had permitted the companies to hold their AGM through VC/OVAM for the calendar year 2020. Further in continuation of Circular No. 20/2020, MCA vide its Circular No. 02/2021 dated 13<sup>th</sup> January, 2021, permitted the Companies to hold their AGM through VC/OAVM in Calendar year 2021.
- Pursuant to the provisions of Section 108 of the Companies Act, 2013 (The Act) read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), read with aforesaid MCA circulars, the 26<sup>th</sup> AGM of the company is being conducted through Video Conferencing (VC) (hereinafter called as "E-AGM").
- The Company has appointed Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorised e-Voting agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the E-AGM will be provided by CDSL.
- The Members can join the E-AGM in the VC / OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the

E-AGM through VC / OAVM will be made available to 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the E-AGM without restriction on account of first come first served basis.

- The attendance of the Members attending the E-AGM through VC / OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Act.
- To support the 'Green Initiative', Members who have not yet registered their email addresses & mobile numbers are requested to register the same with their DPs in case the shares are held by them in electronic form and with RTA in case the shares are held by them in physical form.
- Pursuant to MCA Circular No. 14/2020 dated 08<sup>th</sup> April, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this E-AGM. Hence the Proxy Form and Attendance Slip are not annexed to this Notice. However, in pursuance of Section 112 and Section 113 of the Act, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM/EGM through VC/OAVM and cast their votes through e-voting.
- Corporate Members are encouraged to attend the AGM through their Authorized Representatives. They are requested to send by email at [secretarial@tcil.com](mailto:secretarial@tcil.com), a certified copy of the Board Resolution/ Power of Attorney authorizing their representatives to attend and vote on their behalf in the Meeting.
- The related Explanatory Statement pursuant to Section 102 of the Act, in respect of Special Businesses at Items 5 to 8 as set out above; to be transacted at the Meeting is annexed hereto.
- Since the AGM will be held through VC, the Route Map is not relevant and not annexed to this Notice.
- The Share Transfer Books & the Register of Members shall remain closed from Thursday, 29<sup>th</sup> July 2021 to Tuesday 3<sup>rd</sup> August, 2021 (Both Days Inclusive).
- Members holding shares in electronic form may contact their respective Depository Participants to register / update bank mandate and Members holding shares in physical form are requested to the RTA of the Company at [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) for the same.
- The SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are therefore requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the RTA / Company.
- The members are requested to address all their communications to KFin Technologies Private Limited, Hyderabad, the common agency to handle electronic connectivity and the shares in physical mode or at the Corporate Office of the Company for prompt redressal.
- Pursuant to Section 124 of the Act, the unclaimed final dividend for the year ended 31<sup>st</sup> March, 2014 will be transferred to the "Investor Education and Protection Fund" (IEPF) on expiry of 7 years from the date the dividend became

## NOTICE 26<sup>TH</sup> ANNUAL GENERAL MEETING

due for payment. It may be noted that after the expiry of the said period of seven years on 28<sup>th</sup> August, 2021, no claim shall lie in respect of unclaimed dividend. Further, Section 124(6) of the Act mandates transfer of all those shares, in respect of which unpaid or unclaimed dividend have been transferred by the Company to IEPF. Thus, all the shares against which dividend has not been claimed, shall also stand transferred to IEPF. Accordingly members who have not claimed their unpaid Dividends for the said financial year and any of subsequent years are requested to write to the Company Secretary at [secretarial@tcil.com](mailto:secretarial@tcil.com).

