

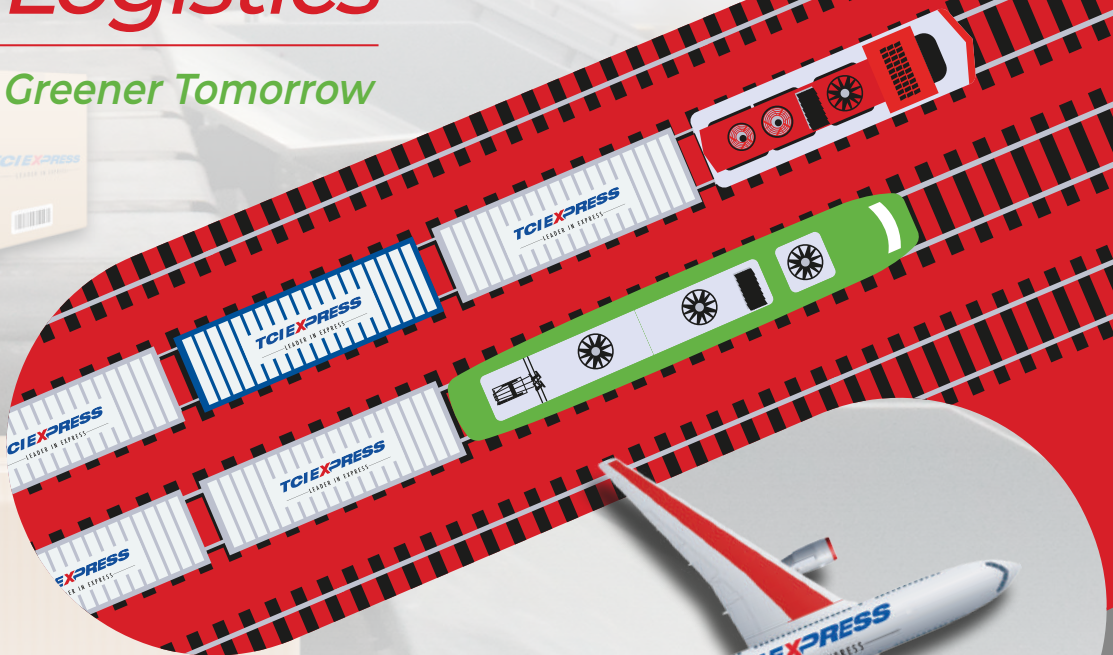
**TCIEXPRESS**

LEADER IN EXPRESS



# Pioneering the Future of Express Logistics

Fast Forward to a **Greener Tomorrow**



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Annual Report **2022-23**

# Table of Contents

## 1

### P: 4 **Business Overview**

P: 4 Pioneering the Future of Express Logistics

P: 6 The Vanguard of Sustainable Express Logistics

P: 8 Our Mission and Vision

P: 9 What Great Express Logistics looks like



## 3

### **Our Service Offerings** P: 10

#### P: 12 **Surface Express:**

Personalised Logistics Solutions for Modern India

#### P: 13 **Domestic Air Express:**

Tailoring Air Delivery to Today's Needs

#### P: 14 **International Air Express:**

Bridging Borders, Connecting Businesses Globally

#### P: 15 **E-Commerce:**

Facilitating Business Growth in the Digital Age

#### P: 16 **C2C Express:**

Revolutionizing Consumer Logistics in India

#### P: 17 **Rail Express:**

Efficient and Affordable Logistics

#### P: 18 **Pharma Cold Chain Express:**

Revolutionizing Cold Chain Logistics

#### P: 19 **Domestic Footprint**



### 3

#### **P: 20 Corporate Overview**

**P: 20** Chairman's Message

**P: 24** Managing Director's Message

**P: 28** Drivers for Stakeholder Value Creation:  
Performance through Market Leadership

**P: 30** Board of Directors

**P: 31** Corporate Information

**P: 32** Environment, Social and Governance

**P: 32** Environment  
Driving Sustainable Growth

**P: 36** People and Governance Culture  
Fostering a Safe and Inclusive Work

**P: 38** Corporate Social Responsibility:  
Fusing Sustainability with Social Impact

**P: 40** Awards & Recognition



**Mr. D.P. Agarwal**  
Chairman



**Mr. Chander Agarwal**  
Managing Director



### 4

#### **MD&A and Financial Review P: 42**

**P: 42** Management Discussion and Analysis

**P: 61** Corporate Overview and Financial Performance

### 5

#### **P: 67 Statutory Reports**

**P: 68** Report of the Board of Directors

**P: 93** Corporate Governance Report

**P: 119** Business Responsibility and  
Sustainability Report



### 6

#### **Financial Statements P: 154**

**P: 154** Independent Auditors' Report

**P: 162** Balance Sheet &  
Statement of Profit and Loss

#### **Notice**

**P: 251** Annual General Meeting Notice

# Pioneering the Future of Express Logistics:

Fast Forward to a Greener Tomorrow



At TCI Express Limited, we understand our critical role in the supply chain and the growing need for innovative and sustainable express logistics solutions. Our FY2023 Annual Report, themed "Pioneering the Future of Express Logistics," highlights our relentless pursuit of excellence and unwavering commitment to embracing innovative technologies and environmentally responsible practices, as we work towards a greener, more efficient tomorrow



***Pioneering the Future of Express Logistics" is more than just a theme for our FY2023 Annual Report; it is our guiding principle and a reflection of our dedication to driving positive change in the express logistics industry. We invite you to join us on this exciting journey as we strive to deliver faster, greener, and more efficient logistics solutions that meet the needs of our customers and contribute to a better world.***

As pioneers in the express logistics industry, we have consistently pushed the boundaries of innovation to meet and exceed the expectations of our customers and stakeholders. Our investment in cutting-edge technology and advanced analytics has enabled us to optimise our processes, streamline our operations, and deliver unparalleled speed and reliability. By harnessing the power of digitalisation, we have enhanced our customer experiences, offering them greater transparency, control, and convenience in managing their shipments.

A key aspect of pioneering the future of express logistics is our steadfast commitment to sustainability. At TCI Express Limited, we recognise that our actions significantly impact the environment and are dedicated to minimising our ecological footprint. A crucial component of this commitment involves transitioning our vehicle fleet to include vehicles compliant with the Bharat Stage VI (BS VI) emission standard and those running on Compressed Natural Gas (CNG) and

biofuels. By adopting cleaner fuel alternatives like CNG and biofuels, we can mitigate the environmental impact of our operations and contribute to a more sustainable future. BS VI vehicles further enforce this commitment, emitting fewer pollutants than their older counterparts. The incorporation of renewable energy sources, such as solar power, reduces our reliance on non-renewable resources, aligning our operations with sustainable practices. Meanwhile, our waste management and recycling programmes aim to ensure the responsible handling and disposal of waste materials, further bolstering our dedication to environmental preservation.

Our people drive our success, and we are committed to nurturing a culture of continuous learning, innovation, and growth. We have invested in the professional development of our employees, providing them with the tools and resources they need to excel in their roles and contribute to the Company's success. Our focus on diversity, inclusion, and employee well-

being has fostered a work environment where everyone feels valued and inspired to reach their full potential.

Collaboration has been a critical tenet of our strategy to pioneer the future of express logistics. By forging strategic partnerships with industry leaders, technology providers, and other stakeholders, we have driven innovation, expanded our capabilities, and delivered more excellent value to our customers. These collaborations have enabled us to stay at the forefront of industry trends and anticipate the needs of our customers, ensuring that we remain ahead of the curve.

We are excited about the opportunities as we pioneer the future of express logistics. We are committed to embracing change and harnessing the power of innovation to revolutionise the way logistics services are delivered. By staying true to our core values of customer focus, sustainability, and employee empowerment, we are confident that we will continue to thrive in an increasingly competitive and dynamic market.



## **TCI Express:** **The Vanguard of Sustainable Express Logistics**

As we venture into FY2023, TCI Express carries forward its legacy of being an innovative forerunner in India's delivery domain. Today, as India's fastest B2B Express Delivery Company, our service speed has contributed to our distinguished reputation. Our FY2023 Annual Report theme, "Pioneering the Future of Express Logistics," accentuates our commitment to revolutionising logistics with sustainable solutions.



Since its foundation in April 2016, TCI Express has consistently been an efficient, forward-thinking delivery enterprises. Embracing an asset-light model, we've managed to optimise utilisation, generate strong cash flows and make strides towards a greener tomorrow. TCI Express operates an expansive Hub and Spoke infrastructure, with 950+ owned centres across India. Over seven years, our coverage has grown significantly, expanding delivery locations from 32,000 to 60,000 and branch offices from 500 to over 950. These are the nerve centres of our promise of timeliness and professionalism, handling each customer's cargo from pickup to final delivery. Our focus extends to Tier II and III cities, where we specialise in delivering time-specific solutions. Our customer base has increased from 1.6 Lakh to 2.25 Lakh over the last seven years. Our operations simultaneously propel sustainability efforts, incorporating CNG vehicles, biofuels, solar power, and comprehensive waste management.

As the vanguard in express distribution, TCI Express uses its thorough understanding of India's diverse districts to provide tailored express delivery solutions. With the help of progressive

technology and sophisticated analytics, we've optimised processes and improved customer experiences. Using ERP capabilities, barcoding on the packaging, GPS-enabled trucks, and CCTV monitoring, we've further streamlined our operations, reducing our ecological footprint and enhancing customer satisfaction.

Our people-centric approach nurtures continuous learning, innovation, and growth, fostering an inclusive work environment. This and strategic partnerships with industry leaders and stakeholders facilitate value-adding innovations and broadened capabilities.

TCI Express' unique services and large-scale operations have led to a 16.81% CAGR of EBITDA growth and a 19.00% CAGR of net profit over the last six years. The continuous dividend payment for the past six years is a testament to our consistent performance, reflecting our commitment to shareholder value. We are a debt-free company with a strong balance sheet and flexible capital structure.

Our unrivalled profitability in India's logistics sector has earned us a distinguished place in the Top 500 Companies by Market Capitalization as of March 31, 2023.

## 32,000 to 60,000

Expanding Delivery Locations

## 950+

Branch Offices



***Fuelled by dedication, advanced technology, and an unwavering commitment to customer satisfaction, TCI Express remains steadfast in its determination to pioneer a faster, greener, and more efficient future of express logistics, fostering a better world.***



## Our Mission



TCI Express should be a customer-oriented, multi-technology, multi-specialist transport system in the Indian and International markets, with a proven commitment to excellence in every facet of activity and pursuit of value-based policies to satisfy aspirations of society, customers, vendors, employees, shareholders, and the transport industry.

## Our Vision



**L**oved by customers in Indian and International Markets

**E**xpress multimodal fastest Company

**A**lways ahead of the rest in speed and professionalism

**D**elight our customers every time

**E**xcellence in service using the latest technology

**R**eliable to all our customers and respected by all our stakeholders



## What Great Express Logistics looks like:

### Accelerating Delivery:

Known as India's swiftest B2B express delivery service, TCI Express is driving growth in the logistics sector.



### Optimal Operations:

The Company achieves peak operational efficiency through an asset-light approach, resulting in substantial cash flows.



### Direct Control:

Each branch is managed directly by TCI Express, eliminating the need for franchises and ensuring consistent service quality.



### Industry-Serving Strategy:

Our diverse business strategy effectively caters to all major manufacturing industries.



### Expansive Coverage:

Over the past seven years, service locations have expanded from 32,000 in FY17 to an impressive 60,000 in FY2023.



### Increased Presence:

The number of branch offices has grown from 500 in FY17 to over 950 in FY2023.



### Growing Customer Base:

Customers have increased from 1.6 lakh in FY2017 to 2.25 lakh in FY2023, affirming our value in the market.



### Efficient Sorting:

The count of sorting centres reached 28 in FY2023, improving our cargo management.



### Continuous Returns:

TCI Express has consistently provided dividend over the past six years, demonstrating solid returns on capital.



### Enhancing Profitability:

Our record of improving margins and profitability over the last seven years speaks volumes about our financial strength.



### Debt-free Status:

We operate as a debt-free company with a healthy balance sheet and a flexible capital structure, ensuring stability and sustainability



## Our Service Offerings:

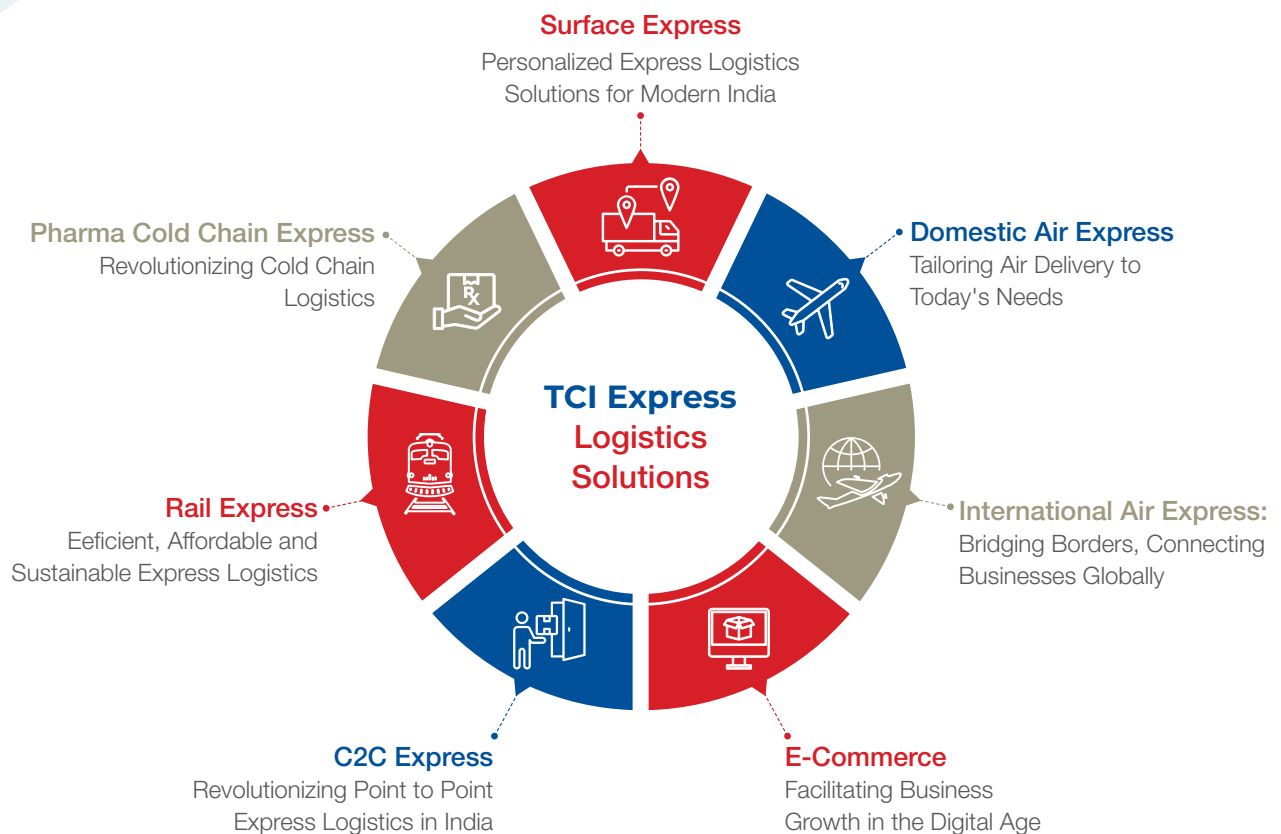
Seamless, Efficient, and Reliable Logistics



At TCI Express Limited, we understand our critical role in the global supply chain and the growing need for innovative and sustainable logistics solutions. Our FY2023 Annual Report, themed "Pioneering the Future of Express Logistics," highlights our relentless pursuit of excellence and unwavering commitment to embracing innovative technologies and environmentally responsible practices, as we work towards a greener, more efficient tomorrow



*As TCI Express continues to pioneer the future of express logistics, it not only emerges as a trusted service provider but also as a partner in growth for its clients, committed to aligning operational efficiency with environmental responsibility.*







## Surface Express:

Personalized express logistics solutions for modern India



Our Surface Express service is a testament to our commitment to revolutionising logistics with tailor-made, sustainable solutions. Navigating India's diverse and dynamic landscape, Surface Express symbolises TCI EXPRESS's dedication to operational excellence, customer satisfaction, and innovative, green logistics.

Surface Express delivers custom-made solutions to over 60,000 delivery locations through our fully containerised fleet, covering more than 30 different business verticals. We provide our clients with cutting-edge technology, such as APIs for bespoke solutions and real-time vehicle tracking via GPS. Our robust digital infrastructure, including customer login facilities, Auto-MIS, E-Billing, E-PODs, and online payments, ensures seamless 24x7 support. Emphasising customer convenience, we offer multi-location pickup and delivery, prompt reverse pickup services, and flexible payment options. Our strategic operations provide day-definite pickup and delivery to India's farthest corners, even accommodating weekend and holiday deliveries. Surface Express signifies our relentless pursuit of faster, greener, and more efficient logistics, making strides towards a better world.



## Domestic Air Express:

Tailoring Air Delivery to Today's Needs



Our Domestic Air Express service epitomises our commitment to revolutionising the logistics industry by providing speedy, efficient, and flexible solutions. Domestic Air Express has been meticulously designed to respond to the time-sensitive nature of modern commerce, prioritising punctuality and customer satisfaction above all.

Our Domestic Air Express delivers round-the-clock, ensuring express packages reach major metropolises within 24 hours and mini municipalities and A-class cities within 48 hours. Offering an exhaustive range of services - Door-to-Door, Door-to-Airport, Airport-to-Airport, and Airport-to-Door, we ensure our solutions cater to diverse customer needs. Our multimode service provides a unique blend of air and surface transport, further enhanced by special space arrangements with all domestic carriers. We specialise in delivering critical pharma vaccines and provide comprehensive delivery solutions with late pickups and Sunday and holiday services. To enhance transparency and trust, we provide Proof of Delivery (POD) in hard and soft formats tailored to our client's preferences. Through these focused efforts, we advance towards our vision of a faster, greener, and more efficient logistics future.



## International Air Express:

Bridging Borders, Connecting Businesses Globally



Our International Air Express service epitomises our expansive global reach and commitment to seamless international logistics. For TCI Express, no country is too distant, embodying our vision of a globally connected, efficient logistics network.

International Air Express operates via over 3000 pickup points in India, extending its services to about 208 countries worldwide for commercial and non-commercial shipments. We offer an accessible 7-day storage facility for export consignments at our origin warehouses. Our comprehensive suite of value-added services, including AD Code Registration, Issue of Country-of-Origin Certificates, Legalization of Documents, Fumigation, and GSP Certificate, cater to the diverse needs of international logistics. We offer tailored solutions to exporters, such as consolidating shipments, handling heavy commercial Door-to-Door shipments, and customised pricing based on transit time. Our First Flight Out Service ensures urgent deliveries through trained personnel, while our Bulk Mailer Services provide custom solutions to exporters. We also assist in arranging shipment insurance and offer Charter Services as required. Being IATA certified for all international shipments, we ensure compliance with international standards, delivering trust and excellence in each shipment.





## E-Commerce:

Facilitating Business Growth in the Digital Age



TCI Express offers comprehensive e-commerce services with a multimodal B2B distribution model, ensuring timely deliveries and Cash on Delivery (COD) options.

We cover the entire express logistics loop from vendor-to-warehouse and warehouse-to-vendor/customer operations to last-mile delivery. Our operations leverage customer-centric IT interfaces with real-time tracking APIs and a user-friendly portal. With GPS-enabled vehicles, we maintain transparency in our delivery process, extending our services beyond standard business hours for uninterrupted service. TCI Express is committed to delivering efficient, reliable, technologically advanced logistics solutions in the dynamic e-commerce landscape.



## C2C Express:

Revolutionizing point to point express logistics in India



As part of our ambition to serve customers directly, TCI Express launched India's first customer-to-customer (C2C) Express service. This innovative service operates on an asset-light model, leveraging fast trucking technology to expedite and streamline logistics for our customers based on their needs.

Our C2C Express service adopts an efficient, fast trucking mode, significantly minimising connections and travel time. We offer high-frequency services, ensuring uninterrupted logistics solutions by directly connecting locations. Real-time tracking facilitated by GPS ensures transparency and reliability in our operations. The C2C Express is managed by an independent team dedicated to delivering quicker transit times at a lower cost. We optimise economies of scale at our branches and along our routes, catering to a diverse range of consumer needs. We provide flexible solutions that include multi-location pickup with single-point delivery and vice versa, offering optimal convenience to our customers.



## Rail Express:

Efficient affordable and sustainable express logistics



In line with our theme, “Pioneering the Future of Express Logistics,” TCI Express presents Rail Express, a novel service harnessing the robust railway infrastructure for high-value, cost-effective logistics. This service replicates the successful model we’ve tested and perfected with our Surface Express.

Our dedicated team expertly manages Rail Express, ensuring fast transit times at lower costs. We optimise economies of scale at our branches and on our routes to provide customers with efficient logistics solutions. We offer various pickup and delivery options, including multi-location pickup with single-point delivery and vice versa, aligning with diverse customer requirements. Leveraging the expansive railway network, we strategically plan flexible routes and integrate them into our centralised logistics system. This approach enables us to deliver more efficient, reliable services. In addition to providing superior logistics solutions, Rail Express contributes to sustainability efforts. By utilising the railway network, we significantly reduce our carbon footprint, making our operations greener and more sustainable.





## Pharma Cold Chain Express:

Revolutionizing cold chain express logistics

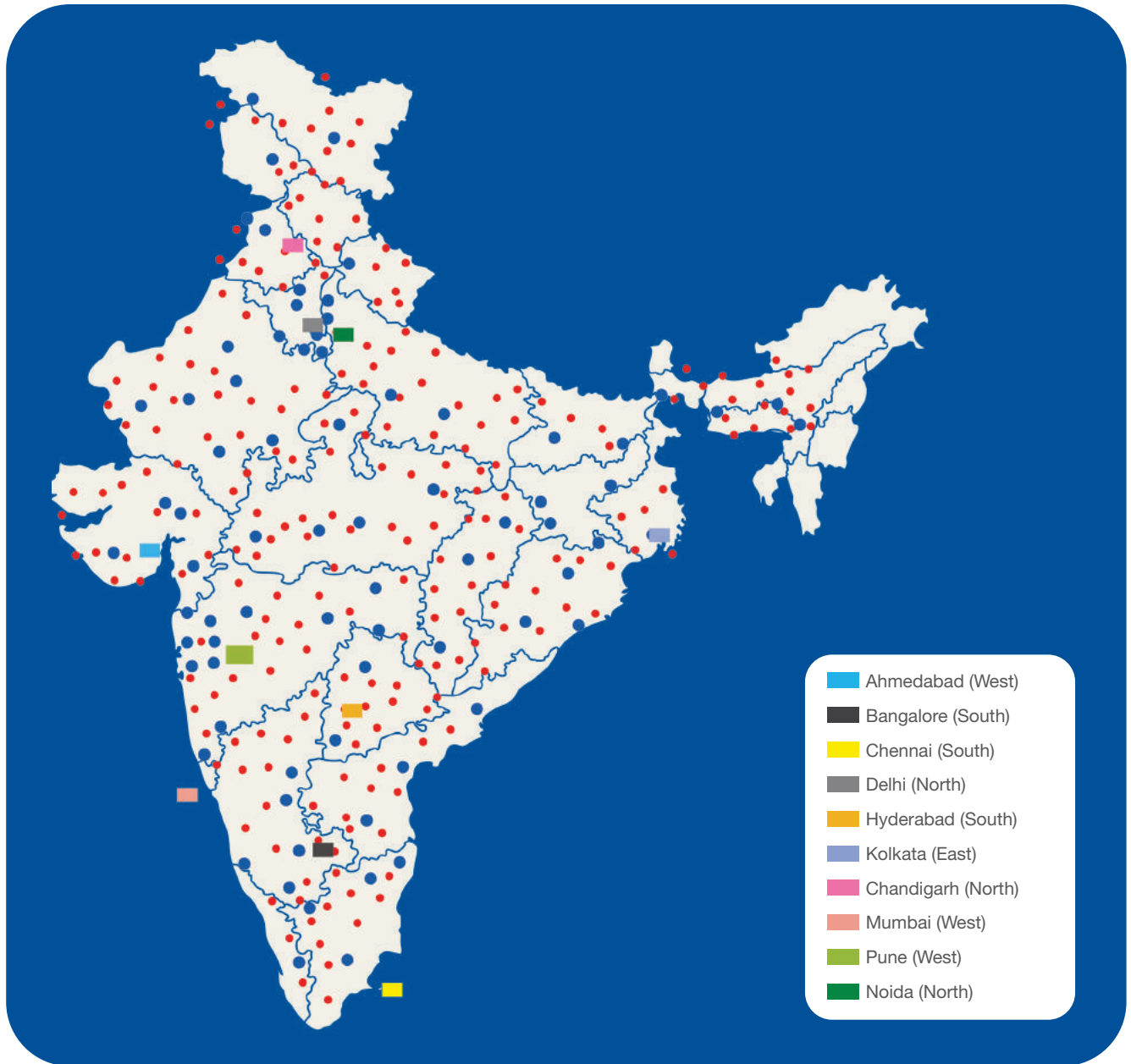


Pharma Cold Chain Express service is yet another step in our journey to revolutionise express logistics, specifically catering to the unique needs of the pharmaceutical sector. This service is designed to meet the escalating demand for cold chain logistics, especially in the pharmaceutical industry, which demands exceptional precision and reliability.