16. As per Regulation 40 of SEBI Listing Regulations, as amended from time to time, securities of listed companies can be transferred only in dematerialised form with effect from 1<sup>st</sup> April, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialised form. Members can contact the Company or RTA for assistance in this regard.
17. Pursuant to Section 72 of the Act, individual shareholders holding shares in the Company singly or jointly may nominate an individual to whom all the rights in the Shares of the Company shall vest in the event of death of the sole / all joint shareholders.
18. The requisite Registers as required under the Act are available for inspection by the members. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to the Company Secretary at [secretarial@tcil.com](mailto:secretarial@tcil.com).
19. If the final dividend, as recommended by the Board of Directors, is approved at the AGM, payment of such dividend subject to deduction of tax at source will be made as under:
  - I. To all Beneficial Owners in respect of shares held in dematerialised form, as per the data as may be made available by the National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL"), as at the close of business hours on Wednesday, 28<sup>th</sup> July, 2021;
  - II. To all Members in respect of shares held in physical form, after giving effect to valid transmission or transposition requests lodged with the Company as at the close of business hours on Wednesday, 28<sup>th</sup> July, 2021.
20. Pursuant to Finance Act 2020, dividend income is taxable in the hands of shareholders w.e.f. 1<sup>st</sup> April, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with the Company/ RTA (in case of shares held in physical mode) and depositories (in case of shares held in demat mode).

A Resident individual shareholder with PAN and who is not liable to pay income tax, can submit a yearly declaration in Form No. 15G / 15H, to avail the benefit of non-deduction of tax at source by email to [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com). Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.

Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an email to [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com).

21. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before 1<sup>st</sup> August, 2021, through email to [secretarial@tcil.com](mailto:secretarial@tcil.com). The same will be replied by/on behalf of the Company suitably.
22. The Non-Resident Indian shareholders are requested to inform the company immediately about:
  - a. The change in the residential status on return to India for permanent settlement.
  - b. The particulars of NRO bank Account in India, if not, furnished earlier.
23. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended) and the MCA Circulars, the Company is providing facility of remote E-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with CDSL for facilitating voting through electronic means, as the authorised e-Voting agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
  - I. The Board of Directors of the Company has appointed Mr. V K Bajaj, practicing Company Secretary as Scrutinizer to scrutinize the voting and remote e-voting process in a fair & transparent manner and they have communicated their willingness to the said appointment and will be available for same purpose.
  - II. Voting rights shall be reckoned on the paid up value of shares registered in the name of the member /beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. Wednesday, 28<sup>th</sup> July, 2021.
  - III. The Scrutinizer, after scrutinizing the votes cast during the meeting and through remote e-voting, will, not later than 48 hours from the conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the scrutinizer's report shall be placed on the website of the Company [www.tcil.com](http://www.tcil.com) and on the website of CDSL [www.evotingindia.com](http://www.evotingindia.com). The results shall simultaneously be communicated to the Stock Exchanges.

### THE INTRUCTIONS FOR SHAREHOLDRES FOR REMOTE E-VOTING ARE AS UNDER:

- i. The remote e-voting facility will be available during the following period:
 

**Commencement of e-voting:** From 9:00 a.m. (IST) on Saturday, 31<sup>st</sup> July, 2021.

**End of e-voting:** Up to 5:00 p.m. (IST) on Monday, 2<sup>nd</sup> August, 2021.

During this period shareholders of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date of 28<sup>th</sup> July, 2021, may cast

## NOTICE 26<sup>TH</sup> ANNUAL GENERAL MEETING

- their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii. The Members who have cast their vote by remote e-voting prior to the Meeting may also attend/participate in the Meeting through VC / OAVM but shall not be entitled to cast their vote again.
  - iii. Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 & pursuant to SEBI Circular No. SEBI / HO / CFD / CMD / CIR / P / 2020 / 242 dated 09<sup>th</sup> December, 2020, remote e-voting facility has been enabled for the demat account holders, by way of a single login credential, through their demat accounts/websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.
  - iv. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.  
Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to <u>Easi / Easiest</u> are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2) After successful login of Easi / Easiest, the user will be also able to see the e-voting Menu. The Menu will have link of ESP i.e. CDSL portal. Click on CDSL to cast your vote.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from an e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
Individual Shareholders holding securities in demat mode with <b>NSDL</b>	<ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS" Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com">https://www.evoting.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants</b>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.



## NOTICE 26<sup>TH</sup> ANNUAL GENERAL MEETING

### **Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL**

<b>Login type</b>	<b>Helpdesk details</b>
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

- v. Login method for e-Voting and joining virtual meeting for shareholders other than individual shareholders holding in Demat form & physical shareholders.
1. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  2. Click on "Shareholders" module.
  3. Now enter your User ID
    - a. For CDSL: 16 digits beneficiary ID,
    - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
    - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
  4. Next enter the Image Verification as displayed and Click on Login.
  5. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
  6. If you are a first time user follow the steps given below:

#### **For Shareholders holding shares in Demat Form other than individual and Physical Form**

PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company please enter the member id/folio number in the Dividend Bank details field.

- vi. After entering these details appropriately, click on "SUBMIT" tab.
- vii. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- viii. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- ix. Click on the EVSN for Transport Corporation of India Limited
- x. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xi. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

## NOTICE 26<sup>TH</sup> ANNUAL GENERAL MEETING

- xii. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xiii. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xiv. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- xv. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xvi. Facility for Non – Individual Shareholders and Custodians Remote Voting:
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - Alternatively, Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorised signatory who are authorised to vote, to the Scrutinizer at the email id: [scrutinizer.tci@vkbajajassociates.com](mailto:scrutinizer.tci@vkbajajassociates.com). If they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.
4. Only those shareholders, who are present in the E-AGM and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the E-AGM.
5. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the Meeting.
6. If any Votes are cast by the shareholders through the e-voting available during the E-AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
7. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
8. Please note that Participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
 

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at 022- 23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25<sup>th</sup> Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.

### INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE E-AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the E-AGM is same as the instructions mentioned above for Remote e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the E-AGM.
1. Those shareholders who have not registered their e-mail address and mobile no. including address and bank details may please contact and update their details with the Depository Participant in case of shares held in demat form and with the Company's Registrar and Share Transfer Agent, KFin Technologies Private Limited in case the shares held in physical form.
2. Shareholders who have not registered their e-mail address and in consequence the Annual Report, Notice of E-AGM and e-voting notice could not be serviced, may temporarily get their email address and mobile number registered with

## NOTICE 26<sup>TH</sup> ANNUAL GENERAL MEETING

the Company's Registrar and Share Transfer Agent, KFin Technologies Private Limited, by sending an email to [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com).

3. Shareholders are also requested to visit the website of the Company [www.tcil.com](http://www.tcil.com) or the website of the Registrar and Transfer Agent [www.kfintech.com](http://www.kfintech.com) for downloading the Annual Report and Notice of the E-AGM.
4. Alternatively member may send an e-mail request at the email id [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) along with signed copy of the request letter providing the email address, mobile number, self-attested PAN copy and Client Master copy in case of electronic folio and copy of share certificate in case of physical folio for sending the Annual report, Notice of E-AGM and the e-voting instructions.

### EXPLANATORY STATEMENT U/S 102 OF THE COMPANIES ACT, 2013

#### ITEM NO. 5

Pursuant to Section 149, 150 & 152 of the Act read with Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 25(2) of the SEBI Listing Regulations, 2015, Mr. Vijay Sankar was appointed as a Non-Executive Independent Director for a term of five years with effect from 4<sup>th</sup> November, 2016. His term is expiring at the closing of business hours of 3<sup>rd</sup> November, 2021.

Accordingly, it is proposed to re-appoint him for a second term of five year with effect from 4<sup>th</sup> November, 2021.

Mr. Vijay Sankar is not disqualified from being re-appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director.

The Company has, in terms of Section 160(1) of the Act, received in writing, notice from a Member, proposing his candidature for the office of Director.

The Company has also received declaration from Mr. Vijay Sankar that he meets the criteria of independence as prescribed under sub-section (6) of Section 149 of the Act and Regulation 16(2) of the SEBI Listing Regulations, 2015.