We operate on an asset-light model, harnessing our existing network to provide specialised cold chain logistics for pharmaceutical products. We focus on ensuring the integrity of sensitive shipments such as frozen products and vaccines. These items are dispatched and transported under strictly maintained temperatures per FSSAI norms, ensuring no temperature fluctuations that might compromise the product.

At TCI Express, we understand the importance of transparency and real-time monitoring. Therefore, we employ data loggers and tracer technology for real-time temperature monitoring. We also leverage GPS technology for vehicle tracking, delivering live data to our customers for enhanced visibility. Every step, from loading to unloading, is meticulously managed to ensure temperature stability, preserving the integrity of our client's products. The robust Standard Operating Procedures of TCI Express govern all these processes.

## Domestic Footprint


**500+**

Express Routes

**60**

Zonal Offices

**950+**

Company Branches

**10**

Regional Offices

**2,500**

Feeder Routes

**710**

District Served

**28**

Sorting centres

**29,000**

Zip Codes

# Chairman's Message

TCI Express



*The Indian economy continues to show resilience and promises significant growth opportunities. The government's support, the MSME sector's strength, and the flourishing logistics and manufacturing industries provide a solid foundation for TCI Express's continued success. We remain committed to delivering value to our shareholders and leveraging these opportunities to drive growth.*

**- D. P. Agarwal**  
Chairman, TCI Express



## Dear Shareholders,

I hope this letter finds you in good health and high spirits. As we navigate these uncertain times in the global economy, I am pleased to report that the Indian economy has demonstrated remarkable resilience, emerging as a shining beacon of growth. India has surpassed the \$3.75 trillion mark, becoming the world's fifth-largest economy. Amidst other nations' challenges, India's probability of slipping into a recession remains extremely low, as confirmed by the Recession Probabilities Worldwide 2023 data. The Reserve Bank of India (RBI) has set a GDP growth forecast of 6.5% for the fiscal year 2023-24, further reaffirming the confidence in our domestic economy.

## Leading the Way in Express Logistics Transformation

The logistics industry in India is experiencing robust growth, outpacing the overall economy. With a projected compound annual growth rate (CAGR) of 8-10%, this sector contributes substantially to India's GDP. The government has taken proactive measures to address logistical challenges and promote sustainability through initiatives like GatiShakti and the National Logistics Policy. These initiatives align with our strategic focus provide a favourable environment for TCI Express to thrive. We are investing in infrastructure, technology, and talent to enhance our capabilities and deliver seamless express logistics services to our customers.

TCI Express is strategically aligned to tap into these opportunities and contribute to industrial competitiveness. To enhance operational efficiency and customer satisfaction, TCI Express is intending to invest ₹500 crores in capital expenditure over the next five years. We are streamlining our operations while reducing our carbon footprint by leveraging advanced technologies such as ERP capabilities, barcoding, GPS-enabled trucks, and CCTV monitoring. Today, TCI Express offers a stable and sustainable investment opportunity in the thriving express logistics industry. As part of the TCI Express family, you become part of India's growth story, and we welcome you to join us in pioneering a faster, greener, and more efficient future of express logistics.

We are witnessing a transformation in the Indian manufacturing sector, positioning itself as a global manufacturing hub. India's ambitious goals of tripling GDP and generating over 100 million jobs by 2030 reflect the country's commitment to fostering economic growth. As a critical player in the express logistics industry, we significantly support this growth. With our extensive network, advanced technology, and commitment to customer satisfaction, TCI Express is well-equipped to serve the evolving needs of the manufacturing sector.



*The logistics industry in India is experiencing robust growth, outpacing the overall economy. With a projected compound annual growth rate (CAGR) of 8-10%, this sector contributes substantially to India's GDP.*

## Delivering Performance

Over the past five years, our efforts have resulted in impressive growth rates and a distinguished spot amongst the Top 500 Companies by Market Capitalization as of March 31, 2023. As a debt-free company with a strong balance sheet, we have consistently rewarded our shareholders with dividends and buyback. In the previous year, reflecting our pledge to stakeholder value. Our vision is to pioneer a faster, greener, and more efficient future of express logistics. We sincerely appreciate your trust in TCI Express and look forward to continuing our logistics transformation journey together.

I am immensely pleased to share our growth story for FY2023. We have weathered economic challenges and inflationary trends to post our highest-ever revenue of ₹1,241 crores, marking a growth of 14.8% from the previous year. Our profit after tax grew by 8.1% to ₹139 crores, a testament to the strength of our cash generation abilities and the robustness of our business model.

We believe in sharing our success with our loyal shareholders. In line with this principle, we have recommended a generous dividend of ₹8.00 per share for FY23, representing a payout of 400% on face value. We also completed a share buyback of ₹42.48 crores, demonstrating our commitment to rewarding your trust and support.

The Indian economy continues to show resilience and promises significant growth opportunities. The government's support, the MSME sector's strength, and the flourishing logistics and manufacturing industries provide a solid foundation for TCI Express's continued success. We remain committed to delivering value to our shareholders and leveraging these opportunities to drive growth.

## Sustainability & Societal Impact

TCI Express has always been at the forefront of leading the express logistics service, providing integrated business solutions, and pioneering sustainable growth practices. Our commitment to environmental, social, and governance (ESG) initiatives is deeply entrenched in our business strategy. We see ourselves as an entity responsible for integrating our corporate objectives with societal and environmental commitments.

With a keen eye on managing environmental risks and creating opportunities, we have initiated several measures ranging from energy efficiency improvements to transitions towards renewable energy sources. One of our prominent actions includes installing solar panels at our sorting centres. We are proud to report significant progress in managing our energy consumption and reducing our greenhouse gas emissions, underscoring our unwavering stance on sustainability. This progress has been achieved through steadfast adherence to energy conservation measures and a concerted shift to cleaner energy sources. We have wisely divided our capital expenditure between physical assets and digital initiatives to ensure substantial returns and increase operational efficiencies.

On the social front, our strong financial position allows us to make a substantial impact through our Corporate Social Responsibility (CSR) initiatives. I am pleased to announce that in FY2023, our CSR efforts have resulted in total contribution of ₹2.80 Crores in different initiatives, more precisely described in the Annual Report on CSR and Business Responsibility and Sustainability Report. I encourage you to peruse our Business Responsibility and Sustainability Report (BRSR) and CSR report enclosed within this annual report for more detailed insights into our initiatives.

### Sincere Gratitude

I sincerely thank our valued Board Members, dedicated employees and all stakeholders. Your unwavering support, trust, and hard work have been instrumental in TCI Express's success and growth. Together, we have overcome challenges, achieved significant milestones, and created a strong foundation for the future. Your commitment and contributions have been the driving force behind our accomplishments, and I am profoundly grateful for your unwavering dedication. As we move forward, let us continue to work hand in hand, embracing new opportunities and delivering excellence in all we do.

Thank you for being an integral part of the TCI Express family.

### D. P. Agarwal

Chairman, TCI Express



***As TCI Express continues to pioneer the future of express logistics, it not only emerges as a trusted service provider but also as a partner in growth for its stakeholders, committed to aligning operational efficiency with environmental responsibility.***

## Managing Director's Message

TCI Express



*Despite a challenging macroeconomic environment, we achieved unprecedented growth. Our full-year revenue escalated by 14.8% to a remarkable ₹1,241 crores, setting a new high in our history. This not only reflects our strong financial performance but underscores the solid underlying profitability of our business.*

**Chander Agarwal**  
MD, TCI Express



## Dear Shareholders,

I am pleased to present the annual report for FY2023, summarising the performance of TCI Express and outlining our strategies for growth and the future outlook of our business. Throughout the year, we have focused on driving the Company forward and capitalising on opportunities in the evolving express logistics industry. Let me first start by outlining our performance for FY2023.

## Performance FY2023

I am immensely pleased to share our significant strides in the Financial Year 2023. Our Company thrived despite a challenging macroeconomic environment, achieving unprecedented growth. The full-year revenue escalated by 14.8% to a remarkable ₹1,241 crores, setting a new high in our history. Our EBITDA grew by 10.2% to ₹202 crores, attesting to our robust business operations and an unswerving margin of 16.2%. Profits also rose, marking an 8.1% growth to ₹139 crores, and demonstrating an unwavering profit margin of 11.2%. This uplift not only reflects our strong financial performance, but also underscores the solid underlying profitability of our business.

We have added 35 new branches to penetrate deeper into the key growth markets in the West and South regions to cater to growing market demand. One of our innovative service offerings, the Rail Express, has gained impressive traction from customers, with our customer base expanding from 250 to 2,200 and presence from 10 routes to 125 routes since its inception. These new services are expected to contribute positively to our top line in forthcoming quarters, enabling us to achieve higher margin levels with sustainable growth.

## Strategies In-Play

I would also like to shed some light on the strategies that led to our success. Despite a year filled with global economic challenges, we outperformed the industry thanks to our asset-light solid business model, efficient operations, and cost-effective measures.

Our success can be largely attributed to several positive drivers that have strengthened our market position. Increased outsourcing, growing demand for green logistics, favourable government schemes, industry formalisation, and infrastructure development have all contributed to our market strength. Moreover, our ability to offer various services tailored to diverse customer needs has allowed us to capture a larger market share. We have strategically transformed major road

**₹ 1,241 crores**

Highest Revenue

**₹ 202 crores**

EBITDA

**₹ 147 crores**

Cash flow from Operations



***Building on our record-setting performance in FY2023, we plan to continue our strategic focus on growth, leveraging our robust asset-light business model, and customer-centric approach. Our commitment to sustainability and ESG principles presents a moral imperative and a business opportunity, as it's increasingly important to customers and shareholders.***

drivers into growth segments. Furthermore, we are well-positioned to capitalise on growth opportunities in sectors such as automobile, machinery, textile & garments, engineering, electronics, manufacturing, pharmaceuticals and healthcare, all of which align seamlessly with our services.

Our capex investment of ₹125 crores helped us expand our physical footprint by adding 35 new branches and establishing offices and automated sorting centres. Furthermore, the Rail Express service launch has significantly broadened our customer base and expanded our operational routes.

Embracing technology has been a critical driver of our operational success. We have enhanced operational efficiency and customer satisfaction by implementing innovative tech-driven advancements. These technological interventions have empowered us to deliver seamless and reliable express logistics solutions to our clients.

Finally, our relentless focus on growth, customer-centric approach, and firm fundamentals have been instrumental in our success during FY2023. As we forge ahead, we promise to continue leveraging our strengths, seizing growth opportunities, and delivering superior value to our customers.

### **Sustainability Recognition**

Turning our attention to the sustainability priorities of our business, it is with immense pride that I share the strides we've made on the sustainability front. Our GIGA sorting centre at Tajnagar, Gurugram, has been awarded the prestigious LEED Gold certification by the USGBC, making us the first B2B express logistics company in Asia & India to receive such an esteemed award. Additionally, our GIGA Sorting Centres in Tajnagar and Pune have been awarded the GEM 5 Certification, marking our dedication to environmentally sustainable practices. In line with our ESG roadmap, we have begun transitioning to fuel-efficient vehicles compliant with BS-VI standards and investing in solar panels for our sorting centres, thus moving towards energy self-sufficiency.

## Outlook

Looking forward, the prospects for TCI Express are bright and promising. Building on our record-setting performance in FY2023, we plan to continue our strategic focus on growth, leveraging our robust asset-light business model and customer-centric approach to explore and tap into new opportunities. Expanding our physical footprint and introducing automation in our operations are projected to drive revenue growth. Meanwhile, our commitment to sustainability and ESG principles presents a moral imperative and a business opportunity, as it's increasingly important to customers and shareholders. By implementing initiatives such as transitioning to automation, digitisation, adopting energy efficient innovations and waste management initiatives, we aim to meet our social responsibilities while strengthening our competitive edge. In addition, our healthy financial position, evident in the successful share buyback, provides us with the flexibility to continue investing in our future. In the year ahead, we are confident of maintaining our upward trajectory and setting new benchmarks of success.

## Closing Remarks

I am highly pleased with the outstanding progress achieved by our team, and I would like to express my heartfelt appreciation to our esteemed Board of Directors, shareholders, business partners, employees, and stakeholders for their unwavering support. With our robust strategic initiatives and solid foundational principles, we are well-positioned for sustained growth, enabling us to consistently provide exceptional value to our valued customers and shareholders. We approach the future confidently in our ability to overcome challenges, foster innovation, and continually surpass industry benchmarks.

Thank you once again for your unwavering support and trust in TCI Express. Together, we are prepared to embark on an exciting journey toward a prosperous future.

Yours sincerely,

**Chander Agarwal**

Managing Director, TCI Express



*As TCI Express continues to pioneer the future of express logistics, it not only emerges as a trusted service provider but also as a partner in growth for its clients, committed to aligning operational efficiency with environmental responsibility.*

# Drivers for Stakeholder Value Creation

Performance through Market Leadership



TCI Express offers investors a compelling opportunity to participate in the growth of India's logistics sector. With solid revenue growth potential, strategic investments, diversified service offerings, and a focus on stakeholder value creation, TCI Express positions itself as an investor-centric company.

Its exceptional financial performance, market leadership, and commitment to customer satisfaction further reinforce its appeal to those seeking sustainable growth and long-term returns. Here are the key fundamentals that allow TCI

Express to deliver value:





#### Strong Revenue Growth Potential:

TCI Express is poised for remarkable revenue growth, targeting an 18-20% annual increase. With a growing client base, expanded branch offices, and additional sorting centres in key metro areas, the Company aims to surpass the ₹2,000 crores+ benchmarks. This promising trajectory presents an exciting opportunity for investors to benefit from the Company's strong growth potential.



#### Strategic Capital Expenditure:

TCI Express is committed to enhancing its operations through strategic capital expenditure. Over the next five years, the Company plans to invest ₹500 crores in developing sorting centres, implementing automation, and bolstering technical capabilities. These investments are designed to drive operational efficiency and further strengthen the Company's competitive position in the market.



#### Diversified Service Offerings:

Introducing new services, including Pharma Cold Chain and C2C express, along with expanding Rail express services, opens avenues for higher revenue generation. TCI Express remains steadfast in its focus on B2B service offerings, ensuring a well-diversified and resilient revenue stream. This expansion demonstrates the Company's ability to adapt to evolving market demands and positions it for sustainable growth.



#### Value Creation for Stakeholders:

TCI Express is dedicated to creating value for its stakeholders. The Company maintains high return ratios and consistently provides dividend pay-outs, reflecting its commitment to delivering solid returns on investment. Being a part of TCI Express, shareholders can align themselves with a company that prioritises their long-term wealth creation.



#### Exceptional Financial Performance:

TCI Express has a proven track record of impressive financial performance. With a compound annual growth rate (CAGR) of 23.7% in EBITDA and 28.0% in net profit over the last five years, the Company has consistently demonstrated its ability to generate sustainable profits. Furthermore, its debt-free status, strong balance sheet, and flexible capital structure instil confidence in its financial stability and growth potential.



#### Market Leadership and Expansion:

As India's fastest B2B Express Delivery Company, TCI Express dominates logistics. The Company achieves optimal operational efficiency by leveraging an asset-light approach, resulting in substantial cash flows. With direct control over each branch, TCI Express ensures consistent service quality and a seamless customer experience. The Company's extensive expansion of service locations, from 32,000 to over 60,000 in the last seven years, reflects its commitment to serving a broader customer base and capitalising on market opportunities.



#### Customer-Centric Service Enhancements:

TCI Express has built a loyal customer base by delivering time-specific solutions and continuously enhancing its services. Leveraging cutting-edge technologies such as ERP capabilities, barcoding, GPS-enabled trucks, and CCTV monitoring, the Company has streamlined its operations, reduced ecological impact, and improved customer satisfaction. The Members can be confident that TCI Express prioritises customer-centricity and aims to exceed expectations in its service offerings.

## Board of Directors



**Mr. D.P. Agarwal**  
Chairman



**Mr. Ashok Kumar Ladha**  
Independent Director



**Mr. Murali Krishna Chevuturi**  
Independent Director



**Mrs. Taruna Singhi**  
Independent Director



**Mr. Phool Chand Sharma**  
Non-Executive Director



**Mr. Prashant Jain**  
Independent Director



**Mr. Vineet Agarwal**  
Non-Executive Director



**Mr. Chander Agarwal**  
Managing Director

# Corporate Information

## Board of Directors

### Mr. D.P. Agarwal

Chairman

### Mr. Ashok Kumar Ladha

Independent Director

### Mr. Murali Krishna Chevuturi

Independent Director

### Mrs. Taruna Singhi

Independent Director

### Mr. Phool Chand Sharma

Non-Executive Director

### Mr. Prashant Jain

Independent Director

### Mr. Vineet Agarwal

Non-Executive Director

### Mr. Chander Agarwal

Managing Director

## Other Information

### Mr. Pabitra Mohan Panda

Chief Operating Officer

### Mr. Mukti Lal

Chief Financial Officer

### Ms. Priyanka

Company Secretary & Compliance Officer

## Statutory Auditors

M/s. R.S Agarwala & Co.

Chartered Accountants

## Principal Bankers

State Bank of India

HDFC Bank

## Registered & Corporate Office

### Registered Office

Flat No. 306 & 307, 1-8-271 to 273, 3rd Floor, Ashoka Bhoopal Chambers, S.P Road, Secunderabad-500003, Telangana

Tel: +91-40-27840104

Email: info@tciexpress.in

Website: www.tciexpress.in

Toll free: 1800 2000 977

CIN: L62200TG2008PLC061781

### Corporate Office

TCI House, 69 Institutional Area, Sector-32, Gurugram-122001 (Haryana)

Tel: +91-124-2384090-94

Email: info@tciexpress.in

## Registrar & Share Transfer Agent

M/s. KFin Technologies Limited

(Formerly known as "KFin Technologies Private Limited")

Selenium Building, Tower-B, Plot No-31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddi, Telangana, India, 500032

Tel. +91 40 6716 2222

E-mail: rajeev.kr@kfintech.com

Website: www.kfintech.com



# Environment, Social and Governance



## ESG:

### Environment:

#### Driving Sustainable Growth

As a leading B2B express logistics provider and integrated business solutions, TCI Express takes pride in its comprehensive portfolio and the dedicated efforts of its workforce and stakeholders. With a strong focus on innovation and customer-centric approaches, we have established a reputation for seamless and efficient service delivery. Our commitment extends beyond business operations to building bridges with communities and understanding their needs. This annual report presents a holistic overview of our accomplishments and plans, showcasing our commitment to sustainability, environmental stewardship, and stakeholder value.





*By aligning our business objectives with environmental and social responsibilities, we strive to drive sustainable growth and make a qualitative difference in society. With the support of our stakeholders, employees, and business associates, we are confident in our journey towards a more sustainable future.*

Our commitment to environmental sustainability and social responsibility remained steadfast as we embraced a comprehensive approach to drive positive change and foster long-term growth.

At the core of our business strategy, we strongly emphasise on Environment, Social, and Governance (ESG) initiatives. We recognised that our responsibility extended beyond the bottom line, encompassing the well-being of our employees, the communities we serve, and the preservation of the environment. These principles were integrated into our operations, guiding our decision-making processes.

Throughout FY2023, we have implemented a series of sustainable practices designed to impact various fronts positively. We invested in renewable energy, including installing solar panels on our sorting centres in Pune and Gurgaon, enabling us to reduce our environmental footprint and promote self-sufficiency in meeting our energy requirements. By harnessing clean energy, we minimised our carbon emissions and took significant steps towards achieving carbon neutrality.

Furthermore, we adopted waste management strategies, optimised packaging, and maximised recycling

to minimise environmental impact. Rainwater harvesting initiatives were implemented to conserve water resources, while behaviour change strategies were employed to promote sustainable practices among our workforce and stakeholders.

One of the notable achievements during the fiscal year lay in maximising the operating leverage of India's first and largest automated B2B sorting centre, the "GIGA Sorting Centre." Equipped with cutting-edge technology and state-of-the-art operations, this facility significantly enhanced our operational efficiencies and propelled us to the forefront of the logistics industry.

We empowered our workforce and stakeholders to implement sustainability strategies, providing them with the necessary tools and knowledge to embrace clean technology, reduce fuel emissions, and utilise renewable energy sources. Through partnerships with esteemed NGOs like TCI Foundation and TCI Express Foundation, we extended our reach to underserved communities, aiming to make a positive difference in their lives.

As we move forward, our commitment to sustainability remains unwavering. We will continue to refine our ESG framework, aligning it with international standards and best practices.

## Zero accidents and injuries

The company is focused on accident prevention, implementing awareness campaigns, conducting safety drills, and periodically reviewing safety procedures.

## Solar Panels

TCI Express installed 600 Kwp and 280 Kwp solar panels at Gurgaon and Pune sorting centres respectively, which have collectively generated 804,311 kWh of renewable electricity in FY2023.



## Goals & Achievements

Guided by our commitment to sustainability and positive societal impact, we have channelled significant resources towards our ESG initiatives. We take pride in sharing our progress, as each accomplishment signifies a step forward in our ongoing journey to create lasting impact. The following highlights the specifics of our goals, the initiatives we have implemented, and the tangible impact we have made in our communities and beyond.



TCI Express believes that all accidents and injuries are unacceptable, and they strive to eliminate all such occurrences.

- For the drivers of vehicles on the road every day, accident prevention is the focus, a goal supported by defensive driving courses that teach drivers the principles of avoiding unsafe situations.
- The Company conducts fire safety drills on a regular basis and celebrates safety day across all the offices.
- Safety improvement teams have been identified that identify potential gaps and propose improvements to safety procedures.

TCI Express is committed to dealing with customers fairly, honestly, and with integrity.

Customer-Centric Approach: Customer satisfaction is TCI Express's top priority. The Company understands their needs, listens to their feedback, provides excellent customer service, and promptly addresses any concerns or complaints through its customer grievance mechanism in place.

Privacy and data security: The Company safeguards customer information and respects their privacy. As a part of the process, this year, TCI Express has implemented robust data protection measures like VPN software and cyber security audit.

TCI Express is committed to purchase from suppliers/business partners that follow sustainable labour practices.

The Company has implemented a robust Supplier Code of Conduct, owing to which the suppliers need to abide by sustainable labour practices.

Committed to transition to renewable energy

The Company has successfully installed 600 kWp solar panels at the Gurgaon sorting center and 280 kWp at the Pune sorting center. In the current fiscal year 2022-2023, the Company has collectively generated 804,311 kWh of renewable electricity. These advanced sorting centers are now energy self-sufficient, utilizing solar energy efficiently and optimizing the Company's overall energy.

Committed to using the top environmental practices available to cut down on energy use, conserve water, and ensure proper waste disposal.

TCI Express has focused on various environmental initiatives, viz. renewable energy, carbon footprint, waste management, rainwater harvesting, and behavioural change strategies. It is also working to optimise packaging, reduce packaging waste and maximise recycling to make the best use of its resources, reduce emissions, and packaging more efficiently.



## ESG:

## People and Governance Culture:

## Fostering a Safe and Inclusive Work Environment

TCI Express recognises that our people are our greatest strength, forming the backbone of our organisation.

Focusing on creating a welcoming and supportive workplace, we prioritise our workforce's well-being, safety, and professional growth. Our commitment to people and culture aligns with our goal of delivering high-quality services, generating profitable business, and building long-term success.





*By aligning our business objectives with environmental and social responsibilities, we strive to drive sustainable growth and make a qualitative difference in society. With the support of our stakeholders, employees, and business associates, we are confident in our journey towards a more sustainable future.*

## Our key focus areas:

### Promoting Safety:

We prioritise safety across our operations, investing in innovative technologies and long-term health projects to ensure the well-being of our workforce, customers, and the public. Workplace safety is integral to our business, and we continuously implement measures to safeguard the interests of everyone associated with our organisation.

### Talent Development and Equal Opportunities:

At TCI Express, we value our workforce and believe in recruiting, retaining, and developing talent. Our commitment to equal opportunity, diversity, inclusivity, and growth creates an environment where everyone can flourish. We adhere to statutory rules, labour laws, and ethical practices to ensure a fair and equitable workplace.

### Community Support and CSR:

Our governing board, stakeholders, and dedicated workforce also worked to support underprivileged communities. Our corporate social responsibility (CSR) strategies and programmes are monitored by the CSR Committee, aligning them with sustainability objectives and contributing to the betterment of society.

### Compliance and Governance:

Our philosophy of Corporate Governance is backed by rich legacy of fair, ethical, sustainable and transparent governance practices followed in TCI Express Limited, since its foundation. We have been practicing these principles of good Corporate Governance at every level of organization and laid strong emphasis on best management practices, which includes compliance of law in true spirit, adherence to ethical standards for effective management, distribution of wealth and discharge of social responsibility for sustainable development of all stakeholders.

Our continuous approach towards **SUSTAINABLE GROWTH**, enable us to build an environment of trust, accountability, transparency and sustainability that is necessary for fostering long-term investment, financial stability and business integrity. The Company ensures that timely disclosures are made and accurate information is shared with its stakeholders regarding the financial performance, operations and governance, thereby supporting stronger growth and more inclusive societies.

Our Board of Directors and committees oversee corporate commitments and evaluate initiatives in alignment with our values and long-term strategy. We prioritise honest and transparent business practices, fostering sustainable and stable relationships with our partners.

### Safety Culture and Ethics:

Safety forms the core of our organisational culture. It permeates every aspect of our business, ensuring the well-being of our employees and stakeholders. We have robust risk management, a code of conduct, and data privacy policies to protect the interests of all involved. Transparency and honesty are at the forefront, encouraging employees to raise concerns about unethical or fraudulent practices.



## ESG:

### Corporate Social Responsibility:

**Fusing Sustainability with Social Impact**

At TCI Express, we view corporate social responsibility (CSR) as an integral part of our commitment to conduct business sustainably. Our CSR initiatives aim to blend social, environmental, and economic goals with our business operations and expansion. By upholding these principles, we strive to impact the economy, society, and the environment positively.

**>1,000**

Individuals are benefiting from the “Shorya” project, which promotes sports training for nationally recognised and Olympic sports. All beneficiaries are from vulnerable and marginalised groups.

**>1,500**

Beneficiaries of TCI Express’s education projects, all of whom belong to vulnerable and marginalised groups.

#### Our key focus areas:

We understand the importance of corporate contributions towards social development, and we are committed to fulfilling our responsibilities in this regard. In order to accomplish our social ethos, the Company conducts its CSR Programs with a combination of independent CSR agencies and its social development arms, namely TCI Foundation, TCI Express Foundation and TCI Charities, with a motto of equality and a better life for all citizens at the same time ensuring environmental protection through a range of structured interventions in the areas of:

#### Rural and Community Development:

Our CSR efforts focus on uplifting rural areas and fostering community development. We invest in projects that enhance infrastructure, livelihood opportunities, and overall well-being in these regions.



*TCI Express's CSR activities align with our vision of a sustainable future, where economic growth goes hand in hand with social progress and environmental preservation. By investing in these areas, we aim to create a positive impact and contribute to the betterment of society as responsible corporate citizens.*

#### Promoting Education:

Education is crucial in empowering individuals and driving social progress. TCI Express emphasises initiatives that promote access to quality education, enabling individuals to unlock their potential.

#### Sports Development:

We recognise the importance of sports in promoting physical and mental well-being. Our CSR initiatives include supporting sports development programs, fostering talent, and providing opportunities for individuals to engage in sports activities.

#### Skill Development:

TCI Express is committed to enhancing skills and employability. We undertake skill development programs, equipping individuals with the necessary knowledge and capabilities to thrive in their chosen fields.

#### Healthcare:

The well-being and health of communities are paramount. Through our CSR initiatives, we contribute to healthcare initiatives, ensuring access to quality medical facilities, preventive care, and support for vulnerable populations.

### Impact

During FY2023, the beneficiaries of these projects included over 1,500 individuals in the field of education, with 100% of them being from vulnerable and marginalised groups. In the area of preventive healthcare, more than 25,000 individuals have benefited, with 88% of them from vulnerable and marginalised groups. Through the "Saksham" project, the company has empowered over 5,000 individuals, providing employment opportunities and enhancing vocational skills, with 100% of the beneficiaries coming from vulnerable and marginalised groups. The "Shorya" project promotes sports training for nationally recognised and Olympic sports, benefiting over 1,000 individuals, all from vulnerable and marginalised groups. The "Samantha" project focused on rural development, it is aimed at creating a positive impact in rural communities. Through these CSR initiatives, TCI Express is actively working to uplift and support vulnerable and marginalised groups in society.

## > 25,000

Individuals have benefited from the company's preventive healthcare initiatives, 88% of which are from vulnerable and marginalised groups.

## > 5,000

Individuals were empowered through the "Saksham" project, which provided employment opportunities and enhanced vocational skills. All beneficiaries are from vulnerable and marginalised groups.

## Awards & Recognition



### GEM5 Certification 2023

TCI Express's Giga Sorting Centre in Tajnagar and Pune Sorting Centre in Chakan has been awarded the prestigious GEM 5 Certification.



### Most Trusted Brand of India 2023

TCI Express Ltd. has won the prestigious title of the "Most Trusted Brand of India 2023". This recognition reflects the company's dedication to excellence and innovation, solidifying its position as a trusted provider of express logistics solutions in India.



### LEED Gold Certification 2023

TCIEXPRESS Limited has been awarded the prestigious LEED Gold certification by the USGBC. This recognition is a testament to TCIEXPRESS' unwavering commitment and innovative initiatives towards sustainability, making it the first B2B express logistics company in Asia to receive such an esteemed award.



### Business Superbrands 2023

TCIEXPRESS has been awarded BUSINESS SUPERBRANDS 2023.





### Asia One Youth Icon of the Year 2022-2023

Mr. Chander Agarwal - Managing Director has been awarded with the "Youth Icon of the year 2022-23" by Asia One.



### Most Promising Business Leader of Asia 2022-23

Mr. Chander Agarwal - Managing Director has been awarded "The Economic Most Promising Business Leader of Asia 2022-23". This award recognizes his outstanding contribution and visionary leadership in the logistics industry.



### ET Sustainable Organization Award 2023

In recognition of its steadfast commitment to sustainability, TCI EXPRESS has proudly received the esteemed title of Sustainable Organization 2023 from the Economics Times. This prestigious accolade acknowledges the company's dedication to adopting sustainable practices and showcases its leadership in promoting environmental consciousness.



### 2022 Burgundy Private Hurun India 500

TCI Express Limited has been listed as one of the top 500 companies in India by Burgundy Private Hurun India 500 as of FY2022-23, based on the Market Capitalisation.

# Management Discussion and Analysis



## 1) Macro-Economic Overview:

### 1.1) India Economic Overview:

In these uncertain times, when the global economy grapples with numerous challenges, the Indian economy has demonstrated remarkable resilience. India has emerged as a shining beacon in the global economy, leading growth and becoming the world's fifth-largest economy, surpassing the \$3.75 trillion mark in 2023. As India gains prominence in the global economic landscape, it becomes increasingly challenging to insulate itself from global headwinds completely. Although India is expected to be impacted by the worldwide slowdown, the likelihood of it slipping into a recession is extremely low. According to the Recession Probabilities Worldwide 2023 data, India has a 0% probability of recession this year, while the UK and the US face 75% and 65% chances of recession, respectively. Canada and Germany have recession probabilities of 60%.

According to the World Bank's Global Economic Prospects report published in June 2023, India is projected to achieve growth rates of 6.3%, 6.4%, and 6.5% in 2023, 2024, and 2025, respectively. These growth rates significantly outpace developed countries such as the US, EU, and Japan. In a slightly conservative estimate, the IMF expects India to grow at approximately 5.9% in 2023.

According to EY's "Envisioning the future of Indian logistics @ 2047" report, India is expected to sustain its robust economic performance and reach a US\$26 trillion economy by FY48. This will present a noteworthy prospect for the transportation and logistics sector in India. EY predicts that the sector will experience a compound annual growth rate (CAGR) of around



*Relying on positive domestic indicators such as well-controlled inflation, a reduced current account deficit, stable domestic demand, favorable bond yields, and abundant foreign exchange reserves, the Reserve Bank of India (RBI) has established a GDP growth projection of 6.5% for the fiscal year 2023-24.*

4.5% from 2022 to 2050, leading to an estimated total distance of 15.6 trillion-ton kilometers traveled by 2050.

The Reserve Bank of India (RBI), which was among the first central banks to pause its monetary tightening, has increased interest rates by only 2.5%, compared to countries like the US and UK that have struggled to rein in rising inflation even after raising policy rates by approximately 5% and 4.5%, respectively. Displaying confidence in the domestic economy, the RBI has set a GDP growth forecast of 6.5% for the fiscal year 2023-24, banking on domestic solid indicators such as well-managed inflation, a narrowing current account deficit, sustainable domestic demand, favourable bond yields, and ample foreign exchange reserves. The banking sector in India has also exhibited robust fundamentals amidst the failures witnessed by major US financial institutions, resembling a house of cards. The Indian banking sector is well-positioned to sustain and support economic growth, propelling India into a high-growth trajectory.

India has demonstrated remarkable resilience in navigating global headwinds and is now poised for growth despite uncertainties. The country's proactive approach has positioned it well to overcome any challenges that may arise on its path to progress. The Reserve Bank of India (RBI) has expressed immense confidence in the Indian economy, affirming that India will not slow down and will maintain the momentum achieved in 2022-23. The outlook remains optimistic for India, regardless of the prevailing circumstances.

All attention in India is now focused on the monsoon season, with concerns about the potential impacts of El Nino. While opinions vary regarding whether India will receive above or below-average rainfall, the Indian Meteorological Department expects rain to range between 96 to 104 per cent. Additionally, food grain production is anticipated to reach a record 323.6 million tonnes, reflecting a 2.5 per cent increase from the previous year. Although agriculture contributes just over 20% to India's GDP, it holds significant importance in instilling optimism in the overall economy.

Numerous analysts and economists have predicted that this decade will belong to India, projecting a tripling of India's GDP and nearly doubling per capita income by 2031, driven by manufacturing and export opportunities. The Government's commitment to infrastructure development and strengthening the supply chain further enhances the favourable prospects for India. Indian diplomats have also played a commendable role in maintaining relationships with the West and the East, avoiding taking sides and positioning India as a bridge between the two. The world is increasingly looking to India as a solution for a bipolar world, recognising its potential as a bridge between different regions.

The Indian Government's infrastructure push, logistics development, and industrial corridor development are expected to contribute significantly to raising industrial competitiveness and boosting future growth. In addition, the Government's commitment to increase capital expenditure, despite targeting a lower fiscal deficit, is expected to spur demand. Improving labour market conditions and consumer confidence will drive growth in private consumption, while the recovery in tourism and other contact services will boost the services sector.

The softening trends in world oil markets bring much cheer to emerging economies like India, which heavily rely on fuel imports. Since last year, when geopolitical events caused crude oil prices to soar, countries that depend on importing most of their fuel needs have faced significant stress. However, the current market conditions have been favourable, with oil prices hovering around \$70-75 per barrel for US crude and the benchmark Brent crude. This bearish outlook on oil prices is particularly relieving for India, which relies on imports for over 80% of its fuel consumption.

**Source:** Reserve Bank of India: Bulletin, June 2023

### 1.1.1) India's Micro, Small and Medium Enterprises (MSME) Sector

#### Driving Economic and Logistics Growth Budget Allocation for MSME Sector:

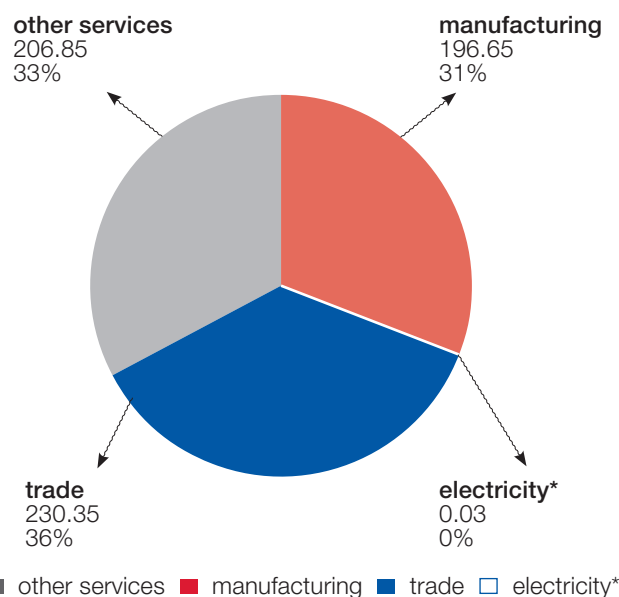
The Small and Medium Enterprises (MSME) sector plays a crucial role in India's growth journey, accounting for almost one-third of India's economy. MSMEs contribute significantly to expanding entrepreneurial endeavours through business innovations and producing a diverse range of products and services to meet the demands of both domestic and global markets. They provide enormous employment opportunities at comparatively lower capital costs than large industries. They help industrialise rural and backward areas, reducing regional imbalances and ensuring a more equitable national income and wealth distribution.

According to the available data, the MSME sector has been responsible for creating 11.10 crore jobs, with 360.41 lakhs in manufacturing, 387.18 lakhs in

trade, 362.82 lakhs in other services, and 0.07 lakhs in non-captive electricity generation and transmission. Additionally, as per the National Sample Survey (NSS), approximately 633.88 lakh unincorporated non-agriculture MSMEs are engaged in various economic activities, excluding those registered under specific sections of the Factories Act, Companies Act, and construction activities. Of these 633.88 lakh enterprises, 196.65 lakh are involved in manufacturing, 0.03 lakh are in non-captive electricity generation and transmission, 230.35 lakh are in the trade sector, and 206.85 lakh belong to other services. The MSME sector in India plays a crucial role in job creation and contributes significantly to various sectors of the economy.

**Source:** Ministry of Micro, Small and Medium Enterprises, Annual Report 2022-23, Classification of MSME by Nature:

Distribution of Estimated MSMEs by Nature of Activity



■ other services ■ manufacturing ■ trade □ electricity\*

**Source:** Ministry of Micro, Small and Medium Enterprises, Annual Report 2022-23.

### 1.1.2) Budget 2023 Highlights for MSMEs: Key Provisions to Boost Growth and Employment

- A record allocation of ₹ 22,138 crore for MSMEs in Union Budget 2023
- Infusion of ₹9,000 crore into the Credit Guarantee Fund Trust for Micro and Small Enterprises Credit Guarantee Scheme
- Additional collateral-free credit of ₹2 lakh crore to MSMEs and reduction of credit cost by 1%
- Expansion of turnover limit for micro units for presumptive taxation from ₹ 2 crore to ₹ 3 crore



- About 100 transport infrastructure projects were identified to help sectors such as coal, fertiliser, food grain, steel, and shipping, amounting to ₹75,000 crore, to be funded in part by private players.
- Earmarking of ₹10,000 crore for the creation of the Urban Infrastructure Development Fund (UIDF)

**Source:** <https://www.tpci.in/indiabusinesstrade/blogs/union-budget-2023-whats-in-for-msmes/#:~:text=MSMEs%20in%20Budget%202023%2D24&text=DigiLocker%20services%20are%20to%20be,1%25%20and%20expanding%20employment%20opportunities>.

## 1.2) Indian Logistics Industry:

With its vast landmass spanning approximately 3.3 million square kilometres, India faces significant logistical challenges in transporting and moving goods. As the country recently surpassed China as the most populous nation in the world, with a population of 1.43 billion, logistics plays a crucial role in India's economy. The domestic logistics market is expanding faster than the overall economy and is projected to maintain a compound annual growth rate (CAGR) of 8-10% in the coming years. This sector contributes around 13% to India's Gross Domestic Product (GDP).

The thought leadership report, "Envisioning the future of Indian logistics@2047," co-presented by EY and the Bombay Chamber of Commerce & Industry (BCCI), highlights the potential growth and challenges in

India's logistics sector. It emphasises critical drivers for increased demand, including India's projected GDP growth to \$26 trillion by FY48 and the target to accelerate merchandise exports to \$1 trillion by 2030.

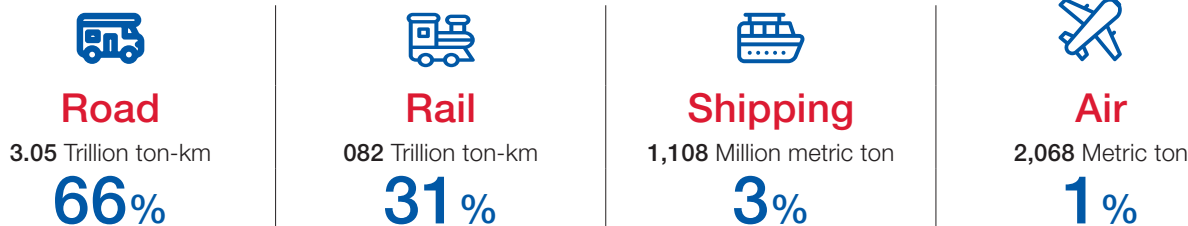
In FY22, India's transportation and logistics sector experienced substantial growth, with exports increasing by 44.6% to \$422 billion and imports growing by 55.4% to \$613 billion. This growth has propelled the sector by a value ranging between \$400 billion and \$420 billion (INR 32-34 lakh crore) in 2022.

Currently, road transportation holds the majority share in India's freight movement, accounting for 66% of cargo transportation. It is followed by rail (31%), shipping (3%), and air (1%). This uneven distribution of transportation modes leads to operational inefficiencies. In order to address this concern, the Government of India (GOI) has implemented initiatives like GatiShakti and the National Logistics Policy. These initiatives are aimed at establishing an integrated, transparent, agile, and environmental friendly logistics sector. As India strives to enhance its manufacturing capabilities to meet growing domestic demands and fuel its expanding export aspirations, the preference for road transportation is expected to further strengthen in the future. Consequently, there will be a heightened need for express logistics, particularly for High Value shipments & Time-Sensitive demand. This presents a remarkable opportunity for companies specializing in B2B surface transport.



*With a population of 1.43 billion, India has recently overtaken China as the world's most populous nation, making logistics a vital component of its economy. The domestic logistics sector in India is growing at a faster pace than the overall economy and is expected to maintain a compound annual growth rate (CAGR) of 8-10% in the foreseeable future.*

**TCI EXPRESS**

**Modal split-freight movement in India in 2022**

**Infrastructure present**

**Support Infrastructure present**


\* Under construction

Note - Percentages do not total 100% due to rounding.

Source: PBI, Ministry of shipping, Ministry of civil aviation, Niti Aayog

To fully realise the potential of the logistics sector, collaboration among stakeholders such as service providers, customers, and the GOI is essential. Despite the launch of initiatives like GatiShakti and the National Logistics Policy, challenges related to implementation, infrastructure development, digital readiness, and supply chain transparency need to be addressed.

In recent years, there have been significant developments in infrastructure, digitalisation, and sustainability within India's logistics sector. Initiatives like "Make in India" and the "Unified Logistics Platform" (ULIP) is promoting transparency through digitisation, leading to faster processing, optimized costs, and improved shipment tracking. Additionally, adopting technologies such as automation, robotics, artificial intelligence (AI), and last-mile delivery innovations are revolutionising the industry. Consolidation of warehousing and the implementation of Fastag-enabled expressways further enhance efficiency.

The GOI has taken steps to support the express B2B industry, including initiatives such as e-invoicing, using BS-VI vehicles, and implementing GST, e-waybill, and Fastag. These measures streamline processes, improve compliance, and boost efficiency in the logistics industry.

The Centre has also increased the official maximum load-carrying capacity of heavy vehicles, including trucks, by 20-25% and eliminated the mandatory annual renewal of fitness certificates for freight carriers. These changes aim to enhance the capacity and efficiency of freight transportation.

GOI has implemented the Scrap Policy to promote sustainability in the logistics industry by phasing out older vehicles and encouraging the adoption of greener technologies. Through this policy, emissions will be reduced, and the logistics fleet will be modernised, leading to improved efficiency and reliability. On-road driver facilities are essential for ensuring driver well-being and compliance with rest regulations. In India, the logistics industry is actively embracing green technology, including alternative fuel vehicles and renewable energy, to minimise emissions and enhance sustainability. These initiatives, supported by GOI, are crucial in creating a greener and more efficient logistics ecosystem.

Notable government initiatives like the National Logistics Policy (NLP) and the Unified Logistics Platform (ULIP) will significantly impact the express industry. The NLP aims to streamline logistics operations, optimise multimodal transportation, and enhance trade facilitation. The

ULIP serves as a centralised digital platform for managing logistics processes and documentation, leading to improved efficiency and transparency. The Government's scrap policy will also have implications for the industry, promoting sustainable practices and addressing environmental concerns.

The Government is undertaking various infrastructure projects to support the express and logistics industries. These include the development of expressways, green corridors, and multimodal logistics parks. These infrastructure projects will enhance connectivity, reduce transportation time, and facilitate smoother movement of goods.

**Source:** A Report on Indian Express Logistics Industry 2022 and LEADS Report 2022 <https://pib.gov.in/Pressreleaseshare.aspx?PRID=1538941>

### 1.2.1) Key policy support from the Government

- The National Logistics Policy (NLP) guides states and union territories (UTs) in formulating and implementing their own logistics policies through a Comprehensive Logistics Action Plan (CLAP). The CLAP focuses on integrated digital logistics systems, standardisation of physical assets, warehousing service quality standards, logistics human resources development, state engagement, EXIM logistics, service improvement framework, and sectoral plans for efficient logistics. This policy aims to enhance logistics efficiency and promote trade.
- The PM GatiShakti National Master Plan (PMGS-NMP) initiative aims to create and improve multimodal logistics infrastructure by collaborating with states, UTs, and their agencies. It establishes a unified decision-making platform and offers special assistance to States for capital investment through a 50-year interest-free loan of ₹1 lakh crore. This plan seeks to strengthen logistics infrastructure and facilitate smoother movement of goods across different modes of transportation.
- The Unified Logistics Interface Platform (ULIP) and e-Logs are integral components of the NLP. ULIP is an integrated platform that enhances India's efficiency, technology utilisation, and logistical infrastructure. On the other hand, e-Logs serve as a dashboard for easy access to logistics services, facilitating the registration, coordination, and monitoring of logistics stakeholders' issues. These initiatives aim to streamline logistics operations and improve overall service quality.
- The NLP, along with the scheme for special assistance to states for capital investment, aims to boost EXIM and domestic trade while reducing logistic inefficiencies. The Government has allocated ₹ 5,000 crore to support PM GatiShakti-related expenditures in the states. These measures focus on creating a

favourable environment for logistics development and promoting efficient trade facilitation.

- Under the NLP, the Comprehensive Logistics Action Plan (CLAP) proposes crucial interventions in human resources development, warehousing service quality standards, and integrated digital logistics systems. These interventions aim to enhance the skills of logistics professionals, improve warehouse operations, and leverage technology for seamless logistics services.

The overall changes and developments in infrastructure and the logistics sector in India are set to bring significant benefits to the logistics industry, including leading companies like TCI Express. The improved infrastructure, such as expanding road networks, dedicated rail tracks, and implementing initiatives like GatiShakti and the National Logistics Policy, will enhance the efficiency and speed of goods movement. This will result in reduced transit times, improved connectivity, and streamlined operations for logistics companies like TCI Express. Additionally, the emphasis on digitalisation, adoption of advanced technologies, and initiatives like the Unified Logistics Interface Platform (ULIP) will enhance transparency, enable better tracking and coordination, and optimise logistics processes. These improvements will increase customer satisfaction and cost optimization and improve overall performance for TCI Express and other express logistics companies operating in India. The positive impact of these changes will position TCI Express to serve its customers better, strengthen its competitive advantage, and contribute to its continued growth and success in the Indian logistics industry.

**Source:** LEADS Report 2022

### 1.2.2) Budget 2023 Highlights for Logistics and Supply chain management:

- The allocation of Capex of ₹ 10 lakh crore in infrastructure, roads, and railways will help the industry accelerate its growth.
- The budget emphasises structural realignment and strengthening the macroeconomic environment through prioritising investments in infrastructure, green industry, and transitioning to cleaner energy.
- The Government's emphasis on green energy and skill development demonstrates a commitment to sustainability and growth, positioning the industry for a more efficient, environmentally conscious, and skilled future.
- Promoting coastal shipping through viability gap funding builds on the strength of the outlined infrastructural developments.
- These infrastructural investments strategically position the Indian economy for increased investments and overall growth.