Mr. Vijay Sankar is independent of the management.

The terms and conditions of his re-appointment shall be open for inspection and any Member interested in the same may write to the Company Secretary.

His brief resume, nature of expertise in specific functional areas and names of companies in which he holds directorships and memberships/ chairmanships of Board Committees, shareholding and other details are annexed to this notice.

Mr. Vijay Sankar is interested in the resolution set out at Item No. 5 of the Notice with regard to his re-appointment. The relatives of Mr. Vijay Sankar may be deemed to be interested in the resolution set out at Item No. 5 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

In the opinion of the Board, Mr. Vijay Sankar fulfils the conditions specified in this Act for such re-appointment and considering his rich experience and expertise, and based upon the recommendation received from Compensation Nomination and Remuneration

Committee, the Board recommends the special resolution at item no. 5 for approval by the shareholders.

#### ITEM NO. 6

Based upon the recommendations of the Compensation / Nomination and Remuneration Committee, the Board of Directors had appointed Mr. Vikrampati Singhania as Additional Director in the category of Non-Executive Independent Director, not liable to retire by rotation, for a term of five years, with effect from 5<sup>th</sup> July, 2021, subject to approval of shareholders in the Annual General Meeting (AGM).

Pursuant to the provisions of Section 161(1) of the Act and the Article of Association of the Company, Mr. Vikrampati Singhania holds office up to the date of this AGM and is eligible to be appointed as Director. The Company has, in terms of Section 160(1) of the Act, received in writing, notice from Member(s), proposing his candidature for the office of Directors.

Mr. Vikrampati Singhania is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director.

The Company has also received declaration from him that he meets the criteria of independence as prescribed under sub-section (6) of Section 149 of the Act and Regulation 16(2) of the SEBI Listing Regulations, 2015.

In the opinion of the Board, he is independent of the management.

The terms and conditions of his appointment shall be open for inspection and any Member interested in the same may write to the Company Secretary.

His brief resume, nature of expertise in specific functional areas and names of companies in which he holds directorships and memberships/chairmanships of Board Committees, shareholding and other details are annexed to this notice.

None of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

In the opinion of the Board, Mr Vikrampati Singhania fulfills the conditions specified in this Act for such an appointment and considering his rich experience and expertise, the Board recommends the special resolution at item no. 6 for approval by the shareholders.

#### ITEM NO. 7

The Members had, at the Annual General Meeting of the Company held on 4<sup>th</sup> November, 2016, passed a Special Resolution under Sections 197 of the Companies Act, 2013, approving the payment of commission to Non-Executive Directors of the Company, of a sum not exceeding 0.5% per annum of the net profits of the Company, calculated in accordance with the provisions of section 198 of the Companies Act, 2013. The approval was valid upto FY 2020-21.

The current competitive business environment, stringent accounting standards and corporate governance norms require substantial involvement of the Directors in the decision making process. With the onset of the new amendments in the Act and SEBI Listing Regulations, 2015, the responsibility of the Directors has become more onerous and the Directors are required to give more time and attention to the business of the Company. It is therefore proposed to continue the payment of commission to the Non-Executive Directors of the Company. The Board of Directors will determine each year, the specific amount to be paid as

## NOTICE 26<sup>TH</sup> ANNUAL GENERAL MEETING

commission to the Non-Executive Directors which shall not exceed 0.5% of the net profits of the Company for that year, as computed in the manner referred to in Section 198 of the Act.

In view of the above, the Members' approval is being sought pursuant to Sections 197, 198 and other applicable provisions of the Act, if any, for the payment of commission to the Non-Executive Directors of the Company for a period of five years commencing from FY 2021-22. The payment of commission would be in addition to the sitting fees payable for attending Meetings of the Board and Committees thereof.