- During the fiscals 2020 to 2025, sectors such as Energy (24%), Roads (19%), Urban (16%), and Railways (13%) amount to around 70% of the projected capital expenditure in infrastructure in India.
- Government has already announced a ₹ 102 lakh crore national infrastructure pipeline, in accordance with the Narendra Modi government's vision to make India a \$5 trillion economy by 2024-25.

### 1.2.3) Technologies and Innovations in Indian Logistics Industry

#### Leveraging Advanced Technologies

Logistics companies have adopted various strategies, leveraging advanced technologies such as GPS tracking, drones, and on-demand delivery apps. These technological advancements empower logistics companies to enhance their operations by optimising delivery routes, minimising delivery times, and ultimately improving customer satisfaction.

#### Internet of Things (IoT)

IoT is used in India's logistics industry to track shipments and monitor cargo temperature and humidity. The technology also enables real-time monitoring of vehicle performance, which helps to optimize maintenance costs and increase efficiency.

#### Increased use of Automation

Automation plays a vital role in accelerating shorting operations and increasing accuracy in India's logistics industry. The use of automated sorting systems has greatly reduced the time required for sorting, resulting in significant time savings. The implementation of automation technologies has led to faster processes, improved efficiency, and overall enhanced performance and accuracy in logistics operations.

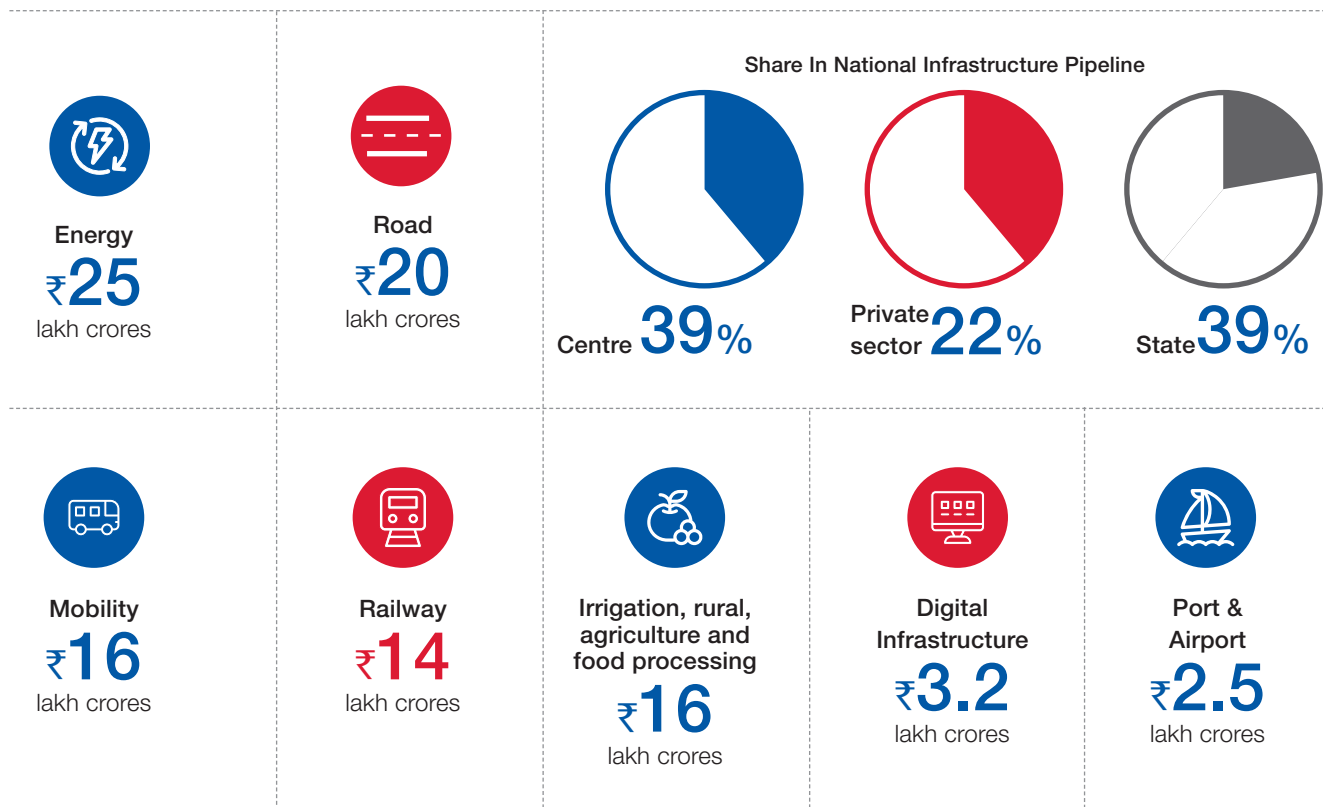
#### Artificial Intelligence (AI) and Machine Learning (ML)

AI and ML are being used to optimise logistics operations in India. Predictive analytics, for example, is being used to forecast demand and optimise routing and scheduling, minimizing costs and improving delivery times.

#### Blockchain

Blockchain technology is used to increase the transparency and security of supply chains in India. By creating a tamper-proof record of all transactions, blockchain technology is helping to improve trust between parties and reduce the risk of fraud.

## NATIONAL INFRASTRUCTURE PIPELINE PROJECTS





#### 1.2.4) Growth Drivers for Indian Logistics Industry:

##### India's Manufacturing Sector Gears Up for Growth

The Indian manufacturing industry is transforming to increase reliability and resilience by setting up more locations. The country's competitive wage edge over other countries positions it well to succeed in the "Make in India" policy. Additionally, India's young and inexpensive labour pool has profound implications for global manufacturing, while the emergence of middle-class consumers is anticipated to coincide with the Indian wage dynamic.

According to the World Economic Forum, India is projected to become the global manufacturing hub by 2030, it has the capacity to export goods worth US\$ 1 trillion by 2030. Furthermore, India aims to generate more than 100 million jobs by 2030, focusing on manufacturing. Looking ahead to 2047, India's manufacturing capacity is anticipated to grow to \$20 trillion. These ambitious goals reflect the country's commitment to fostering economic growth, creating employment opportunities, and positioning itself as a key player in the global market.

India has robust manufacturing capabilities in crucial pharmaceuticals, chemicals, textiles, apparel, and automotive sectors. However, the country's ambitions extend beyond these domains as it aims to establish a stronghold in next-generation industries. Opportunities are emerging in sectors like renewables, aerospace, and hi-tech semiconductors, aligning with the global shift toward a green and connected future. To build a strong foundation in these areas, India must focus on research and development, technology transfers, international collaborations, and incentivising private investments while promoting collaboration.

India's impressive technology stack serves as a testament to its capacity for digital disruption on a large scale, showcasing the nation's potential for innovative solutions. A similar leap in manufacturing, with a focus on next-generation smart industrial clusters, connected factories, high-productivity assets, end-to-end value chain transparency, and real-time technology-enabled interventions, can be a significant differentiator.

The growth of the Indian manufacturing sector will profoundly impact the logistics industry, including companies like TCI Express. The demand for efficient and reliable logistics services will aid as the manufacturing sector expands and diversifies into new industries. TCI Express, a leading express logistics company in India, is well-positioned to capitalise on these opportunities. With its extensive network, industry expertise, and commitment to technological advancements, TCI Express can play a pivotal role in facilitating the seamless movement of goods across the manufacturing value chain.

The strong emphasis on reforms and aligned efforts from the public and private sectors provide a favourable environment for India's manufacturing sector to thrive. By navigating geopolitical risks and executing strategies effectively, the next 25 years have the potential to become India's golden age of manufacturing. TCI Express, with its strong market presence, adaptability, and focus on customer satisfaction, is poised to contribute significantly to this manufacturing revolution, solidifying its position as a critical player in the Indian logistics industry.

##### Domestic Demand, Skilled Manpower and Technology:

The logistics industry in India is currently benefiting from the phenomenon known as the "demographic dividend." With a large and youthful population, India is experiencing economic advantages derived from a significant proportion of the population being of working age, composed primarily of young individuals. This demographic advantage presents a multitude of opportunities for the country's economic growth and progress, including within the logistics sector. As the working-age population expands, there is a heightened demand for goods and services, resulting in increased logistics requirements. The logistics industry plays a crucial role in connecting producers and consumers, ensuring efficient supply chains, and facilitating economic activities. Additionally, India's significant presence in disruptive technologies like Machine Learning, AI, Cloud Computing, the Internet of Things, and Blockchain empowers its youth, enabling them to embrace higher consumption, investment, and entrepreneurship. This favorable environment creates conducive conditions for businesses and industries, including logistics, to thrive and contribute to India's economic development.

##### Infrastructure development and adoption of green/renewable energy:

According to the Economic Survey of 2023, the National Infrastructure Pipeline (NIP) encompasses many ongoing projects totalling over ₹ 108 lakh crore in investment. These projects are in various implementation stages, reflecting the NIP's comprehensive nature. The survey emphasises the importance of consistent infrastructure investment in a developing economy like India, as it is crucial for sustaining a high growth rate and achieving social objectives. The transport sector is a focal point within the NIP, with an estimated ₹ 108 lakh crore assigned to multiple infrastructure projects. Finance Minister Nirmala Sitharaman further demonstrated the Government's commitment to infrastructure development by announcing a 33 percent increase in capital expenditure, amounting to ₹ 10 lakh crore, for the fiscal year 2023-24. This investment constitutes 3.3 per cent of the country's GDP. The

finance minister also highlighted the identification of one hundred critical transport infrastructure projects aimed at improving connectivity for sectors such as ports, coal, steel, fertilisers, and food grains. These proactive measures underscore the Government's determination to prioritise and enhance infrastructure development in India. Furthermore, as reflected in initiatives like Green India for All, India's focus on green and renewable energy will significantly impact every industry, including the logistics sector.

#### 1.2.5) Consistent Government Initiatives for the Upliftment of the Sector:

- **Gati Shakti Scheme:** A national master plan for multi-modal connectivity to lower down logistics costs, increase cargo handling capacity, and reduce port turnaround time. It aims to have 11 industrial corridors and two new defence corridors and extend 4G connectivity to all villages.
- **Multimodal Logistics Park:** The first of its kind in India, developed under the Bharatmala Pariyojana, which aims to reduce congestion on economic corridors, enhance logistic efficiency and optimize logistics costs. It will have all facilities, including a custom clearance house, truck parking, and a water treatment plant. It will reduce trade costs by 10% with a cargo capacity of 13 million metric tonnes annually.
- **Sagarmala Programme:** A port-led development programme to modernise ports, enhance port connectivity, and improve port-linked industrialisation. It also aims to promote coastal shipping and inland waterways transport.

- **Dedicated Freight Corridors:** Two corridors dedicated to freight transportation - Eastern and Western - will cover a distance of about 3,300 km and pass through several states. The aim is to optimize transit time and transportation costs for exim and commodities.
- **Bharatmala Pariyojana** is a highways sector programme aimed at optimising the efficiency of freight and passenger movement across the country. It will involve the construction of 66,100 km of highways, including economic corridors, inter-corridors, and feeder routes. Under Bharatmala Phase-I, the Government has already planned 35 MMLPs, of which the first ones will come up in Nagpur (Maharashtra), Chennai (Tamil Nadu), and Bengaluru (Karnataka).

#### 1.2.6) Key challenges faced by the logistics industry in India:

The logistics industry in India faces several key challenges that impact its operations and overall efficiency:

- **Transportation costs and unstable fuel prices:** Transportation costs, including fuel expenses, have a significant impact on logistics operations. Fluctuating fuel prices can make it challenging to predict and manage costs effectively, leading to increased operational expenses for logistics providers.
- **Workforce management and shortage of skilled workers:** The logistics industry requires a skilled workforce to handle various tasks, including warehouse operations, transportation, and supply chain management. However, there is often a shortage of skilled workers, leading to difficulties in managing and optimizing the workforce, which can impact overall efficiency.



*The Indian logistics industry faces challenges including fluctuating fuel costs, shortage of skilled workers, maintaining customer experience, limited supply chain visibility, changing regulations, technology adoption hurdles, and poor road conditions.*

- **Customer experience and assisting at every touchpoint:** Meeting customer expectations and providing a seamless experience at every touchpoint is crucial in the logistics industry. However, it can be challenging to maintain consistent service levels, address customer queries promptly, and ensure timely deliveries, especially in a diverse and vast country like India.
- **Visibility and lack of complete control and transparency of the supply chain:** Achieving end-to-end visibility and transparency in the supply chain is a challenge for the logistics industry in India. Limited visibility can lead to inefficiencies, delays, and difficulties in identifying and addressing potential bottlenecks or disruptions in the supply chain.
- **Regulations and constant changes in rules enforced by authorities:** The logistics industry operates in a regulatory environment, and compliance with various rules and regulations is necessary. However, the industry often faces challenges due to frequent changes in regulations, which can create uncertainty and impact operational planning and execution.
- **Technology adaptation and the inability to implement shipment tracking systems and data analytics tools:** The logistics industry can benefit greatly from technology adoption, such as implementing shipment tracking systems and data analytics tools. However, there may be challenges in terms of infrastructure limitations, lack of awareness, or resource constraints, preventing widespread adoption of such technologies.
- **Deteriorating conditions of roads in the interiors of the country:** While India has made significant progress in developing its road infrastructure, there are still areas, particularly in the interiors of the country, where road conditions are poor. This poses challenges for logistics operations, including increased transit times, higher maintenance costs, and potential risks to the safety of goods and personnel.



*The Indian express industry is characterized by high competitiveness, efficient organization, and a strong emphasis on technology. It delivers value by ensuring timely and safe product transportation.*



### 1.3) Indian Express Logistics Industry:

The express sector in India offers time-sensitive logistics services through door-to-door connections and advanced shipment tracking systems. It is a rapidly growing industry that utilises surface and air transportation for efficient delivery. The Indian express industry is highly competitive, well-organised, and technology-driven, providing value in time and product safety. Various factors such as time sensitivity, cost,

security, and lot size determine the mode of transport used. Key customers of express logistics services include industries like apparel, pharmaceuticals, automotive, and electronics. The industry exhibits a clear trend in utilising different modes of transport based on the type of material being transported, such as raw materials, finished goods, or spares.



India's express industry is one of the fastest-growing sectors in the country. While most domestic express businesses are homegrown, some have been acquired by international logistics players. Despite the express industry being more organized when compared to the Full Truck Load and Part Truck Load sectors, it is noteworthy that about 80% of the express industry remains unorganized.

Despite its promising future, the Indian express logistics industry faces significant barriers to entry. Establishing a nationwide network with efficient operations requires substantial investments in infrastructure, vehicles, technology systems, and trained personnel, posing a financial challenge for potential new entrants. Additionally, building strong customer relationships and a reliable reputation takes time, making it difficult for newcomers to compete with established companies. Regulatory compliance and licensing requirements add complexity and costs to entering the industry, further hindering entry. Moreover, the presence of well-established players with extensive networks and market dominance creates intense competition, making it challenging for new entrants to compete on price, quality, and market share.

TCI Express holds a competitive edge in the express sector for several reasons. The Company has a long-standing presence and an extensive, reliable network throughout India. By employing advanced technology and efficient operations, TCI Express ensures seamless delivery services. The Company has also fostered valuable relationships with major customers across high-value segments, contributing to its sustained growth. Its versatility is demonstrated by serving diverse industries such as textile, pharmaceuticals, automotive, engineering, and electronics. Moreover, TCI Express demonstrates its support for the advancement of the manufacturing, SME sector and startups, actively engaging in operations spanning the entire value chain. We underscore our commitment to fostering entrepreneurship and exemplifying adaptability within the sector.

### 1.3.1) Express Industry Divisions:

#### Surface B2B segment

The dominant force behind domestic surface express transportation in the express industry is the Business-to-Business (B2B) segment. The B2B surface express market is projected to experience remarkable growth with an impressive compound annual growth rate (CAGR) of 15%. As the business landscape becomes more competitive, customers are increasingly seeking value-added services alongside punctual and comprehensive delivery.

Within the B2B segment, the selection of suppliers is influenced by various factors, including lead time, service levels, and cost. While the average delivery time for goods in the surface mode is typically longer than that of the air mode, the price difference is substantial. To bridge the time gap, some companies have introduced surface express products that offer reduced transit time compared to standard services. The specific transit time depends on the distance involved, but it generally averages around three days on a national level.

#### Air B2B segment

Corporations rely on the domestic air express business-to-business segment to transport time-sensitive or perishable materials. The delivery of goods in this segment typically takes 1-2 days, depending on the location or sector. According to data released by the Airport Authority, the total domestic lodgement in FY 20 amounted to 13.25 lakh tonnes. However, in the domestic express segment, the volume of air-mode shipments is relatively small compared to surface transportation.

Air express services are primarily utilised by specific industries that deal with high-value and time-sensitive products. These industries include consumer electronics, cold chain pharmaceuticals, medical equipment, e-commerce, auto spare parts, lifestyle products, perishables, and IT hardware. The current worth of the domestic B2B air express segment is projected to grow at a compound annual growth rate (CAGR) of 7-8%.

#### B2C Segment

Express logistics services play a pivotal role in connecting businesses with consumers by enabling them to outsource their logistics operations. In the current business landscape, companies are increasingly relying on logistics experts to efficiently manage their supply chains, allowing them to concentrate on their core business areas. This growing trend of outsourcing logistics functions is a crucial driver for the expansion of express logistics services.

#### Documents Express

The document segment, previously the largest segment in domestic express services, catered primarily to industries like BFSI (Banking, Financial Services, and Insurance), telecom, and others for dispatching crucial documents. However, with the widespread adoption of email and increased internet penetration, the reliance on express services for document delivery has significantly decreased. Companies now prefer to transmit necessary information digitally to their customers. This trend of reduced usage for document delivery is expected to continue.





**Auto components and pharmaceuticals each contribute around 15% to the B2B express market in India, while consumer durables and textile/apparel sectors contribute approximately 14% and 13% respectively.**

### 1.3.2) Sectors Contributing to the Growth of Express Industry

#### The Auto Component Industry:

The Auto Component Industry in India plays a crucial role in driving macroeconomic growth and employment. It encompasses a diverse range of players, including large corporations and micro entities, spread across various clusters in the country. With its significant contribution, the auto components sector accounted for 2.3% of India's GDP and provided direct employment to 1.5 million individuals. It is projected that by 2026, the automobile component industry will contribute 5-7% of India's GDP.

The Indian used car market, valued at USD 32.14 billion, is expected to reach USD 74.70 billion with a CAGR of 15.1%. Demand for pre-owned luxury cars has grown by 35-40% annually. This expansion has positively impacted the auto component industry, significantly boosting its growth.

According to research conducted by Aviral Consulting, the auto component industry is estimated to contribute approximately 15% to the domestic B2B express market. This highlights the significant role played by the auto component sector in the express industry. The growth of the auto and auto component market will positively impact the overall development of the express industry.

**Source:** <https://www.ibef.org/industry/autocomponents-india>  
 Express-Logistics-Industry-Report-2022

#### Pharmaceutical Industry:

The pharmaceutical industry in India has experienced remarkable growth in recent years and is poised for further expansion. Currently valued at \$50 billion, the industry is projected to reach \$65 billion by 2024 and a staggering \$130 billion by 2030.

India has established itself as a prominent exporter of pharmaceuticals, serving more than 200 countries worldwide. It dominates the global vaccine market, accounting for approximately 60% of global vaccine demand. Indian pharmaceutical companies are major suppliers of essential vaccines such as DPT, BCG, and Measles, with 70% of WHO's vaccines sourced from India per the essential Immunization schedule.

The pharmaceutical industry in India not only plays a crucial role in healthcare but also contributes significantly to the domestic and international B2B express logistics sector. The pharmaceutical industry is estimated to account for approximately 16% of the express logistics services in India, encompassing domestic and international operations.

Two significant segments driving movement by surface transportation are Physician Samples and Active Pharmaceutical Ingredients (API) within the domestic express logistics landscape. These segments require efficient and timely transportation to healthcare professionals and pharmaceutical manufacturers nationwide.

On the other hand, when it comes to movement by air, the pharmaceutical industry relies heavily on express

logistics for transporting devices, clinical samples, and cold-chain products. These products often have specific temperature requirements and must be delivered quickly and securely to maintain efficacy.

The collaboration between the pharmaceutical industry and the express logistics sector is mutually beneficial. The pharmaceutical industry relies on express logistics' speed, reliability, and advanced tracking capabilities to meet healthcare providers' and patients' urgent and time-sensitive demands. At the same time, the pharmaceutical industry contributes significantly to the growth and revenue of the express logistics sector.

The reliance on express logistics will only increase as the pharmaceutical industry innovates and introduces new therapies and treatments. The efficient movement of pharmaceutical products, samples, and devices is essential for the industry's success and patients' overall well-being. The partnership between the pharmaceutical industry and the express logistics sector will play a crucial role in driving advancements in healthcare delivery and meeting the evolving needs of the healthcare ecosystem.

**Source:** <https://www.investindia.gov.in/sector/pharmaceuticals#:~:text=The%20pharmaceutical%20industry%20in%20India,served%20by%20Indian%20pharma%20exports.Express-Logistics-Industry-Report>

#### Consumer Durables:

India is poised to become the world's fifth-largest market for consumer durables, demonstrating its rapid growth in the electronics sector. With significant potential for expansion, the market is projected to double in size, reaching US\$ 21.18 billion by 2025.

The Indian Government is actively fostering the growth of this sector through initiatives like "Make in India." It has also implemented policies to attract foreign investment, including allowing 100% Foreign Direct Investment (FDI) under the automatic route in the Electronics Systems Design and Manufacturing sector. Furthermore, FDI in single-brand retail has been increased from 51% to 100%, promoting investments in the consumer electronics industry.

According to industry estimates, consumer durables, electronics, and appliances contribute approximately 14% to the express Business-to-Business (B2B) logistics sector. This indicates the significant role of express logistics in supporting the efficient movement of goods within this industry.

The synergy between the consumer durables, electronics, and appliance sectors and the express logistics industry is mutually beneficial. The consumer electronics industry relies on the timely and secure transportation of products to meet customers' demands. Express logistics services enable efficient

supply chain management, ensuring the swift delivery of goods to retailers and end consumers.

As India's consumer electronics market expands, the demand for express logistics services will increase. This presents a growth opportunity for the express logistics industry to provide seamless and reliable services to cater to the needs of the consumer durables and electronics sectors.

**Source:** <https://timesofindia.indiatimes.com/blogs/voices/consumer-durable-market-in-india-and-growth-opportunities/Express-Logistics-Industry-Report>

#### Lifestyle and textile:

The lifestyle industry in India holds significant prominence, encompassing textiles, garments, home goods, and technical products. As the world's second-largest producer of textiles and garments, India also ranks as the sixth-largest exporter in this sector. The Indian apparel market is expected to expand to US\$ 135 billion by 2025.

While logistics expenditure accounts for around 2% of revenue in the textile industry, the utilization of express cargo varies across sub-categories. However, in the apparel segment, the use of express logistics is relatively high, especially for seasonal fashion clothing, where time-sensitive demands necessitate reliance on express modes of transport. Collectively, the textile, apparel, and non-apparel sectors contribute approximately 13% to B2B express logistics.

The growth of organized retail and increased disposable incomes are expected to further enhance the textile industry's reliance on express logistics. As organized retail expands and consumer spending power rises, timely and efficient delivery of textile and apparel products becomes crucial to meet customer expectations and stay competitive.

The increasing dependence of the textile industry on express logistics aligns with the evolving dynamics of the market. Express logistics plays a pivotal role in supporting the industry's growth by providing swift and reliable transportation solutions tailored to its specific needs. This collaboration between the textile industry and express logistics facilitates seamless operations and enhances customer satisfaction throughout the journey of textile and apparel products from manufacturers to end consumers, contributing to the overall expansion of the sector.

**Source:** <https://www.ciiblog.in/textile-manufacturing-industry-in-india/Express-Logistics-Industry-Report-2022>

#### Engineering Sector:

The engineering sector plays a crucial role in the express logistics industry, showcasing its significance and impact. As the largest industrial sector in India, the engineering industry contributes significantly to

the country's GDP, accounting for 3.53%. This sector has witnessed remarkable growth, driven by increased investments in infrastructure and industrial production. The demand for express logistics services in the engineering industry is closely tied to investments and capacity creation in core sectors such as power, infrastructure development, mining, and oil. Additionally, the general manufacturing sector, automotive and process industries, and consumer goods industry also contribute to the demand for express logistics services. The engineering sector's importance in the express logistics industry is evident, as it drives the need for efficient transportation solutions to support the movement of goods and materials across various engineering sub-sectors, fostering economic growth and development.