All the Non-Executive Directors of the Company are interested in the Resolution set out at Item No. 7 of the accompanying Notice, since it relates to their respective remuneration.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

The Board of Directors recommend the Special Resolution set out at Item No. 7 of the Notice for approval by the Members.

### ITEM NO. 8

In order to give the Company flexibility to manage its borrowing program, the Company proposes to pass a suitable enabling resolution to allow the Company to offer NCDs/Bonds/Other similar instruments not exceeding Rs. 200 Crores (Rupees Two Hundred Crores Only), on private placement basis at an interest rate that will be determined by the prevailing money market conditions at the time of the borrowing. NCDs/Bonds/Other similar instruments are

a significant and cost effective source of borrowings for corporates and your Company would like to avail this option as well. This is also to comply with the SEBI circular dated 26<sup>th</sup> November, 2018 which require that 25% of the incremental borrowings by a large corporate (as defined in that circular) during a financial year shall be met by way of issuance of debt securities in accordance with applicable SEBI regulations.

In terms of the provisions of Section 42 of the Act as amended from time to time, a Company offering or making an invitation to subscribe to NCDs/ Bonds/ Other similar instruments on a private placement basis, is required to obtain prior approval of its Members by way of a Special Resolution. Accordingly, it is hereby proposed to seek an approval from shareholders enabling the Board to issue NCDs/Bonds/ other similar Instruments, in one or more tranches, at such price and on such terms and conditions as may be deemed appropriate by the Board upto an amount not exceeding Rs. 200 Crores during the period of one year from the date of passing of the Resolution within the overall borrowing limits of the Company, as approved by the Members from time to time with the authority to the Board of Directors to determine the terms and conditions, including the issue price of NCDs/ Bonds/ other similar instruments.

None of the Directors / Key Managerial Personnel at the Company / their relatives are in any way concerned or interested, financially or otherwise in this resolution.

The Directors recommends the Special Resolution at item No. 8 for approval by the shareholders.

**BY Order of the Board  
For Transport Corporation of India Limited  
Archana Pandey  
Company Secretary & Compliance Officer**

**Place: Gurugram**

**Date: 25<sup>th</sup> May 2021**

**Registered Office:**

Flat Nos. 306 & 307, 1-8-201 to 203,  
3<sup>rd</sup> Floor, Ashoka Bhoopal Chambers,  
S.P. Road, Secunderabad-500003,  
Phone: +91 40 2784-0104

Email: [secretarial@tcil.com](mailto:secretarial@tcil.com) | Website: [www.tcil.com](http://www.tcil.com)

CIN: L70109TG1995PLC019116

## NOTICE 26<sup>TH</sup> ANNUAL GENERAL MEETING

### A BRIEF PROFILE OF THE DIRECTORS TO BE APPOINTED / RE-APPOINTED

Particulars	Mr. D. P. Agarwal	Mr. S. N. Agarwal	Mr. Vijay Sankar	Mr. Vikrampati Singhania
Age	70	76	48	55
Qualifications	Graduate	MBA, Davenport College of Business, US	MBA, J.L. Kellogg Graduate School of Management, Northwestern University, USA	M.Com, Kanpur University MBA, Fuqua School of Business, Duke University, USA
Expertise in specific Functional Area*	He has been associated with the transport industry for more than 50 years and contributing in developing the unorganised logistics sector into an organised one.	Over 04 decades of rich experience in various industries including logistics. He also serves as the Chairman of Boruka Gases Ltd. & Boruka Power Corp Ltd.	Mr. Vijay Sankar is the Deputy Chairman of The Sanmar Group. As Deputy Chairman, he is responsible for the Group's operational management.	Mr. Singhania is a Director of JK Organisation, Managing Director of J.K. Fenner (India) Ltd, one the leading auto & Industrial parts manufacturing company in the country. He is also Managing Director of JK Agri Genetics Ltd, a leader in hybrid seeds for agriculture.
Date of first appointment on the Board	11 <sup>th</sup> September, 1998	2 <sup>nd</sup> January, 1995	4 <sup>th</sup> November, 2016	5 <sup>th</sup> July, 2021
Directorship held in other Companies <sup>#</sup>	i. Jay Bharat Maruti Ltd. ii. TCI Express Ltd. iii. TCI Developers Ltd. iv. TCI Industries Ltd. v. Boruka Power Corp. Ltd.	i. Kirloskar Electric Company Ltd. ii. Boruka Agro Business Private Ltd. iii. Boruka Steel & Services Ltd. iv. Pharmed Ltd. v. Bhuruka Gases Ltd. vi. Boruka Power Corp. Ltd. vii. Boruka Cogen Power Pvt. Ltd. viii. Prabhu Structures Investment India Pvt. Ltd. ix. Bhuruka Gases Investments India Pvt. Ltd. x. Prabhu Structures Pvt. Ltd. ix. Bhuruka Power Investments India Pvt. Ltd.	i. Oriental Hotels Ltd. ii. The K C P Ltd. iii. Sanmar Consolidations Pvt. Ltd. iv. NS Family Consolidations Pvt. Ltd. v. SCL Consultancy & Trading Pvt. Ltd. vi. Barbourne Trading Pvt. Ltd. vii. Kaveri Retreats & Resorts Ltd. viii. Ns Family Investments Pvt. Ltd. ix. Sanmar Holdings Ltd. x. Stargate Enterprises Pvt. Ltd. xi. V S Trading & Consultancy Pvt. Ltd. xii. C Sankar Trading & Consultancy Pvt. Ltd. xiii. M Sankar Trading & Consultancy Pvt. Ltd.	i. JK Agri Genetics Ltd. ii. J.K. Fenner (India) Ltd. iii. Lumax Industries Ltd.
Memberships/ Chairmanships of committees of other companies	<b>Jay Bharat Maruti Ltd.</b> i. Audit Committee ii. Nomination & Remuneration Committee iii. Stakeholders' Relationship Committee** iv. CSR Committee**  <b>TCI Express Ltd.</b> i. CSR Committee** ii. Nomination & Remuneration Committee  <b>TCI Developers Ltd.</b> CSR Committee**	<b>Kirloskar Electric Co. Ltd.</b> i. Audit Committee ii. Nomination & Remuneration Committee**  <b>Bhoruka Power Corp. Ltd.</b> i. CSR Committee** ii. Remuneration Committee	<b>Oriental Hotels Ltd.</b> i. Audit Management Committee** ii. CSR Committee** iii. Stakeholders' Relationship Committee** iv. Investment Committee**  <b>The K C P Ltd.</b> i. Audit Committee ii. CSR Committee iii. Stakeholders' Relationship Committee iv. Nomination and Remuneration Committee v. Risk Management Committee vi. Innovation & Best Practices Committee vii. Finance Committee viii. Investment Committee  <b>Kaveri Retreats &amp; Resorts Ltd.</b> Audit Committee**  <b>Sanmar Holdings Ltd.</b> CSR Committee**	<b>JK Agri Genetics Ltd.</b> i. Stakeholders' Relationship Committee ii. CSR Committee**

\* Please refer Company's website [www.tcil.com](http://www.tcil.com) for detailed profile of the directors.

\*\*Chairperson of the Committee.

<sup>#</sup>Excluding Foreign Companies and Section 8 Company.

Note: for other details such as the number of meetings of the board attended during the year, remuneration drawn, relationship with other directors and KMPs, No. of shares held etc. in respect of above directors, please refer to the Corporate Governance Report which is a part of this Annual Report.