## 2) Global Economic Overview:

In 2022, the global economy was met with high expectations for a robust recovery from the impacts of COVID-19, building upon the impressive rebound witnessed in 2021 following the initial contraction caused by the pandemic. However, these aspirations were dampened by the Russian invasion of Ukraine, which resulted in escalated geopolitical tensions and a clear divide among nations.

These uncertainties have compelled central banks across the globe to pursue monetary tightening to control the skyrocketing inflation. However, despite the stringent measures, inflation has persisted at high levels. The US Federal Reserve, for instance, has implemented interest rate hikes at an unprecedented pace, reaching approximately 5%, which marks the fastest increase

observed in the last 40 years. Such sudden interest rate shocks have exposed vulnerabilities within the US economy, leading to the failures of prominent banks such as Silicon Valley Bank, Signature Bank, and First Republic Bank. Consequently, these bank failures have shaken depositor confidence, necessitating the Federal Deposit Insurance Corporation (FDIC) to reassure depositors by increasing the coverage limit.

Another significant concern that arose in 2022 was the mounting global debt. While Sri Lanka faced an acute economic crisis, other countries such as Pakistan, Egypt, Lebanon, and Zambia struggled to meet their loan repayment obligations. Notably, even economic superpowers like the United States faced challenges regarding debt issues. However, Congress approved a deal to raise the Government's borrowing limit and prevent a potentially catastrophic default on US debt repayments. The burden of debt on countries has cast a shadow on global sentiments.

Turning to the Global Economic Prospects report released by the International Monetary Fund (IMF) in June 2023 suggests that the global economy is anticipated to experience a substantial slowdown in 2023, with projected growth at 2.1%. This deceleration is primarily attributed to ongoing monetary policy tightening measures aimed at reining in high inflation. However, the report does offer a glimmer of hope, predicting a modest recovery in 2024, with global growth estimated to reach 2.4%. It is worth noting that this outlook is contingent upon the absence of further banking sector stress and tighter-than-expected monetary policy due to persistent inflationary pressures.



**IMF's report: Global economy to slow down in 2023 (2.1% growth) due to tightening measures against inflation. Modest recovery expected in 2024 (2.4% growth) if banking sector stress and tighter monetary policy are avoided.**



In terms of global inflation, projections indicate a gradual decline as growth slows down, labour demand softens in many economies, and commodity prices stabilise. Nevertheless, the slow pace of improvement implies that core inflation is expected to remain above central bank targets in numerous countries throughout 2024. The persistence of inflationary pressures poses an ongoing challenge that will need to be addressed by policymakers to foster sustainable and balanced economic growth.

Amidst these challenging times, India has demonstrated commendable prudence in managing its debt situation and implementing sound fiscal policies. This proactive approach has helped mitigate the risks of rising global debt levels. While several nations grappled with economic crises and struggled to repay their loans, India's responsible debt management practices have set it apart and earned the global community's confidence. As a result, India's economic stability has become a source of positive sentiment worldwide.

In addition to its resilience and prudent fiscal measures, India has capitalised on the "China plus one or two" strategies, enhancing its advantageous position during these uncertain times. As businesses across the globe seek to diversify their supply chains and reduce reliance on a single country, India has emerged as a favoured destination for manufacturing and investment. The country's large consumer market, skilled workforce, and improving business environment make it an attractive alternative to China for global companies. Consequently, India has experienced a significant influx of foreign direct investment (FDI), substantially boosting its manufacturing sector. The diversification of supply chains has not only bolstered India's manufacturing capabilities but has also created new opportunities across various sectors of the economy.

India's ability to navigate these turbulent times while effectively managing its debt and seizing growth opportunities has showcased its resilience and adaptability. The country's strategic initiatives and favourable business environment have positioned it as a critical player in the global economy, attracting the attention and investment of international businesses seeking stability and diversification.

## 2.1) Global Logistics Industry Landscape:

According to Expert Market Research, the global logistics market has grown significantly and reached nearly USD 9.96 trillion in 2022. The market is projected to expand at a compound annual growth rate (CAGR) of 6.3% from 2023 to 2028, with an estimated value of around USD 14.37 trillion by 2028.

Several key factors are driving the growth of the logistics industry. Firstly, the flourishing retail sector, significantly drives the demand for logistics services.

The convenience of online shopping and the increasing internet users have fuelled the need for efficient and reliable delivery systems worldwide. Additionally, rising disposable incomes among consumers have led to increased consumption and higher demand for logistics services across various industries.

Urbanisation has also contributed to the growth of the logistics market. Rapid urban development and the concentration of population in urban areas have led to increased demand for efficient transportation, warehousing, and distribution systems to cater to the needs of densely populated cities.

Technological advancements have been instrumental in shaping the logistics industry. The increased deployment of automated material handling equipment, such as robotics and autonomous vehicles, has improved efficiency. These technologies streamline the supply chain processes, enhance inventory management, and optimise transportation routes.

The logistics industry is experiencing a notable trend towards adopting environment friendly practices, emphasizing sustainability and ecological consciousness. Companies are increasingly opting for green solutions in their logistics operations, driven by a growing focus on reducing environmental impact. This entails the utilization of electric vehicles, renewable energy sources, and efficient packaging methods to minimize carbon emissions and mitigate the ecological consequences of transportation. The preference for green logistics solutions is a significant development in the industry, reflecting a commitment to sustainable practices and addressing environmental concerns.

Furthermore, the logistics industry has witnessed the rising popularity of drone delivery as a viable solution for last-mile delivery. Drones offer faster and more cost-effective delivery options, particularly in remote or congested areas. Using drones in logistics has the potential to revolutionise the delivery process, making it more efficient and convenient for both businesses and consumers.

## 2.2) Key Trends in the Global Logistics Industry

The logistics industry is witnessing several significant trends expected to shape its future. These trends include:

- **Digital Transformation:** The industry is experiencing a significant digital transformation by adopting technologies such as artificial intelligence (AI), blockchain, Internet of Things (IoT), and big data analytics. These technologies improve efficiency, transparency, and visibility in supply chain operations.
- **Sustainability and Green Logistics:** There is a growing emphasis on sustainability and



environmental responsibility in the logistics industry. Companies are adopting green practices such as using eco-friendly packaging materials, optimising transportation routes to reduce emissions, and investing in electric vehicles and renewable energy sources.

- **Supply Chain Resilience:** The COVID-19 pandemic highlighted the importance of supply chain resilience. Companies are now re-evaluating their supply chain strategies, diversifying suppliers, implementing risk management measures, and improving agility to handle disruptions effectively.
- **Automation and Robotics:** Automation and robotics are transforming logistics operations, particularly in warehousing and order fulfilment areas. Robotic process automation, autonomous vehicles, and warehouse robotics are deployed to enhance logistics processes' speed, accuracy, and efficiency.
- **Last-Mile Delivery Innovations:** Last-mile delivery remains a critical focus area for logistics providers. Innovations such as delivery drones, autonomous delivery vehicles, locker systems, and crowd-shipping are being explored to improve the efficiency and convenience of last-mile logistics.
- **Data Analytics and Predictive Analytics:** Data analytics and predictive analytics are helping companies optimise their supply chain operations, forecast demand, improve inventory management, and enhance overall operational efficiency.
- **Collaboration and Partnerships:** Collaboration between logistics providers, manufacturers, retailers, and technology companies is becoming increasingly important. Partnerships enable sharing of resources, expertise, and infrastructure, leading to improved supply chain visibility, cost optimization, and enhanced service levels.
- **Global Trade and Trade Compliance:** Evolving trade policies, regulations, and compliance requirements influence logistics operations. Logistics providers must stay updated with international trade regulations, customs procedures, and cross-border documentation to ensure goods' smooth and compliant movement.
- **Customer Experience Focus:** Logistics providers are placing a greater emphasis on customer experience, aiming to provide end-to-end visibility, real-time tracking, proactive communication, and personalised services to meet customer expectations and differentiate themselves in the market.

TCI Express, a leading logistics company, is well-positioned to leverage key industry trends. It focuses on B2B express logistics, adopting technology

advancements, implementing green initiatives, innovating last-mile delivery solutions, and prioritising a customer-centric approach. By investing in infrastructure, embracing automation, and optimising operations, TCI Express aims to provide efficient and reliable logistics services to meet customers' evolving needs in the rapidly changing industry.

### 3) Industry Outlook

The outlook for the future of the logistics industry in India is quite promising, given the Government's efforts to optimize logistics costs and improve efficiency through integrated infrastructure development for multimodal connectivity. The Government's initiatives, such as the PM GatiShakti State Master Plan, the framing of the State Logistics Policy, and the Logistics Performance Monitoring Framework, will help create a resilient and sustainable logistics system. Developing the e-Logs system for grievance redressal and preparing city logistics plans will also contribute to the industry's growth.

The future outlook of the Indian logistics industry is promising, with significant growth opportunities. Factors such as rising disposable incomes, rapid urbanisation, and technological advancements are expected to drive the market forward. As the industry evolves, TCI Express, a leading logistics company in India, is well-positioned to benefit from these trends. With its extensive network, efficient operations, and customer-centric approach, TCI Express is poised to capitalise on the growing demand for logistics services. The Company's focus on adopting advanced technologies, such as automation and digitisation, will enhance its operational efficiency and enable it to provide innovative solutions to its customers. By leveraging its strengths and staying at the forefront of industry developments, TCI Express is set to thrive in the evolving Indian logistics landscape.

### 4) Internal Control

At TCI Express, a robust internal control system is at the heart of our operations, designed to ensure effective operational efficiency, reliable financial reporting, statutory compliance, and asset protection. These systems help deter inaccuracies, ensuring accurate financial reporting, legal compliance, and effective resource deployment. An internal audit function consistently reviews and recommends improvements, and the Audit Committee of the Board guides to fortify the control environment.

The Board and the Audit Committee, comprised of Independent Directors, periodically evaluate the effectiveness of the company's internal controls and risk management systems. This comprehensive review ensures the internal control environment's adequacy and the successful implementation of audit

recommendations. We passionately believe that our internal control systems provide a reasonable assurance in recording transactions and protecting company assets, and are continually adapted to meet our dynamic business environment's needs.

## 5) Risk Management

Risk Management is an integral part of our business operations at TCI Express. Over the years, we have implemented numerous risk assessments, identification,

and mitigation measures as part of our overarching Risk Management strategy. As a market leader in the Indian express logistics arena, with a growing footprint in the international markets, we're optimally positioned to tackle various market risks within a dynamic business environment. Risk management strategies are employed at all levels of management and across all functional areas. We emphasise early detection of potential risks and managing exposure through suitable mitigation methods. Below are the key risks we face and our strategies to mitigate them.



### Transitional Damage Risk

The potential impacts include the threat of destruction, cargo loss due to common transit dangers such as pilferage, shrinkage, and unpredictable circumstances like accidents or truck hijackings. *To mitigate these, all our trucks are insured against loss or damage caused by accidents or other transit hazards. We have implemented a cutting-edge surveillance and tracking system to prevent theft. Regular training is provided to our drivers to maintain awareness and avoid any transit damages.*



### Fluctuating Fuel Price Risk

Fuel price fluctuations can significantly influence our profitability and operations. *We mitigate this risk by implementing a fuel surcharge system to ensure revenue certainty and adopting a policy of frequent freight rate revisions to account for variations. Additionally, we operate on contractual transportation arrangements to reduce the impact of fluctuating fuel prices.*



### People Risk

The risks we face include staffing shortages, loss of essential employees, negative publicity, and potential disruptions in operations. *We employ innovative staff retention strategies like health insurance policies and frequent recognition programmes to manage these risks. We maintain a balanced mix of experienced and enthusiastic workforce while ensuring a safe and healthy workplace.*



### Technology and IT Risk

Potential impacts include the loss of sensitive customer and company data, cyber threats, inefficient tracking, and network instability. *We mitigate these risks by adopting cutting-edge technology and suitable information security policies. Moreover, we have a robust backup and business contingency planning system in place, with a focus on business intelligence and implementing an integrated IT platform.*



### Infrastructure Risk

Infrastructure inadequacies can lead to supply delays, reputational damage, and impact profitability. *This risk is managed by leveraging the improved national transportation infrastructure under the Government's ongoing National Infrastructure Pipeline (NIP) programme. We also focus on constructing advanced warehouses and storage facilities at key nodal sites.*



### Competition Risk

The threats of business loss, reputational damage, and reduced market share are mitigated through a strong brand image and high customer recall. *Our decades of experience in the Express Logistics Industry and delivering consistent domestic and international transport and delivery services add to our competitive edge. We cover 95% of pin codes in India, reaching over 60,000 locations.*



### Business Continuity

Business continuity risk involves financial and non-financial losses, threats or risks that disrupt the functioning of a business. These threats may be any untoward incidents or disasters that negatively impact an organization.

*Our organization has put into place a robust Business Continuity Management (BCM) Plan, a comprehensive strategy that ensures organizational resilience in the face of unforeseen incidents that could disrupt our critical business operations. This plan not only gives our organization the structure needed to craft, control, and deploy efficient plans, but it also takes into consideration the unique contingencies, capabilities, and requirements of our business.*



### ESG & Sustainability Risk

Environmental, social, and governance (ESG) issues can present risks including non-compliance with environmental regulations, negative impacts on communities, and governance failures. Furthermore, unsustainable business practices can lead to resource depletion, environmental degradation, and ultimately, operational and reputational risks.

*To mitigate these risks, we are firmly committed to operating sustainably and responsibly. Our ESG roadmap outlines key initiatives such as transitioning to fuel-efficient vehicles compliant with BS-VI standards and investing in solar panels for our sorting centres, moving towards energy self-sufficiency. In line with sustainability priorities, our GIGA sorting centres at Tajnagar and Pune have been awarded prestigious recognitions, including the LEED Gold certification and the GEM 5 Certification, underlining our dedication to environmentally sustainable practices.*

## 6) Information Technology

At TCI Express, the strategic use of Information Technology (IT) forms a core component of our business model, enabling us to streamline operations, enhance customer service, and strengthen our competitive position in the market. Our sophisticated IT infrastructure supports the efficient handling of our complex logistics operations and aids in maintaining a high level of transparency in our processes. From real-time tracking of shipments to automation of key business operations, our IT systems are designed to ensure an efficient, accurate, and customer-centric service.

Investing in cutting-edge technology, we continue to leverage advances in IT to drive digital transformation across all business units. We have implemented robust cybersecurity measures to safeguard our data and network systems, and we maintain a strong focus on IT risk management to counter potential threats. As we strive to stay at the forefront of technological advancements, we are committed to integrating the latest IT solutions into our business model to enhance operational efficiency, drive innovation, and provide superior value to our customers and stakeholders.

## 7) Human Resources

At TCI Express, our most valuable resource is our people. We have remained committed to creating a supportive and inclusive work environment that fosters their well-being, safety, and professional growth. This aligns with our goal of delivering top-quality services, generating profitable business, and ensuring long-term success. We continuously focus on ensuring the safety of our workforce, talent development, offering equal opportunities, supporting communities, maintaining compliance and governance, and embedding safety and ethics into our culture.

We have successfully included 3,296 employees in our workforce, with the majority being permanent employees. However, we acknowledge the need for better representation and diversity, particularly in terms of gender balance and differently abled representation. Despite men comprising the majority of our workforce, we are actively working towards promoting gender equality, with women making up 12% of our permanent employees and 18% of our non-permanent employees.

In terms of turnover, we recorded a total rate of 9.3% for permanent employees in FY2023, showing a slight improvement from the previous year. While our retention rates have been steady, we acknowledge the need for further efforts to reduce turnover rates among our female employees.

Our commitment to fostering a culture of learning is evident in the number of training and awareness

programs we conducted in FY2023. These programs covered diverse topics, ensuring our workforce is knowledgeable and equipped to handle the challenges and opportunities associated with our business.

Our performance review coverage remained relatively high, with 100% of our total employees receiving performance and career development reviews in FY2023. Our occupational health and safety management system, comprehensive insurance, and benefits coverage reflect our firm commitment to health and safety. We take pride in implementing procedures that identify work-related hazards and routinely assess risks.

Furthermore, we have a robust framework to prevent discrimination and harassment, extending our human rights protection to all employees and business associates. We uphold a zero-tolerance policy for harassment and offer multiple channels for employees to report concerns. All employees of TCI Express, across all categories, received wages equal to or higher than the minimum wage in FY2022 and FY2023, in line with our compliance with minimum wage regulations.

### Cautionary Statement

The statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, and expectations may be "forward-looking" within the meaning of applicable securities laws & regulations. Actual results could differ from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand, supply and price conditions in the domestic & overseas markets in which the Company operates, changes in the government regulations, tax laws & other statutes & other incidental factors.



## 8) Corporate Overview:

At TCI Express, we are proud to be recognised as one of India's leading players in the express logistics industry. We are committed to delivering value beyond expectations, providing first and last-mile delivery services tailored to various sectors' needs. Our extensive and Pan India network enables us to reach more than 95% of India's pin codes, with a strong foundation of 28 state-of-the-art sorting centres, 500 express routes, 2,500 feeder routes, 950+ branches, 50,000 pick up and 60,000 delivery points, and 5,000+ containerised trucks as part of our network. We recently introduced three new services to our existing bouquet: Cold chain express service, Rail Express, and C2C express service.

As a company, we focus on expedited freight delivery, particularly emphasising the booming B2B industry. We are proud to have become the industry's premier delivery service provider, with our infrastructure and services available on Sundays, holidays and facilities for late pickups. Our long-term success is built on a solid network advantage and industry-leading supply chain knowledge. Our network strength is composed of our service centre network and the strength of our client connections in across the world.. At TCI Express, we have the ability to work in a volatile environment, with the ability to manage uncertain and complex situations while responding to client demands effectively.

Our core competencies include a diversified business model catering to all major manufacturing industries, being the fastest B2B Express Delivery Company in India, an asset-light strategy that enables us to retain

better utilisation while driving good cash flows, use of innovative technology to improve cargo visibility and data communication, resulting in cost savings, and all branches being company-owned, which ensures adoption of best standards and operating procedures.

### Our Core Competencies

- Diversified business model catering to all major manufacturing industries
- Fastest B2B express delivery company in India
- Serving all the pin codes of India
- All branches are company-owned to ensure the best standards and operating procedures are adopted.
- Asset-light strategy for better resource utilisation and good cash flows
- Use of innovative technology to improve cargo visibility and data communication, resulting in cost savings.
- Commissioned India's first automated Sorting Centre 'GIGA' in Gurugram
- Nationwide express delivery service across 60,000 locations in over 710 districts
- Extensive cargo pickup network at 50,000+ locations



**In FY 23, operating revenue grew by 14.75% to ₹ 1,241.01 crore. Profit before tax increased by 7.28% to ₹ 184.53 crore, and profit after tax rose by 8.10% to ₹ 139.28 crore. Cash profit grew by 11.36% to ₹ 157.70 crore, and EPS for FY 23 was ₹ 36.24, up by 8.24%.**



### Key operational highlights of FY2023

- We expanded our footprint by opening 35 new branches in significant business geographies, particularly in the South and West regions in FY23.
- The Company spent ₹ 125 crore on constructing and automating new sorting centres during the year.
- Our newly developed Gurgaon sorting centre will implement a fully automated loop sorting system for oversized freight, making us the first B2B express delivery operator in India to do so.
- The sorting centre in Pune has become operational, strengthening our services in Western India with 1.5 lakh sq. ft. of space.
- We have established Rail Express, a unique service that provides high-value services at a lower cost, resulting in faster transit times and optimisation of economies of scale at branches and routes.
- We appointed dedicated teams to handle new business offerings and ensure the effective execution of business strategies to achieve long-term Company growth.
- Our outsourced fleet achieved 85% capacity utilisation during the year.
- We are decreasing our conventional power usage in sorting centres and increasing our use of solar renewable energy in adherence to our environmental footprint commitments

### Financial Review and Performance

The Company's financial statements (standalone basis) were prepared in compliance with Indian generally accepted accounting standards (GAAP).

(₹ in crores except as stated)

Particulars	FY 23	FY 22	Y-o-Y growth
Operating Revenue (₹)	1241.01	1081.47	14.75
Profit Before Tax (₹)	184.53	172.01	7.28
Profit After Tax (₹)	139.28	128.84	8.10
Cash Profit (₹)	157.70	141.61	11.36
EPS (₹)	36.24	33.48	8.24
Receivable (days)	50	51	-1.96
Net Working Capital Cycle (days)	12	14	-14.29
Cash Conversion Ratio (%)	72.90	70.00	4.14
EBIDTA Margin (%)	16.16	16.79	-3.75
PAT Margin (%)	11.16	11.82	-5.58
Retrun on Equity (%)	24.59	26.55	-7.38
Debtors Turnover Ratio (times)	7.30	7.11	2.67
Interest Coverage Ratio (times)	102.95	190.00	-45.82
Current Ratio (times)	2.41	2.93	-17.75
Debt Equity Ratio (times)	0.001	0.002	-50.00
Operating Profit Margin (%)	31.53	32.22	-2.14



*The company's net worth experienced a significant increase to ₹ 596.37 crores, accompanied by a reduction in borrowings of ₹ 0.73 crores. Additionally, the company funded capital expenditure amounting to ₹ 125.74 crores internally.*

**Total revenue:** The Total Income from Operations for the company has increased by 14.75% from ₹ 1081.47 crores in 2021-22 to ₹ 1241.01 crores in 2022-23.

**Other income:** Other income decreased from ₹ 8.17 crores for 2021-22 to ₹ 7.17 crores in 2022-23, an decrease of 12.19%.

**EBIDTA (including other income)** for 2022-23 stood ₹ 201.65 crores as compared to 2021-22 was ₹ 182.90 crores, an increase of 10.25%. The operating margins decreased to 31.53% in 2022-23 due to inflationary pressure.

### Costs & Expenses

**Employee costs:** Manpower cost for 2022-23 stood at ₹ 124.29 crores compared to ₹ 109.94 crores in 2021-22. In terms of percentage of turnover, it decreased to 9.96% as compared to 10.09% in the previous year.

**Other expenses:** Other expenses for 2022-23 stood ₹ 72.54 crores compared to ₹ 63.83 crores in 2021-22. As a percentage of turnover, it decreased to 5.81% in 2022-23 as compared to 5.86% in 2021-22. Other expenses mainly include general and administrative expenses such as rent, travelling and conveyance, among others. Though these expenses are still below pre-covid levels.

**Interest expenses:** Interest expenses for the year 2022-23 increased to ₹ 1.81 crores from ₹ 0.91 crores in 2021-22, a rise of 99.12% in interest cost. The Company has taken temporarily credits to support the working capital requirements.

**Depreciation:** Depreciation cost as a percentage of turnover has decreased to 1.23% in 2022-23 from 0.92% in 2021-22.

### Analysis of Balance Sheet

**Net worth:** The net worth of the Company has increased from ₹ 536.19 crores as on March 31, 2022 to ₹ 596.37 crores in March 31, 2023. The increase in amount of net worth is on account of profit addition made during the year.

**Borrowings:** The total borrowing has decreased from ₹ 0.98 crores as on March 31, 2022 to ₹ 0.73 crores as on March 31, 2023.

**Cash and bank balance:** Cash and bank balance decreased from ₹ 15.74 crores as of 31 March 2022 to ₹ 13.49 crores as on March 31, 2023.

**Capital expenditure:** During 2022-23, the Company has capitalized additional fixed assets of ₹ 125.74 crores. All capital expenditure have been funded from internal accruals only.

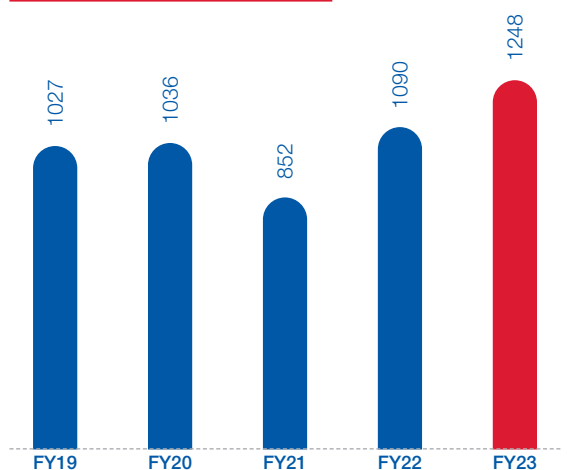
**Current assets & liabilities:** The Company's current assets primarily consist of debtors, short term investments, cash and bank balances loans and advances. Total current assets as on March 31, 2023 stood 299.30 crores as against March 31, 2022 were ₹ 330.09 crores. The Company's current liabilities primarily consist of trade payables, short term provisions and other current liabilities. Total current liabilities as on March 31, 2023 stood ₹ 124.24 crores as against ₹ 112.65 crores as on March 31, 2022.