# Corporate Information

## Board of Directors

**Mr. D P Agarwal**  
Chairman & Managing Director

---

**Mr. Vineet Agarwal**  
Managing Director

---

**Mr. S N Agarwal**  
Director

---

**Mr. Ashish Bharat Ram**  
Director

---

**Mr. Vijay Sankar**  
Director

---

**Mr. S Madhavan**  
Director

---

**Ms. Gita Nayyar**  
Director

---

**Mr. Ravi Uppal**  
Director

---

**Mr. Vikrampati Singhania**  
Additional Director

---

**Ms. Urmila Agarwal**  
Director

---

**Mr. Chandar Agarwal**  
Director

## Other Information

**Group CFO**  
Mr. Ashish Tiwari

---

**Company Secretary**  
Ms. Archana Pandey

---

**Statutory Auditors**  
M/s Brahmayya & Co,  
Chartered Accountants

---

**Registrar & Share Transfer Agent**  
KFin Technologies Private Ltd.  
Karvy Selenium Tower B, Plot number 31  
& 32, Financial District Gachibowli,  
Hyderabad 500 032  
Tel: +91 040 67161524  
E - Mail : [inward.ris@kfintech.com](mailto:inward.ris@kfintech.com)  
Web: [www.kfintech.com](http://www.kfintech.com)

---

**Corporate Office**  
TCI House, 69, Institutional Area,  
Sector 32, Gurugram - 122001  
Tel: 0124-238 1603-07  
Email: [corporate@tcil.com](mailto:corporate@tcil.com)  
Website: [www.tcil.com](http://www.tcil.com)

---

**Registered Office**  
Flat Nos. 306 & 307, 1-8-201 to 203,  
3<sup>rd</sup> Floor, Ashoka Bhopal, Chambers,  
SP Road, Secunderabad 500003  
Tel: 040-278 40104

**Corporate Identification No.**  
L70109TG1995PLC019116

---

**Bankers**  
State Bank of India  
HDFC Bank Ltd.  
HSBC (Hongkong & Shanghai Banking  
Corporation Ltd.)  
ICICI Bank Ltd.  
DBS Bank Ltd.  
Axis Bank Ltd.

---

**Ratings & Certifications**  
ISO 9001: 2008

**ICRA**  
A1 + for Commercial Papers

**CRISIL**  
AA/Stable Long Term Credit Facilities  
AA/Stable Short Term Credit Facilities  
A1+ (Reaffirmed) for Bank Guarantee

## e-presence



### Install Us

'Customer App' on  
Android & iOS



### Install Us

'Logistics Focus' on  
Android & iOS



### Like Us

[https://www.facebook.com/TCI.  
TransportCorporationofIndia/](https://www.facebook.com/TCI.TransportCorporationofIndia/)



### Follow Us

<https://twitter.com/TCILGroup>



### Follow Us

<https://www.instagram.com/tcilgroup/>



### Our Blog

<http://blog.tcil.com/>



### Follow Us

[https://www.youtube.com  
/c/TCILGroup](https://www.youtube.com/c/TCILGroup)



### Get Linked With Us

[https://www.linkedin.  
com/company/tci.  
transportcorporationofindia/](https://www.linkedin.com/company/tci.transportcorporationofindia/)

### TCI Publications

[https://tcil.com/tcil/  
publications.html](https://tcil.com/tcil/publications.html)

### Study Reports

[https://tcil.com/tcil/study-  
reports.html](https://tcil.com/tcil/study-reports.html)



### Know About Us

[www.tcil.com](http://www.tcil.com)



### TCI's health and safety programme

[www.tcisafesafar.com](http://www.tcisafesafar.com)

 [tcisafesafar](https://www.instagram.com/tcisafesafar)



**Transport Corporation of India Limited**

**TCI House, 69 Institutional Area**

**Sector 32, Gurugram - 122001**

**Tel.: +91 - 124 - 2381603-07 | Fax: +91 - 124 - 2381611**

**E-mail Id: [corporate@tcil.com](mailto:corporate@tcil.com) | Website: [www.tcil.com](http://www.tcil.com)**

**CIN: L70109TG1995PLC019116**