**Current ratio:** The current ratio stood at 2.41 as of March 31, 2023, compared to 2.93 as on March 31, 2022. The decrease in the current ratio due to decrease in short term investment of the Company. Total current investment of the Company as on March 31, 2023 stood at ₹ 32.11 crores compared to ₹ 87 crores on March 31, 2022.

# Financial Performance

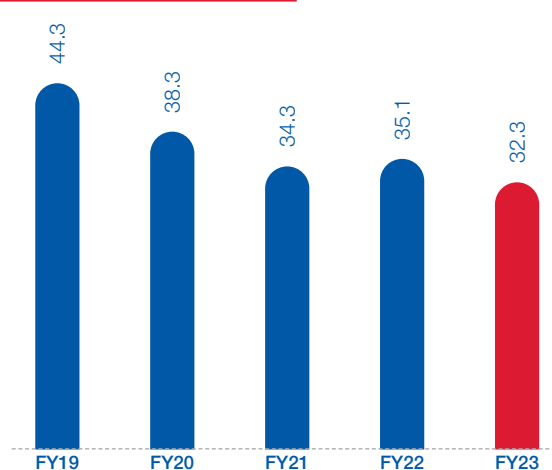
## Revenue

(₹ In Crores)



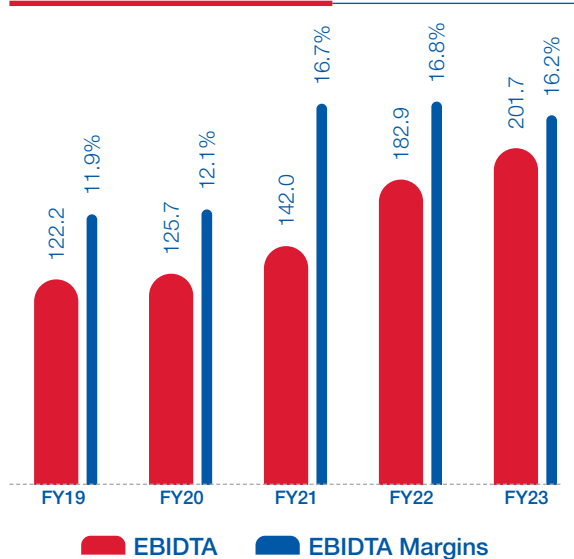
## Return on Capital Employed

(%)



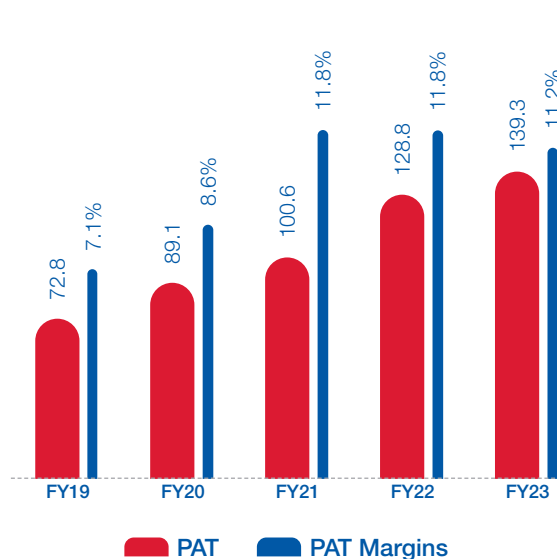
## EBIDTA & EBIDTA Margins

(₹ In Crores)



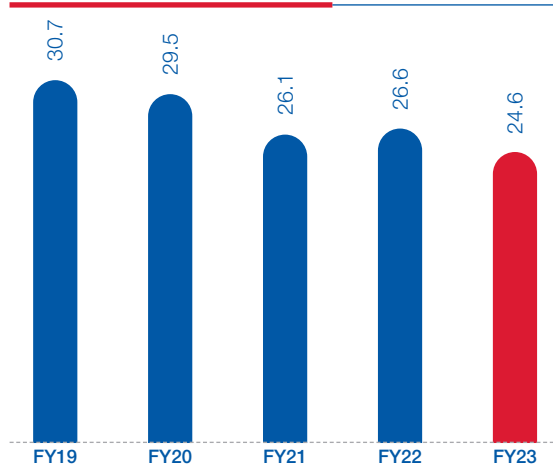
## PAT & PAT Margins

(₹ In Crores)



## Return on Equity

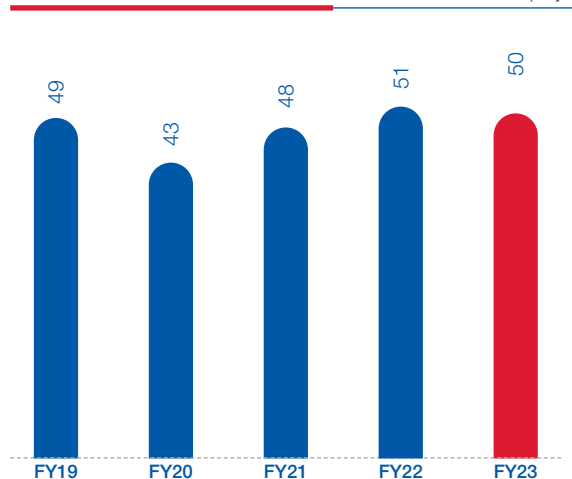
(%)





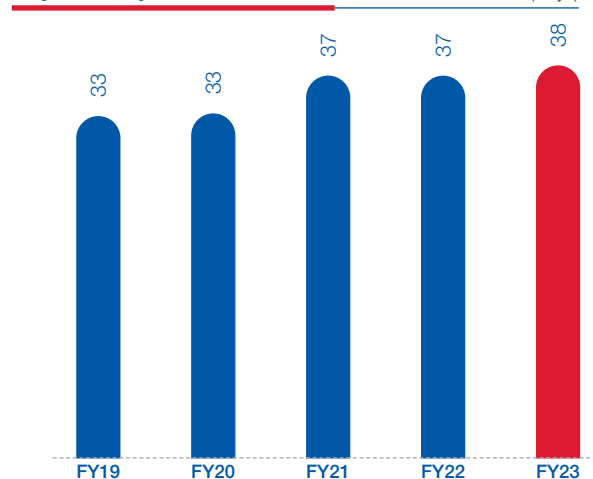
### Receivable

(Days)



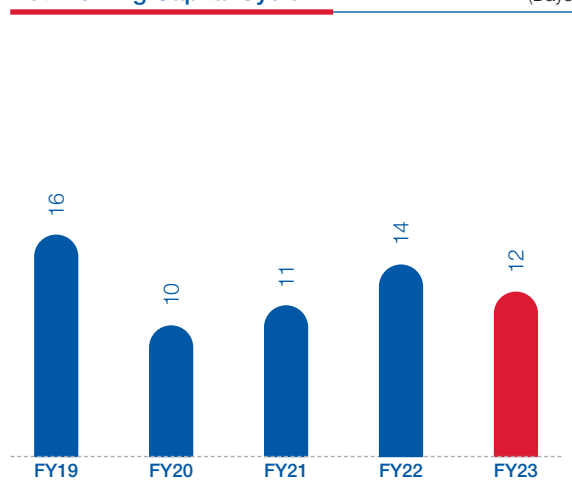
### Payable Days

(Days)



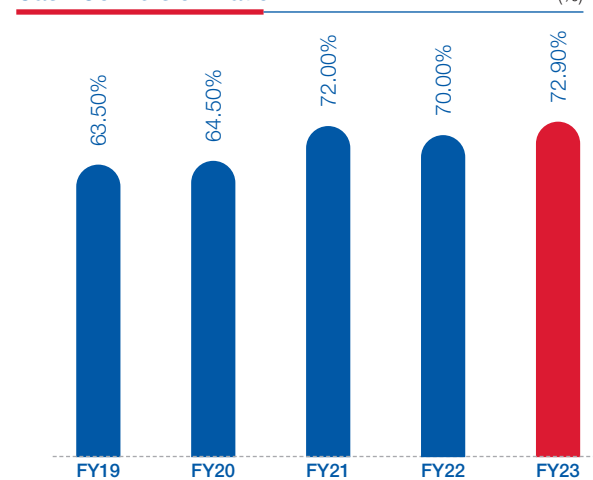
### Net Working Capital Cycle

(Days)



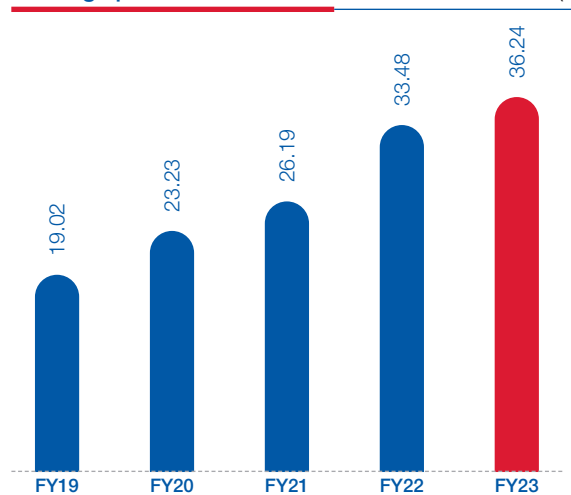
### Cash Conversion Ratio

(%)



### Earnings per share

(₹)



## 6 Year Financials Highlights

(₹ in crores except as stated)

Particulars	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18
Total Income	1,248.18	1089.64	851.64	1036.33	1026.98	887.16
Operating Margin (%)	31.53	32.22	32.85	28.86	26.41	24.93
EBIDTA	201.65	182.90	141.97	125.67	122.18	92.73
Finance Cost	1.81	0.91	0.78	0.90	3.78	3.76
Depreciation & Amortisation	15.31	9.98	8.97	7.79	6.53	5.21
Profit Before Tax & Exceptional Items	184.53	172.01	132.22	116.98	111.87	83.76
Taxes	45.25	43.17	31.62	27.90	39.03	25.37
Net Profit	139.28	128.84	100.60	89.08	72.84	58.40
Cash Profit	157.70	141.61	110.78	95.80	79.37	64.56
Dividend Per Share	8.00	8.00	2.00	4.60	3.00	2.50
Earning Per Share	36.24	33.48	26.19	23.23	19.02	15.25
Gross Block Assets	488.79	371.84	293.29	225.89	199.27	181.44
Net Block Assets	435.22	325.89	256.13	195.53	174.43	162.01
Receivables (Net)	211.47	189.54	169.46	165.77	163.14	154.38
Equity Share Capital (FV ₹ 2 per share)	7.66	7.70	7.69	7.67	7.66	7.66
Net Worth	596.37	536.19	433.87	337.27	267.19	206.81
Total Debts	0.73	0.98	1.98	2.84	8.68	39.82
Capital Employed	610.71	544.38	440.37	343.43	275.49	212.77
Avg. Capital Employed	577.55	492.37	391.90	309.21	244.13	188.70
Return on Net Worth	24.60%	26.55%	26.10%	29.48%	30.73%	31.77%
Return on Capital Employed	32.26%	35.11%	34.32%	38.27%	44.27%	39.92%
Current Ratio (in times)	2.41	2.93	2.64	2.52	1.86	1.35
Receivable Days	50	51	48	43	49	54
Payable Days	38	37	37	33	33	28
Net Working Capital Cycle (Days)	12	14	11	10	16	26
Cash Conversion Ratio	72.90%	70.00%	72.00%	64.50%	63.50%	79.70%
Book Value Per Share (in ₹)	155.17	139.51	112.89	88.09	69.78	54.01



## 5

### STATUTORY REPORTS

**P: 68** Report of the Board of Directors

**P: 93** Corporate Governance Report

**P: 119** Business Responsibility and Sustainability Report

## 6

### FINANCIAL STATEMENTS

**P: 154** Independent Auditors' Report

**P: 162** Balance Sheet & Statement of Profit and Loss

# REPORT OF THE BOARD OF DIRECTORS

## Esteemed Members of TCI Express Limited,

The Board of Directors ('Board' or 'Directors') take pleasure in presenting the fifteenth Annual Report on the business and operations of TCI Express Limited ('the Company' or 'your Company') along with the Audited Financial Statements for the financial year ended March 31, 2023 ('year under review' or 'year' or 'FY 2022-23'). In compliance with the applicable provisions of the Companies Act, 2013, ('the Act') and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), this Annual Report containing, inter alia, Standalone and Consolidated Audited Financial Statements, Notice of Annual General Meeting ('AGM'), Directors' Report, Auditors' Report and other important information is circulated to Members and others entitled thereto.

Pursuant to Section 134(3)(a) of the Act, the Annual Report referred to in Section 92(3) of the Act, read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return for year under review is available on the Company's website at <https://www.tciexpress.in/financial-reports.aspx>. Further, Annual Return as on March 31, 2023 in the format MGT-7 is also made available on the given web- link.

## OPERATING FINANCIAL PERFORMANCE AND DEVELOPMENTS

The Financial Statements of the Company for the FY 2022-23, have been prepared in accordance with the Indian Accounting Standards ('Ind AS') notified under Section 133 of the Act, the Companies (Indian Accounting Standards) Rules, 2015 and recognised accounting practices to the extent applicable. Accordingly, the Financial Statements for current year, including comparative figures of previous year are based on Ind AS and in accordance with the recognition and measurement principles stated therein.

(₹ in Crores)

Particulars	Standalone basis	
	2022-23	2021-22
Total Income	1248.18	1089.64
<b>Profit before Interest, Depreciation, Taxation &amp; Exceptional Item</b>	<b>201.65</b>	<b>182.90</b>
Less: Interest (Net)	1.81	0.91
Less: Depreciation (Net)	15.31	9.98
Less: Exceptional Item	-	-
<b>Profit/ (Loss) before Tax (PBT)</b>	<b>184.53</b>	<b>172.01</b>
Less: Tax Expenses	45.25	43.17
<b>Profit/ (Loss) after Tax (PAT)</b>	<b>139.28</b>	<b>128.84</b>

The Company progressed its operations, in-line with the commitments made in previous fiscal year. The Company was able to operate at efficient level and maintained the annual growth rate, this year as well. This accomplishment can be attributed to our strong asset-light business model, efficient operations, and cost-effective measures, including the automation of process.

Your Company has achieved a higher turnover compared to the previous year and the consolidated total income from operations was ₹ 1248.18 Crores, registering a growth of 14.55%. Profit before interest, depreciation, taxation and exceptional item was higher and registered a continuous growth. PAT was also increased to ₹ 139.28 Crores, compared to previous year amount of ₹ 128.84 Crores. Backed by revenue growth and strong financial discipline, we continued to generate healthy cash flows of ₹ 147 Crores from operations in FY2023.

With regard to consolidation of accounts, the Company has incorporated its wholly owned subsidiary on February 14, 2023 and invested ₹ 0.62 Crores as an initial investment. Therefore, in the given table, impact of consolidation is negligible, accordingly figures on standalone basis only, have been reported. For complete details, Shareholders may refer full financial statements of the Company, forming an integral part of this Annual report.

There have been no material changes and commitments which affects the financial position of the Company, occurred between the end of financial year and the date of this report. There was no change in nature of business of the Company. There was no revision of the Financial Statements for the year under review.

## Operational and Financial Highlights

The operational and financial performance and key business developments of the Company are exhaustively discussed in



the 'Management Discussion and Analysis' section, which forms a part of this Annual Report.

## DIVIDEND AND RETURN APPROPRIATION

The Board of Directors had approved the Dividend Distribution Policy in accordance with Regulation 43A of the Listing Regulations, which is accessible under 'Policies and Codes' section in the Investor Relations tab, available on Company's website [www.tciexpress.in](http://www.tciexpress.in).

The Company has a consistent record of rewarding its shareholders by returning excess capital back to them through most tax efficient means available, such as dividends and buybacks. A healthy balance sheet and strong cash flow generation provided us ample headroom to continue investing strategically in our growth, while maintaining a consistent dividend payout to our shareholders. During the year under review, the Company has declared 1st and 2nd interim dividend of ₹ 3.00 each (150%), per equity share (of face value of ₹ 2.00 each) on October 31, 2022 and January 31, 2023, respectively.

The Directors have also recommended a final dividend of ₹ 2.00 each (100%) per equity share (of face value of ₹ 2.00 each) for the FY ended March 31, 2023, subject to approval of the Shareholders at the AGM, scheduled to be held on Friday, August 04, 2023. The dividend would be payable to all Shareholders, whose names appear in the register of Members as on the record date i.e. July 28, 2023. The register of Members and share transfer books shall remain closed from Saturday, July 29, 2023 to Friday, August 04, 2023, (both days inclusive).

Considering the above, the total dividend declared/recommended by the Company for the FY 2022-23 amounts to ₹ 8.00 (400%) per equity share. During the FY 2021-22 also, total dividend paid was ₹ 8.00 (400%) per equity share, based on the parameters laid down under the Dividend Distribution Policy, which aims to maintain a balance between profit retention and a fair, sustainable and consistent distribution of profits among its Members, in order to address future needs of the Company.

### Tax liability

In accordance with the provisions of the Income Tax Act, 1961 (as amended) read with the provisions of the Finance Act, 2020, with effect from April 01, 2020, dividend declared and paid by the Company is taxable in the hands of its Members and the Company is required to deduct tax at source (TDS) from dividend paid to the Members at the applicable rates. The Company is sending regular intimations to the Shareholders, describing about the detailed process to submit the documents/declarations along with the formats in respect of TDS on the dividend payout. In order

to enable compliance with TDS requirements, the Members are requested to complete and/or update their documents/declarations in accordance with the Finance Act, 2020, as per communication sent by the Company, time to time

### Buyback

Based on recommendation provided by the Board of Directors, the Shareholders at their AGM held on August 03, 2022, approved the proposal of buyback of equity shares by the Company, by using its funds upto a limit of ₹ 75.00 Crores, at a maximum market price of ₹ 2,050 per share. The buyback size was about 13.97% of the aggregate paid-up equity capital and free reserves of the Company as per the Financial Statements of the Company for the FY ended March 31, 2022.

Accordingly, with effect from August 18, 2022, the Company commenced its buyback and offered to all eligible equity shareholders of the Company (other than the Promoters, the Promoter Group and Persons in Control of the Company) under the open market route through the Stock Exchange. The buyback of equity shares was completed on February 13, 2023. During this buyback period, the Company purchased total of 2,34,275 equity shares at a volume weighted average buyback price of ₹ 1813.58 per equity share, constituting up to 0.61% of the issued, subscribed, and paid-up equity share capital of pre-buyback period.

The buyback was undertaken for an aggregate amount of ₹ 42,48,75,815.28 (excluding transaction costs and tax), pursuant to approval granted by the shareholders. The Company funded the buyback from its free reserves including securities premium as explained in Section 68 of the Act. The Company accepted equity shares held in demat mode under the buyback and were subsequently extinguished and total issued capital was thus reduced from 38,540,675 equity shares of ₹ 2.00 each to 38,306,400 equity shares of ₹ 2.00 each.

The details of the buyback are available on Company's website and can be accessed through the web-link <https://www.tciexpress.in/BuyBack.aspx?invid=22&key=b6d767d2f8ed5d21a-44b0e5886680cb9>.

### Amount to be carried to Reserves

During the year under review, an amount of ₹ 95.00 Crores was transferred from its retained earnings to general reserve for the FY 2022-23.

## TRANSFER TO THE INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

There is no amount lying with regard to unpaid and unclaimed dividend of earlier years, which requires to be transferred or is due to be transferred to the IEPF during the FY 2022-23, in terms of the applicable provisions of the Act read with

the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules'), as amended time to time.

Further, no shares on which dividend has not been paid or claimed for seven (7) consecutive years or more, were required to be transferred or is due to be transferred to the IEPF, during the FY 2022-23. The details of unclaimed dividend and fractional share's proceeds entitlement along with their due date for transfer to IEPF is provided in the Corporate Governance Report, forming part of Annual Report, the Shareholders are accordingly requested to apply for their entitlement, before it is transferred to the IEPF.

Ms. Priyanka, Company Secretary has been designated as the Nodal Officer under the provisions of IEPF Rules, details of which, dividend are available on the website of the Company at <https://www.tciexpress.in/unpaid-dividend.aspx?invid=18&key=6f4922f45568161a8cdf4ad2299f6d23>

## REGISTRAR AND SHARE TRANSFER AGENT

KFin Technologies Limited is the Registrar and Share Transfer Agent (RTA) of the Company.

## CHANGE IN CAPITAL STRUCTURE

### Authorized capital

During the FY 2022-23, there is no change in the authorised share capital of the Company. As on March 31, 2023, the authorised capital of the Company is ₹ 10,00,00,000, comprised of 5,00,00,000 equity shares of ₹ 2.00 each.

### Issued, subscribed and paid-up capital

During the FY 2022-23, issued, subscribed, and paid-up share capital was altered, pursuant to equity shares bought back and allotment made upon exercise of stock Options by employees of the Company. As on March 31, 2023, issued, subscribed and paid-up capital of the Company is ₹ 76,623,300, comprised of 3,83,11,650 equity shares of ₹ 2.00 each. The movement of the issued, subscribed, and paid-up share capital of the Company during the FY is as follows:

Issued, subscribed and paid-up share capital	Equity share (In nos.)	Equity share capital (In ₹)
At the beginning of the year, i.e., as on April 01, 2022	38,495,125	76,990,250
Stock Options allotted during the FY	50,800	1,01,600
Equity shares extinguished on buyback	(2,34,275)	(4,68,550)
<b>At the end of the year i.e., as on March 31, 2023</b>	<b>38,311,650</b>	<b>76,623,300</b>

## Buyback of equity shares

During the year, the Company has successfully completed the buyback of 2,34,275 equity shares at a volume weighted average buyback price of ₹ 1813.58 per equity share, for an aggregate value of ₹ 42,48,75,815.28, constituting up to 0.61% of the issued, subscribed, and paid-up equity share capital of pre-buyback period.

## Employee Stock Option Plan

The Company has instituted an equity-settled 'Employee Stock Option Plan-2016' ('ESOP-2016 Plan' or 'Plan'), with a view to attract, retain and incentivize the existing and new employees of the Company, by offering them opportunity to acquire a continuing equity stake in the Company, which will reflect their efforts in building the growth and the profitability of the Company. In the previous AGM, the Company proposed an amendment in ESOP-2016 Plan, formulated in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ['the SEBI (SBEB & SE) Regulations']. The ESOP-2016 Plan contemplates grant of Options to eligible employees, as may be determined in due compliance of the SEBI (SBEB & SE) Regulations. The plan is administered by the Nomination and Remuneration Committee.

During the year under review, the Company has granted 42,250 stock Options, complete details of which are set out in the **Annexure-I** to this report. As per Regulation 14 of the SEBI (SBEB & SE) Regulations, details of the plan is available on website of the Company at <https://www.tciexpress.in/annual-reports.aspx?invid=2&key=c81e728d9d4c2f636f067f89cc14862c>. Further, relevant disclosures in terms of Ind AS including guidance note on accounting for employee share-based payments issued, along with diluted earnings per share (EPS) on issue of shares pursuant to all the schemes, are provided under note no. 31 and 38(B) respectively, of the notes to the Financial Statements. Details of Options granted and equity shares allotted under ESOP-2016 Plan are also given in the notes to the Financial Statements, and forms a part of this Annual Report.

No employee was issued stock Options during the year, equal to or exceeding one percent (1%) of the issued capital of the Company, at the time of grant. The equity shares issued under ESOP-2016 rank pari passu with the existing equity shares of the Company. The Company's equity shares including those allotted during the year are listed on the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE).

There have been no material changes made to ESOP-2016 Plan and has been implemented in due compliance with the SEBI (SBEB & SE) Regulations. The certificate issued by the Secretarial Auditor of the Company, to the effect that the ESOP-2016 Plan has been implemented in accordance with the said Regulations and the resolution passed originally by the

Members, are being made available for inspection at this AGM.

During the period under review, the Company has not raised funds through preferential allotment or qualified institutions placement. Further, neither it has issued shares with differential voting rights nor granted any sweat equity for the reporting period. No disclosure was required under Section 67 of the Act read with Rule 16(4) of the Companies (Share Capital and Debentures) Rules, 2014, in respect of voting rights not exercised directly by the employees of the Company, as the provisions of the said Section are not applicable.

During the year, there were no instances of loans granted by the Company to its employees for purchasing its shares. The Company does not have any scheme or provision of money for the purchase of its own shares by employees or by trustees for the benefits of employees.

## SUBSIDIARY, HOLDING, JOINT VENTURE AND ASSOCIATE COMPANIES

The Company does not have any associate or joint venture entities. However, a wholly owned subsidiary (Wos) Company is incorporated in Singapore on February 14, 2023. As per the provisions of Section 129(3) of the Act read with the Companies (Accounts) Rules, 2014, a separate statement containing salient features of the Financial Statements of the Wos is provided under **Annexure-II** of this report.

The annual accounts of Wos are available for inspection by the Members at the Registered/Corporate office of the Company.

## BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### Board of Directors and Committees

The strength of the Board is accentuated by diversity with collective skill sets, gender and experience of the Directors. The composition of the Board is in conformity with the Act and Regulation 17 of the Listing Regulations. During the year under review, the Board of Directors met four (4) times. The detailed information of the Board containing inter alia composition, directorship, expertise, evaluation, meetings held and attendance are given in the Corporate Governance Report, which forms part of this Annual Report. A brief profile of each Director(s) is also available on website of the Company at <https://www.tciexpress.in/investor-relation.aspx>.

There are various Board constituted Committees as stipulated under the Act and Listing Regulations with well-defined roles and accountabilities to deal with specific areas of concerns. The Board Committees are governed by its terms of reference which exhibit the scope, composition, functioning and reporting parameters. The details on the constitution,

composition, brief terms of reference, meetings held and attendance of all the Board-level Committees are given in the Corporate Governance Report, which forms part of this Annual Report.

### Board and Key Personnel Management

During the FY 2022-23, no changes took place in the composition of the Board of Directors and Key Managerial Personnel of the Company. In accordance with the provisions of the Act and the Articles of Association of the Company, Mr. Vineet Agarwal (DIN: 00380300), Non-Executive Director of the Company, is liable to retire by rotation at this AGM and being eligible, has offered himself for re-appointment. The Board recommends his re-appointment. The resolution seeking approval of the Members for his re-appointment, forms part of AGM Notice.

A brief profile of Mr. Vineet Agarwal, together with his other Directorships and Committee positions are given in the Notice of AGM and Corporate Governance Report, forming part of Annual Report, being sent to the shareholders in accordance with the requirements of the Act, Listing Regulations and Secretarial Standard issued by the 'Institute of Company Secretaries of India' ('ICSI') on General Meetings.

### Declarations by Independent Directors

The Company has received declarations from all the Independent Directors under Section 149(7) of the Act and Rule 6(3) of the Companies (Appointment and Qualification of Directors), Rules 2014, read with the Listing Regulations, confirming that they meet the criteria of independence as laid down in Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations and that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence. The terms and conditions of appointment of Independent Directors are, as per Schedule IV of the Act.

The above declarations were placed before the Board and in the opinion of the Board, there has been no change in the circumstances which may affect their status as Independent Directors of the Company and the Board is satisfied of the integrity, expertise and experience (including proficiency in terms of Section 150(1) of the Act and applicable rules thereunder) of all Independent Directors on the Board.

None of the Director(s) is disqualified as on report date, in terms of Section 164(2) of the Act, from being appointed as a Director. A certificate to this effect, duly signed by the Practicing Company Secretary is annexed to the Corporate Governance Report, which forms an integral part of this Annual Report.

### Registration in Databank and Proficiency Test

In accordance with the Section 150 of the Act and Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, all the Independent Directors have been registered and are Members of Independent Directors databank, maintained by Indian Institute of Corporate Affairs.

Further, pursuant to the Companies (Appointment and Qualification of Directors) Rules, 2014, all the Independent Directors have been exempted by Indian Institute of Corporate Affairs, from appearing for the online proficiency self-assessment test, as they fulfilled the conditions for seeking exemption from appearing for the online proficiency self-assessment test.

### PERFORMANCE EVALUATION

The Company believes that formal evaluation of the Board and of the individual Directors is a potentially effective way to respond to the demand for greater Board accountability and effectiveness. Pursuant to applicable provisions of the Act and the Listing Regulations, the Board, in consultation with its Nomination and Remuneration Committee, has formulated a framework containing, inter-alia, the criteria for performance evaluation and evaluated performance of:

- the Board as a whole;
- the individual Directors (including independent Directors and Chairperson); and
- Statutory Committees of the Board.

The Board evaluation exercise for financial year 2022-23 was carried out by way of internal assessments made, based on a combination of detailed questionnaires and internal discussions. The evaluation template involved a questionnaire-based approach designed in alignment with guidelines issued under the Act, Listing Regulations, guidance note issued by the SEBI and ICSI from time to time and taking into consideration the suggestions given by the Directors. A separate questionnaire for each category of evaluation viz. the Board (including its Committees), Individual Directors (including Chairperson) have been prepared with separate sets of questions (questionnaire) for each of the evaluation(s).

The outcome of above performance evaluation was presented to the Nomination and Remuneration Committee and the Board of Directors. The Nomination and Remuneration Committee and Board of Directors expressed their satisfaction, towards the process followed by the Company for evaluating the performance of the Directors, Board as a whole including Chairperson and its Committees.

### Separate Meeting of Independent Directors

Pursuant to the requirements of Section 149(8) read with Schedule IV of the Act and Regulation 25 of the Listing

Regulations, a separate meeting of the Independent Directors was held on May 27, 2022, without the attendance of Non-Independent Directors and members of the Management of the Company, with a purpose of reviewing the performance evaluation. The Independent Directors discussed over the following agenda:

- Evaluation of the performance of Non-Independent Directors and the Chairperson;
- Evaluation of the performance of Board as whole, including its Committees;
- Evaluation of the quality, content and timelines of flow of information between the management and the Board, that is necessary for the Board to effectively and reasonably perform its duties

The Independent Directors expressed their satisfaction with the overall functioning of the Board and performance of individual Directors and expressed their satisfaction over the quality, quantity and timeliness of flow of information between the Company's Management and the Board. They were also satisfied with the overall functioning of the Board and its Committees.

### Familiarization programme for Independent Directors

The Company familiarizes the Independent Directors with their roles, rights and responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc., through periodic meeting.

As a part of the ongoing familiarization process of the Company, Independent Directors were apprised, during and/or after quarterly Board Meetings, about the operations of the Company, market scenario, governance, internal control processes and other relevant matters including strategy, important developments and new initiatives undertaken by the Company. Also, the Company Secretary apprised to the Board on various regulatory changes and its impact on the Company. Necessary amendments are made based on guidance received by the Directors. Apart from regulatory updates, the Board provides its direction on certain measures, which were implemented by the Company and outcome of the recommendations submitted to the Board and its respective Committee.

Further, the Senior Management Personnel made presentations on material developments including business, automation, markets, risk management comprising business continuity management plan, cyber security, ESG and sustainability, changes in the regulatory framework and business environment having an impact on the Company. The brief details of the familiarization programme are provided under Corporate Governance Report and placed on website of the Company at [www.tciexpress.in](http://www.tciexpress.in).



## MEETINGS OF BOARD AND SHAREHOLDER'S

The Board meets at least four (4) times a year to discuss and review the Company's performance, its quarterly/annually financial results along with other agenda matters and meet more often, if Company needs merit additional oversight and guidance. However, in case of business exigencies or urgency, meetings are convened with appropriate approvals or certain resolutions are passed by circulation, as permitted by law, which are noted in the subsequent meetings. Due to continued situation of social distancing norms, the Board/Committee meetings generally were held through video conferencing, except otherwise stated.

During the reporting year, four (4) meetings of the Board were held, details of which are given in the Corporate Governance Report, which forms part of this Annual Report. The maximum interval between any two consecutive meetings did not exceed one hundred and twenty (120) days.

The previous Fourteenth (14th) AGM of the Shareholders was held on Wednesday, August 03, 2022 through VC/OAVM, without the physical presence of the Members at a common venue, in compliance with the applicable provision of the Act and the Listing Regulations.

## COMPLIANCE WITH SECRETARIAL STANDARDS

During the year under review, the Company was in compliance with the Secretarial Standards issued relating to 'Meetings of the Board of Directors' and 'General Meetings' respectively.

Pursuant to the provisions of Section 118 of the Act, the Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the ICSI and that such systems are adequate and operating effectively.

## NOMINATION AND REMUNERATION POLICY

The Company has implemented a 'Nomination & Remuneration Policy' for its Directors, Key Managerial Personnel (KMP), Senior Management Personnel (SMP) and other employees, in terms of Section 178 of the Act, read with rules made thereunder and Regulation 19 of the Listing Regulations.

The main objective of the said Policy is to ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate the Directors, KMP, SMP and other employees. The salient features of the Policy are explained in the Corporate Governance Report, which is part of this Annual Report. The Policy can be accessed on Company website at [https://www.tciexpress.in/images/pdf/391\\_Nomination%20and%20Remuneration%20Policy.pdf](https://www.tciexpress.in/images/pdf/391_Nomination%20and%20Remuneration%20Policy.pdf)

## WHISTLE BLOWER AND VIGIL MECHANISM

The Company encourages an open and transparent system of working and promotes culture of integrity, fairness, honesty, transparency and ethical conduct in its dealings. With a view to adopt the highest ethical standards in the course of business, the Company has in place a Policy on 'Whistle Blower and Protection Mechanism' for reporting the instances of conduct, which are not in conformity with the Policy. The Policy is applicable to the employees of Company including its Directors and stakeholders and provides a platform to all of them to report any suspected or confirmed incident of unethical practices.

The Policy sets forth the process for raising concern/protected disclosure and safeguard available for whistle blower or complainant. It is issued consistent with the Company's Policy on 'Anti-Bribery and Anti-Corruption' and other codes/policies for combating unethical practices, fraud, corruption, misconduct, violation of the Company's Code of Conduct and any type of irregularities. Further, the mechanism provides for adequate safeguards against victimization of whistle blower, who avail such mechanism and allows direct access to the Chairperson of the Audit Committee, in exceptional cases. None of the whistle blowers have been denied access to the Audit Committee of the Board.

In terms of the said Policy, all the reported incidents are reviewed by the Ethics Committee. The implementation of the Policy and the functioning of the Ethics Committee are overseen by the Audit Committee. The Policy is communicated to the employees and posted on the Company's intranet. This Policy is also available on website of the Company at <https://www.tciexpress.in/corporate-governance.aspx?invid=10&key=3d9446802a44259755d38e6d163e820>. Additional information on the vigil mechanism is provided in the Corporate Governance Report, which forms part of the Annual Report.

## Code of Conduct and Ethical Business Practices

The Company has laid down 'Code of Business Conduct and Work Ethics' ('the Code'), which is based on the principles of ethics, integrity and transparency. This Code consists set of guiding principles of Company, rules or standards regarding organizational values, beliefs, and ethics, as well as matters of legal compliance, that govern the conduct of the organization and its members. It reflects our organization's culture and aims to bring it to life in the way we conduct ourselves and our business, in accordance with the guidelines spelt out in the Code, both in its letter and in its spirit.

In furtherance to the Company's philosophy of conducting business in an honest, transparent and ethical manner, the

Board has laid down 'Anti-Bribery and Anti-Corruption Policy' as part of the Company's Code of Business Conduct and Work Ethics. This Policy has been developed in consistent with the Company's commitment on 'Whistle Blower and Protection Mechanism' and other codes/policies for combating unethical practices, fraud, corruption, misconduct, violation of the Company's Code of Conduct and any type of irregularity in the Company. This mechanism provides avenue for raising concerns and provides secure environment to its Stakeholders and express concerns without fear of punishment or unfair treatment.

### PREVENTION OF HARASSMENT

The Company gives prime importance to the dignity and respect of its employees, irrespective of their gender or hierarchy and expects responsible conduct and behaviour on the part of employees at all levels. We strictly condemn acts like discrimination, forced or compulsory labor or child labor and support freedom of association, right to collective bargaining and equal remuneration.

The Company believes in rendering equal opportunities and does not discriminate in any aspects of employment including recruiting, hiring, promotion, demotion, transfer, termination, compensation, benefits and training. The Company firmly believes on constitutionally valid principle of 'equal wages for equal work', and provides equal rewards, resources and opportunities to a man and a woman doing the same work with the same amount of responsibilities and duties.

Towards its commitment to maintain a safe and healthy work environment, the Company has established a 'Policy on Prevention of Sexual Harassment of Women at Workplace' in compliance of provisions contained under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, that enables all the employees to work without a fear of prejudice, gender bias and sexual harassment. The Policy comprehensively covers all aspects of reporting, constitution of internal complaints committee, manner of enquiry, action during enquiry, enquiry report, protection to the victim, confidentiality and punishment including punishment in cases of false or malicious complaints.

To build awareness in this area, the Company undertakes ongoing trainings to understand the Policy on prevention of sexual and other forms of harassment and guided on framework for reporting and resolving instances of such harassment.

The Company does not engage in any form of child labour/forced labour/involuntary labour and does not adopt any discriminatory employment practices. As a Policy, the Company ensures no involvement of child /forced/bonded labour, sexual harassment, or unethical practices. In the reporting year, we have not received any complaints pertaining

to child labour, forced labour or sexual harassment.

### INVESTOR GRIEVANCE

The Stakeholders' Relationship Committee is responsible for managing investor grievances, and is assisted by the registrar and share transfer agent of the Company. We had no pending complaints at the beginning of the year and received two (2) new complaints during the year. At the end of the reporting period, all complaints were addressed.

### HUMAN RESOURCE

The Company acknowledges that its employees are the foundation of its sustainable approach and play a nonpareil role in its growth story. The Company places human resources management at the forefront and continually investing in human capital development, which includes building skills and capabilities that are contemporary, while providing employees with a diversity of experiences.

Employee care and well-being are a priority for the Company. It provides a wide range of benefits to its employees, including insurance, medical and health benefits, which reduce the attrition rates and keep the employees motivated for better performance and connected to the workplace. we have covered all our employees under best of Insurances, which secure both employee and his/her family and regular medical camps/awareness programmes are conducted for employees.

In addition to providing the right environment and growth opportunities to employees, we focus on a lot of employee welfare initiatives to keep the workforce motivated. With an objective of providing ample opportunity for learning and growth, we have structured in house training programs, which run at different developmental centers. The Company has a well-designed training agenda for continuous learning and development programmes to enhance people's capabilities and skills across roles. The Company undertakes robust learning and development initiatives that include technical, functional, leadership development and culture-building programmes. The learning and development needs are recognized through various processes, which includes Company's vision and mission, competency frameworks and training needs identified through performance management system on regular basis. Alongside professional trainings, awareness sessions are also conducted for our employees and stakeholders. The outputs of these programs have been very positive and have helped to improve the skills, personality, and performance of the participating individuals. Your Company constantly endeavors to improve upon its practices and processes for employee satisfaction through effective communication and engagement and promoting a culture based on trust and confidence. We aim to develop a culture that is based on fairness and respect. The Company through its Human Resource also periodically conducted

programmes across all locations for increasing awareness on critical issues like gender equality, sensitivity at the workplace, prevention of harassment and redressal mechanism in case of complaints.

For the third year in succession, we have been recognized as 'Great Place to Work' in India and our scores have consistently improved over the years. A detailed note on Human Resources is also mentioned in the 'Management Discussion & Analysis Report' section.

## PARTICULARS OF EMPLOYEES

The information required in respect of employees of the Company, in terms of provisions of Section 197 (12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is set out as **Annexure-III** and forms an integral part of this Report. None of the employees listed in the said Annexure are related to any Director of the Company.

A statement containing names of top ten (10) employees, in terms of remuneration drawn and the particulars of employees as required under Section 197(12) of the Act, read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate Annexure and does not form part of this Annual Report.

In terms of Section 136 of the Act, the said Annexure is open for inspection at the Registered Office of the Company. The above said disclosure will also be available for electronic inspection without any fee by the Members, from the date of circulation of Notice of AGM and up to the date of AGM.

Any Shareholder interested in inspection/obtaining a copy of the same may write to the Company Secretary at designated e-mail at [secretarial@tcexpress.in](mailto:secretarial@tcexpress.in), accordingly, the Company will arrange to make the copy available to the shareholders.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

In terms of the provisions of Regulation 34(2)(e) of the Listing Regulations, Management Discussion and Analysis Report for the year under review, is presented in a separate section, forming part of the Annual Report and provides a detailed analysis on the performance of the business and outlook.

## REPORT ON BUSINESS SUSTAINABILITY AND ENVIRONMENTAL, SOCIAL & GOVERNANCE

The Company always believed in long- term value creation for its stakeholders for a sustainable future. The Company continues to make efforts to enhance its operational eco-efficiency thereby lowering its carbon footprint. As part of our sustainability philosophy, the Company has implemented

framework of Environmental, Social and Governance (ESG). It has an elaborate report on ESG, that detailed the efforts of the Company on sustainability and is available on website of the Company at [www.tciexpress.in](http://www.tciexpress.in).

Pursuant to Regulation 34 (2) of the Listing Regulations, Business Responsibility and Sustainability Report for the FY 2022-23 describing various initiatives taken by the Company on social, environmental and governance perspective is provided in a separate section, forming integral part of this Annual Report.

## CORPORATE GOVERNANCE REPORT

Your Company has been constantly reassessing and benchmarking itself with well-established Corporate Governance practices, besides strictly complying with the requirements of the Listing Agreement. Your Company has documented internal governance policies and put in place a formalized system of Corporate Governance, which sets out the structure, processes and practices, of governance within the Company.

In terms of the provisions of Regulation 34(3) read with Schedule V of the Listing Regulations, a separate Report on Corporate Governance practices followed by the Company, together with a certificate from the Practicing Company Secretary, M/s. Sanjeev Bhatia & Associates, on compliance with Corporate Governance norms under the said Listing Regulations, is presented in a separate section, forming part of the Annual Report.

## AUDITORS

### Statutory Auditors and their Report

M/s. R.S. Agarwala & Co., Chartered Accountants (Firm) bearing firm registration number 304045E, is acting as the Statutory Auditors of the Company, as per the provisions contained under Section 139 of the Act. The Firm was originally appointed by the shareholders at their seventh (7th) AGM held on July 28, 2015 and subsequently re-appointed by them at twelfth (12th) AGM held on July 24, 2020, for a second tenure of five (5) years, commencing from the conclusion of said AGM till the conclusion of Seventeenth (17th) AGM.

The Statutory Auditor has issued report on the Financial Statements for the financial year ended March 31, 2023, with an unmodified opinion and do not contain any qualification, observation or adverse remarks or disclaimer that may call for any explanation from the Board of Directors.

### Details in respect of frauds reported by Auditors

During the year under review, no instances of fraud committed against the Company by its officers or employees, were reported by the Statutory Auditors and Secretarial Auditors

under Section 143(12) of the Act to the Audit Committee or the Board of Directors of the Company.

The total fees for all services paid to the Statutory Auditors are given in note no. 30 of the notes to the Financial Statements, for the FY 2022-23.

### Secretarial Auditors and their Report

Pursuant to the provisions of Section 204(1) of the Act read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and the Listing Regulations, the Company has, with the approval of its Board of Directors, appointed M/s. Vinod Kothari & Company, Practicing Company Secretaries (Unique Code-P1996WB042300) to conduct the Secretarial Audit of the Company for the FY 2022-23.

The Secretarial Audit Report for the FY 2022-23 confirms that the Company has complied with the provisions of the applicable laws and does not contain any observation or qualification, requiring explanation or comments from the Board, under Section 134(3) of the Act. The Secretarial Audit Report issued by Secretarial Auditors is enclosed as **Annexure -IV** and forms a part of this Report.

### Annual Secretarial Compliance Report

The Company has undertaken an audit with all applicable compliances, as per SEBI's Regulations and Circulars, Guidelines issued thereunder, for the financial year ended March 31, 2023. The Annual Secretarial Compliance Report issued by M/s. Sanjeev Bhatia & Associates, Practicing Company Secretary, has been submitted to the Stock Exchanges, within sixty (60) days of the end of the financial year.

### Internal Auditor

Pursuant to Section 138 of the Act read with Rule 13 of the Companies (Accounts) Rules, 2014, Mr. Krishan Pal Garg, a qualified Chartered Accountant professional in whole time employment of the Company, acts as Internal Auditor of the Company. He placed before the Audit Committee on quarterly basis, a report(s) on internal audit. Further, summary of significant audit observations along with recommendations and its implementations, are also being reviewed by the Audit Committee.

There were no adverse remarks or qualifications on accounts of the Company from the Internal Auditor.

### INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has adopted and implemented robust policies and procedures for ensuring the orderly and efficient conduct

of its business. The framework has been designed to provide with the size, scale and complexity of its operations, safeguarding of its assets, comply with the applicable laws, prevention and detection of fraud, accuracy and completeness of the accounting records, and timely preparation of reliable financial disclosures.

Mr. Krishan Pal Garg, Internal Auditor of the Company, audits the adequacy and effectiveness of the internal controls measures as laid down by the management and suggest improvements. He participates at the Audit Committee meetings, where Internal Audit Reports are discussed alongside of management comments and the final observation of the Internal Auditor. The Audit Committee of the Board of Directors periodically reviews the audit plans, internal audit reports and adequacy of internal controls and risk management.

Our internal control system, supports orderly and efficient conduct of its business including adherence to Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial information. During the year under review, no material weakness is reported and observed. Regular audit and review processes ensure that such systems are reinforced on an ongoing basis.

The details in respect of internal controls including internal financial controls and their adequacy are also included in the Management Discussion and Analysis section, which forms a part of Annual Report.

### RISK MANAGEMENT

The Company has developed and implemented a Risk Management Policy, pursuant to Section 134(3)(n) of the Act read with Companies (Accounts) Rules, 2014, which includes identification of elements of risk, if any, which in the opinion of the Board, may threaten the existence of the Company. The Policy outlines different kinds of risks and risk mitigating measures to be adopted by the Board.

Further, pursuant to Regulation 21 of the Listing Regulations, the Board of Directors has also constituted the Risk Management Committee of the Board, details of which along with terms of reference, number of meetings held during the year and attendance of Committee Members at each meeting are mentioned in the Corporate Governance Report.

The Committee reviews the risk management framework periodically and evaluates risks based on their likelihood and potential impact on the Company's objectives. Besides, the Committee also recommends measures to minimize risks and implements suitable control mechanisms.

Further, an independent internal audit system carries out



risk focused audits across business and operations of the Company. The Audit Committee of the Board of Directors reviews internal audit findings and provides strategic guidance on internal controls. The Audit Committee also monitors the internal control implementation of the action plans emerging out of internal audit findings. Therefore, the Company's risk management system addresses its increasingly complex risks in its day-to-day operations.

Details in respect of adequacy of internal financial controls with reference to the Financial Statements are further described in the 'Management's Discussion and Analysis Report', which forms part of Annual Report.

### COST RECORD

The provisions for maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Act are not applicable for the business activities carried out by the Company.

### PUBLIC DEPOSITS

The Company has not accepted or renewed any amount falling within the purview of provisions of Section 73 of the Act, read with the Companies (Acceptance of Deposit) Rules, 2014, during the year under review. Hence, the requirement of providing details relating to deposits, as also of deposits which are not in compliance with Chapter V of the Act, is not applicable.

### PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company has no inter-corporate loans/guarantees/security. Further investments made in the shares/securities of the Companies/entities are provided in the notes to Financial Statement forming part of this Annual Report. The investments are within the limits as specified in Section 186 of the Act.

### RELATED PARTY TRANSACTIONS

The Company has in conformity with the requirements of the Act and Listing Regulations, formulated a revised Policy on materiality and dealing of Related Party Transactions (RPT's), setting out the guidelines and procedures to be followed in respect of transactions entered by the Company with its related parties. The said Policy also defines the material modifications of RPTs and contains framework and procedures to review, determination of materiality, approval or ratification and reporting of such RPTs. The Policy on materiality and dealing with RPT's as approved by the Board can be accessed by its stakeholders at [https://www.tciexpress.in/images/pdf/392\\_Related%20Party%20Transactions%20Policy.pdf](https://www.tciexpress.in/images/pdf/392_Related%20Party%20Transactions%20Policy.pdf).

In conformity with the Policy, all transactions entered with

related parties were approved by the Audit Committee and Board. They had also granted omnibus approval on transactions, which were repetitive in nature, upto certain threshold limits for RPTs entered during the FY 2022-23. A statement of all related party transactions is presented before the Audit Committee and Board on a quarterly basis, specifying the nature, value, approval limits and other terms and conditions, supported by certification from the Internal Auditor.

During the financial year under review RPT's entered by the Company were on arm's length basis and in the ordinary course of business and were approved by the Audit Committee and Board. They have been disclosed in deference to Indian Accounting Standard 24 in notes to Financial Statements. The Company had no materially significant RPTs that could have any potential conflict with the interest of the Company.

During the year under review, besides above, there were no other RPTs with Promoters, Directors, Management, JV/Wos, etc. that had any potential conflict with the interest of the Company at large. The interest of Directors, if any, are disclosed at Board and Audit Committee meetings and interested Director does not participate in the discussion or vote on such transactions.

### CORPORATE SOCIAL RESPONSIBILITY

The Company recognizes its responsibility as an important stakeholder in the society and strives to work towards the betterment of the community constantly. With this objective, the Company has formed Corporate Social Responsibility (CSR) Committee, which discharges its social responsibilities, as prescribed under Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, and includes formulating and recommending to the Board of Directors, activities to be undertaken by the Company, as per Schedule VII to the Act. It is also responsible for framing Policy on CSR containing provisions for approach and directions given by the Board, guiding principles for selection, implementation, and monitoring of activities as well as the formulation of annual action plan etc.

Based on recommendation provided by the CSR Committee, the Company has adopted a CSR Policy, which indicates the activities to be undertaken by the Company as specified in Schedule VII to the Act. The CSR Policy articulates the Company's approach and commitment to sustainable and inclusive social development by improving the quality of life of the communities it serves.

The brief outline of the CSR Policy, annual report on initiatives undertaken by the Company on CSR activities during the FY, in accordance with the Section 135 of the Act and the Companies (Corporate Social Responsibility Policy) Rules,

2014, is set out in **Annexure-V** to this Report. For other details pertaining to the composition, terms of reference, number of meetings held during the year and attendance of the CSR Committee Members at meeting are given in the Corporate Governance Report, which forms a part of this Annual Report.

## CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

The particulars relating to conservation of energy and technology absorption, as required to be disclosed under Section 134(3)(m) of the Act read with the Companies (Accounts) Rules, 2014, are provided as **Annexure -VI** to this Board's Report.

## SIGNIFICANT ORDERS ISSUED, IF ANY

There are no significant and material orders passed against the Company by the regulators or courts or tribunals, during the year ended March 31, 2023, which would impact the going concern status of the Company and its future operations.

## PROCEEDING OR SETTLEMENT UNDER INSOLVENCY AND BANKRUPTCY CODE

During the year under review, no proceedings have been initiated against the Company under the Insolvency and Bankruptcy Code, 2016, and no proceedings under the Insolvency and Bankruptcy Code, 2016, were pending at the end of the year.

## ONE TIME SETTLEMENT AND VALUATION

During the year under review, the Company has not made any valuation or one time settlement, as prescribed under Section 134 of the Act read with Rule 8(5) of the Companies (Accounts) Rules, 2014.

## DIRECTOR'S RESPONSIBILITY STATEMENT

Based on the framework of internal financial controls and compliance systems established and maintained by the Company and the reviews performed by management and the relevant Board Committees, (including the Audit Committee of Directors), the Board of Directors, to the best of their knowledge and ability, state the following:

1. That in the preparation of the annual Financial Statements for the financial year ended March 31, 2023, all the applicable Accounting Standards have been followed

and there were no material departures therefrom;

2. That such accounting policies have been selected and applied consistently and judgment & estimates have been made that are reasonable and prudent to give a true and fair view of the state of affairs of the Company as at March 31, 2023 and of the profit and loss of the Company for the financial year ended on that date;
3. That proper and sufficient care has been taken 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, if any;
4. That the annual Financial Statements have been prepared under the going concern assumption;
5. That proper internal financial controls are in place and that the financial controls are adequate and are operating effectively;
6. That proper system has devised to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

## APPRECIATION

Your Board place on record their deep appreciation to each of its stakeholders and acknowledge the valuable contribution extended by them. The Board expresses its appreciation for the contribution, cooperation and confidence reposed in the Company by our customers, vendors business associates, banks, financial institutions, stock exchanges, depositories, rating agencies, government authorities and shareholders.

The Board take this opportunity to thank and acknowledge with gratitude, the contributions made by the employees through their hard work, dedication, competence, commitment and co-operation towards the sustainable success of the Company. Their hard work, dedication, and support have been instrumental in achieving our goals and driving business forward. We value and acknowledge their unwavering dedication, valuable contributions, and expertise, which are integral to the success of our Company.

We are committed to build strong relationships with all our stakeholders, and we value their feedback and input as we strive to improve and grow our business. We look forward to continuing support and involvement of all our stakeholders.

Place: Gurugram  
 Date: May 26, 2023

**D.P Agarwal**  
 Chairperson  
 (DIN: 00084105)

For and on behalf of the Board  
**TCI Express Limited**

**Chander Agarwal**  
 Managing Director  
 (DIN: 00818139)

## ANNEXURE- I

## EMPLOYEE STOCK OPTION PLAN (ESOP-2016)

[Pursuant to Regulation 14 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021]

Sr. no.	Particulars	Disclosures
1.	Date of shareholder's approval	November 4, 2016
2.	Total number of Options approved under the plan	9,57,218
3.	Vesting requirements	The vesting period shall commence after one (1) year from the date of grant of Options and may extend upto three (3) years from the date of each grant, in the manner prescribed by the Nomination and Remuneration Committee.
4.	Exercise price or pricing formula	The exercise price will be the market price of the equity shares, one day before the date of meeting of the Nomination and Remuneration Committee, wherein the grants of Options of that particular year will be approved, after providing suitable discount or charge premium on such price as arrived above. 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	The vesting of Options granted will take place within a maximum period of three (3) years from the date of grant.
6.	Sources of shares	Primary
7.	Variation in terms of Options	During the year, no amendment/modification/variation has been made in terms of Options granted by the Company.
8.	Method used for accounting of ESOP	The Company has calculated the employee compensation cost using the fair value method of accounting for the Options granted.

## Options Movement during the FY 2022-23

Sr. no.	Particulars	ESOP-2016 Part-III	ESOP-2016 Part-IV	ESOP-2016 Part-V	ESOP-2016 Part-VI
1.	Number of Options outstanding at the beginning of the period i.e. April 01, 2022	39,200	14,000	39,000	-
2.	Number of Options granted during FY 2022-23	-	-	-	42,250
3.	Number of Options forfeited/lapsed during FY 2022-23	5,200	750	150	-
4.	Number of Options vested during FY 2022-23	39,200	6,000	11,700	-
5.	Number of Options exercised during FY 2022-23	34,000	52,50	11,550	-
6.	Number of shares arising as a result of exercise of Options	34,000	5,250	11,550	-
7.	Amount realized by exercise of Options, if scheme is implemented directly by the Company (in ₹)	11,492,000	26,82,750	80,61,900	-
8.	Loan repaid by the trust during the year from exercise price received	Not Applicable			
9.	Number of Options outstanding at the end of the year i.e. March 31, 2023	Nil	8,000	27,300	42,250
10.	Number of Options exercisable at the end of the year i.e. March 31, 2023	Nil	8,000	27,300	42,250

## ANNEXURE- I

Sr. no.	Particulars	ESOP-2016 Part-III	ESOP-2016 Part-IV	ESOP-2016 Part-V	ESOP-2016 Part-VI
11.	<b>Employee's details who were granted Options during the FY 2022-23</b>				
a)	Key Managerial Personnel/ Senior Managerial Personnel (KMP/SMP) along with details for Options granted, amounting to five percent (5%) or more of the Options granted during the year	<b>Name of KMP/SMP/Employee</b>		<b>Options granted</b>	<b>#Percentage to total grants</b>
		Mr. Mukti Lal (KMP)		11,000	> 5%
		Mr. Pabitra Panda (KMP)		8,250	> 5%
		Mr. Noratmal Sarva (SMP)		4,600	> 5%
		Mr. Vikas Sharma (SMP)		2,200	> 5%
		Mr. Krishan Pal Garg (SMP)		750	< 5%
		Mr. Girija Sankar Das (SMP)		750	< 5%
		Mr. Girish Dua (SMP)*		750	< 5%
		Mr. Pious Chachan (AVP-REM)		2,750	> 5%
		Mr. Sunil Kumar Rai (AVP-REM)		2,200	> 5%
(b)	Identified Employees who were granted Option, during any one year, equal to or exceeding one (1%) of the issued capital of the Company at the time of grant	None			
12.	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 recognized, if they had used fair value of the Options. The impact of this difference on EPS of the Company	Not Applicable			
13.	Weighted average exercise price of Options whose exercise price is less than market price (In ₹)	338.00	511.00	698.00	800.00
14.	Weighted average fair value of Options whose exercise price is less than market price (In ₹)	366.02	513.96	921.21	967.53
15.	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, based on description and assumptions given under the model. The main assumptions used in the model are as follows:

Date of grant	22.05.2019			09.02.2021			28.07.2021			27.05.2022		
Vesting Particulars	Vest (1)	Vest (2)	Vest (3)	Vest (1)	Vest (2)	Vest (3)	Vest (1)	Vest (2)	Vest (3)	Vest (1)	Vest (2)	Vest (3)
Vesting %	30%	30%	40%	30%	30%	40%	30%	30%	40%	30%	30%	40%
Risk free interest rate (in %)	6.40	6.53	6.82	4.07	4.64	4.97	3.88	4.23	4.67	5.87	6.38	6.81
Expected life (in years)	1.08	2.08	3.09	1.08	2.08	3.09	1.08	2.08	3.09	1.08	2.08	3.09
Historical volatility (in %)	31.37	35.10	37.92	49.23	41.71	38.70	42.75	45.62	41.53	47.48	44.13	45.39
Expected dividend yield (in %)	0.42	0.42	0.42	0.50	0.50	0.50	0.48	0.48	0.48	0.46	0.46	0.46
Price of the underlying share in market at the time of grant	657.85			963.70			1542.20			1633.35		

#This grant relates to ESOP-2016 (Part-VI) only, other than above, none of employee was granted Options, amounting to 5% or more of the total Options, of 42,250, granted during the FY 2022-23. \*Mr. Girish Dua is not associated with the Company as on reporting date.



## ANNEXURE- II

## FORM AOC-I-STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENTS OF WOS

[Pursuant to first proviso to sub section (3) of Section 129 of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014]

(₹ in Crores)

Sr. no.	Particulars	Details
1.	Name of the Wos	TCI Express Pte. Ltd
2.	Reporting currency	Singapore dollars
3.	Exchange rate	61.7544 (In ₹)
4.	Reporting period	Apr-22 to Mar-23
5.	Equity share capital	0.62
6.	Other equity	0
7.	Reserve and surplus	-
8.	Total assets	0.62
9.	Total liabilities	-
10.	Investment	-
11.	Turnover	0
12.	Profit before taxation	0
13.	Provision for taxation	0
14.	Profit after taxation	0
15.	Percentage of holding	100%

For and on behalf of the Board  
**TCI Express Limited**

**D.P Agarwal**  
 Chairperson  
 (DIN: 00084105)

**Chander Agarwal**  
 Managing Director  
 (DIN: 00818139)

Place: Gurugram  
 Date: May 26, 2023

**ANNEXURE- III**
**PARTICULARS OF EMPLOYEES**

[Pursuant to Section 197(12) of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

**1. Remuneration disclosures of the Directors and Key Managerial Personnel Employees as per Section 197(12) of the Act read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:**

Sr. no.	Name of the Director/KMP	Designation	Remuneration for the FY2022-23 (₹ in Crores)	% increase in remuneration over last year	Ratio of remuneration of Directors with median remuneration of employees
1.	Mr. Chander Agarwal	Executive Director	9.90	9.36	466.22
2.	Mr. D.P Agarwal	Non-Executive Director	0.06	-	2.82
3.	Mr. Vineet Agarwal	Non-Executive Director	0.06	-	2.82
4.	Mr. Phool Chand Sharma	Non-Executive Director	0.06	-	2.82
5.	Mr. Murali Krishna Chevuturi	Independent Director	0.06	-	2.82
6.	Mr. Ashok Kumar Ladha	Independent Director	0.06	-	2.82
7.	Mrs. Taruna Singhi	Independent Director	0.06	-	2.82
8.	Mr. Prashant Jain	Independent Director	0.06	-	2.82
9.	Mr. Pabitra Panda	Chief Operating Officer <sup>a)</sup>	1.16	27.67	N.A
10.	Mr. Mukti Lal	Chief Financial Officer <sup>a)</sup>	1.70	17.71	N.A
11.	Ms. Priyanka	Company Secretary	0.13	20.20	N.A

a) The remuneration includes perquisite value of ESOP's, exercised during the FY 2022-23;

b) Sitting fees paid to Non-Executive including Independent Directors during the FY 2022-23 is not considered, as remuneration for ratio calculation purpose, hence commission paid to them is reported above.

**2. Particulars of increase in remuneration of employees as required under Section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:**

Sr. no.	Particulars	Details
1.	Total number of permanent employees on the rolls of Company as on March 31, 2023:	3,072
2.	Percentage increase in the median remuneration of employees during the FY 2022-23:	8.58%
3.	The average percentile increase made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	The average percentile increase made in the salaries of employees other than the managerial personnel in the last financial year was 13.02%. The percentile increase in the managerial remuneration in the last financial year was 10.05%, which is less than the increment made to remuneration of employees. These increments are based on the Company's Policy on remuneration and after taking in to consideration market trend, industry benchmarking and Company's performance etc.

ANNEXURE- III *CONTD..*

Sr. no.	Particulars	Details
4.	Details of employees, employed throughout the financial year, who were in receipt of the remuneration for that year which, in aggregate, was not less than ₹ 1.02 Crore;	There was no employee, who was in receipt of remuneration above ₹ 1.02 Crore in a year. Mr. Mukti Lal and Mr. Pabitra Panda (KMP's) remuneration is reported inclusive of perquisite value of ESOP's exercised, subsequently increased impact can be noticed.
5.	Details of employees, employed for a part of the FY and who were in receipt of the remuneration, during for that FY at a rate not less than ₹ 8,50,000 per month;	None
6.	Particulars of employees, employed throughout the FY or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate is in excess of that drawn by the Managing Director or Whole-time Director or Manager and holds by himself or along with his spouse and dependent children, not less than 2% of equity shares of the Company.	None

It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for the Directors, KMP's/SMP's and other employees.

For and on behalf of the Board  
**TCI Express Limited**

Place: Gurugram  
 Date: May 26, 2023

**D.P Agarwal**  
 Chairperson  
 (DIN: 00084105)

**Chander Agarwal**  
 Managing Director  
 (DIN: 00818139)

## ANNEXURE- IV

### SECRETARIAL AUDIT REPORT

[Pursuant to section 204(1) of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
**TCI Express Limited**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **TCI Express Limited** (hereinafter called '**the Company**') for the financial year ended March 31, 2023 ('**period under review**'). The 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 authorized 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.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company 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 and Sweat Equity) Regulations, 2021;

- 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;
  - g) The Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018.
6. Specific laws 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 Carriage by Road Act, 2007;
  - b) Motor Vehicles Act, 1988.

We have also examined compliance with the applicable clauses of the Secretarial Standard 1 and 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.

#### Recommendations as a matter of best practice:

In the course of our audit, we have made certain recommendations for good corporate practices to the compliance team, for its necessary consideration and implementation by the Company.

#### 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. There were no changes in the composition of the Board of Directors that took place during the period under review.

Adequate notice is given to all Directors to hold 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.

All the decisions were unanimous and there was no instance of dissent in Board or Committee Meetings.

**We further report that** there are adequate systems and processes in the Company, which commensurate with its size and operations 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 events/ actions



ANNEXURE- IV *CONTD...*

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. Buyback of equity shares:**

During the period under review, the Board of Directors at their meeting held on May 27, 2022 and the shareholders, by way of a special resolution passed on August 03, 2022, approved the proposal to buyback fully paid-up equity shares of face value of ₹ 2.00 each from the equity shareholders of the Company (other than the promoters, the promoters group and persons in control of the Company), for an aggregate amount of not exceeding ₹ 75.00 Crores (Rupees Seventy-Five Crore only) ('Maximum Buyback Size'), being 13.97% of its total paid-up share capital and free reserves as on March 31, 2022 for a price not exceeding ₹ 2,050 (Rupees Two Thousand and Fifty only) per equity share ('Maximum Buyback Price') through the open market route through the stock exchanges where the equity shares of the Company are listed, in accordance with the provisions of the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018. The indicative maximum number of equity shares proposed to be bought back was 3,65,853 equity shares, comprising approximately 0.95 % of the paid-up share capital of the Company as of March 31, 2022. The Company bought back 2,34,275 equity shares at an average price of ₹ 1813.58/- per equity share and accordingly, the Company utilized about ₹ 42.49 Crore/- (not including transaction cost), which represents 56.65%

of the Maximum Buyback Size. The buyback Committee accorded their approval for the completion and approved the closure of the buyback pursuant to the terms of the public announcement, effective from close of business hours of February 13, 2023.

**2. Amendment to the ESOP Scheme:**

During the period under review, the Company has amended the Employee Stock Option Plan-2016 ('ESOP Scheme') by obtaining shareholder approval vide special resolution passed in the AGM held on August 03, 2022. The ESOP Scheme has been amended to align and comply with the requirements of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and inter alia to extend the benefits of ESOP-2016 to the present and future employees/Directors of the existing/future Group Company(ies) including Associate Company(ies).

**3. Issue of equity shares under ESOP Scheme:**

During the period under review, the Company allotted 50,800 (Fifty Thousand Eight Hundred) equity shares of ₹ 2.00 in accordance with Employee Stock Option Scheme 2016 - Part III (3rd Tranche), Part IV (2nd Tranche) and Part-V (1st Tranche).

**4. Incorporation of TCI Express Pte. Ltd:**

During the period under review, the Board of Directors at the meeting held on January 31, 2023 approved incorporation of TCI Express Pte. Ltd as a wholly owned subsidiary in Singapore.

For M/s **Vinod Kothari & Company**  
 Practicing Company Secretaries  
 Unique Code: P1996WB042300

**Vinita Nair**

Senior Partner

Membership No.: F10559

CP No.: 11902

UDIN: F010559E000335268

Peer Review Certificate No.:781/2020

Place: Mumbai  
 Date: May 19, 2023

This report is to be read with our letter of even date which is annexed as **Annexure 'I'** and forms an integral part of this report.

## ANNEXURE- IV *CONTD...*

### Annexure-I

#### [Annexure to secretarial audit report (non-qualified)]

To,  
The Members,  
**TCI Express 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. Considering the effectiveness of information technology tools in the audit processes, we have conducted online verification and examination of records, as facilitated by the Company, for the purpose of issuing this Report. In doing so, we have followed the guidance as issued by the Institute.
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-check 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- IV *CONTD...*

## Annexure-II

## [Annexure to secretarial audit report (non-qualified)]

**List of Documents**

1. Minutes (signed except for the meetings held on January 31, 2023) for the meetings of the following held during the period under review:
  - a) Board of Directors dated May 27, 2022, August 03, 2022, October 31, 2022, and January 31, 2023;
  - b) Audit Committee dated May 27, 2022, August 03, 2022, October 31, 2022, and January 31, 2023;
  - c) Nomination and Remuneration Committee dated May 27, 2022 and January 31, 2023;
  - d) Corporate Social Responsibility Committee dated May 27, 2022;
  - e) Risk Management Committee dated April 1, 2022, May 27, 2022, October 31, 2022 and January 31, 2023;
  - f) Stakeholders Relationship Committee dated May 27, 2022 and October 31, 2022;
  - g) Annual General Meeting held on August 03, 2022.
2. Agenda papers for Board and Committee Meeting along with notice on a sample basis;
3. Proof of circulation of draft and signed minutes of the Board and Committee meetings on a sample basis;
4. Annual Report for financial year 2021-22;
5. Directors' disclosures under the Act and rules made thereunder;
6. Documents and disclosures relating to buy-back;
7. Forms filed with ROC as downloaded from MCA, intimations made to stock exchanges;
8. Policies/ Codes framed under SEBI regulations;
9. Disclosures under SEBI (Prohibition of Insider Trading) Regulations, 2015;
10. Terms of reference of the Committees.
11. Annual Secretarial Compliance report dated May 12, 2023 issued by M/s. Sanjeev Bhatia & Associates, Practising Company Secretaries.

## ANNEXURE-V

### ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY

[Pursuant to Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014]

#### 1. A brief outline of the Company's CSR Policy:

The Company believes that in order to achieve future sustainability, we should ingrain corporation's actions congruent with society's goals. It is now a societal expectation that organizations not only have a responsibility towards social and environmental welfare, but should play a positive and integral role in achieving it.

The Company integrates social and environmental concerns in its business operations as part of Corporate Governance that is designed to ensure that the Company's operations are ethical and beneficial for society. Being a responsible corporate citizen, Company's initiatives are focused to bring about a positive change in the lives of the communities through its business operations, spread across different states. The Company through its partnership with social arms is continually working towards making a difference to communities across India through its CSR projects. The primary focus areas of these projects include:

a) **Education**- With its primary objective of boosting education, the Company has directed maximum CSR contribution in like initiatives. TCI Foundation is committed to ensure the provision of good quality education to the girl children, elimination of gender disparities in primary and secondary schooling, and achievement of gender equality at all levels. The Company in partnership with social arms, helped in implementing programmes that support education and skills development for differently abled people and people at all ages, ensuring that they have access to quality education that can help them achieve their full potential. Further, the Company with the help of TCI Foundation took an initiative for providing educational aid to school situated at Jharkhand, by providing benches/furniture, where more than 1,000 children's study.

The Company in partnership with social arms has also provided training programmes to farmers in order to enhance their knowledge by adding the latest technologies of modern farming as well as work on innovative marketing processes to increase their annual income. The main purpose of training the farmers is to optimize their farming practices to get a better yield. It is a combination of both traditional as well as modern practices. With hundreds of farmers benefiting from increased income, we are in a position to encourage and inspire farmers across the country to join this rapid rural economic development movement.

b) **Healthcare**- Our dedication to the improvement of public health has long been proven over the past two decades by venturing into unattended health sectors in certain communities. We initiate and support innovative health and development programmes at the grassroots with an active participation of people and healthcare workers. Addressing barriers to quality health among vulnerable and low income population and providing cost-effective, preventive, promotive and rehabilitative health services has always been our primary focus.

c) **Skill development and employment**- We believe in our ethos of giving back to society and empowering the underrepresented groups. We aspire to contribute towards the growth of these groups, thereby doing our part in providing them with decent work and economic growth opportunities. The Company in partnership with CSR arm imparted vocational training to underprivileged low-literate youth and women to equip them with relevant skills and efficiency that will encourage their economic independence. We have been able to transform the lives of 5000+ by providing them with professional and vocational skills to secure livelihood opportunities.

d) **Sports development**- TCI Foundation has established Urmila Sports Academy at nyangal bari village in Rajasthan. The academy serves as a platform to channelize the energy of youth athletes for productive and meaningful purpose and helps them to enhance their skills. The infrastructure and facilities of the academy matches international standards and are capable of being used for the conduct of national and international sports events.

e) **Rural and community development**- Rural development implies both the economic betterment of people as well as greater social transformation. Contributions made by the Company towards upliftment of the community through various initiatives and partnerships focusing on the health, education, human life upliftment, among others, elevates the Company's brand value among the local community members as well as contributes towards positive social performance.

The Company's unwavering commitment to CSR is reflective of its belief in community upliftment as it advances towards achieving its goals. With a keen understanding of the integral role of community development in long-term success, the Company diligently collaborates with the communities within



ANNEXURE- V *CONTD...*

which it operates to drive social and economic progress. The Company proactively participates in initiatives aimed at creating a sustainable path to a better future for underprivileged sections of society through its CSR endeavors.

The projects of CSR and expenditure for the FY 2022-23 are compliant with the CSR mandate as specified under Sections 135 read with Schedule VII of the Act, along with the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time and in line with notifications issued from time-to-time by Ministry of Corporate Affairs (MCA).

**2. Composition of the CSR Committee and web-link where composition, CSR policy and CSR projects approved by the Board are disclosed on the website of the Company:**

In accordance with the provisions of Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has formulated Policy on CSR, which can be accessed on the Company's website at <https://www.tciexpress.in/corporate-governance.aspx?invid=10&key=d3d9446802a44259755d38e6d163e820>. The CSR Policy outlines the Company's philosophy and responsibility and lays down the guidelines and mechanism for undertaking socially impactful programs towards welfare and sustainable development of the community, in coherence with Schedule VII to the Act, taking into account the recommendations of the CSR Committee, for selection, implementation and monitoring of CSR activities as well as formulation of the Annual Action Plan.

The detailed information with regard to the composition, meeting held and attendance at its meeting are provided in the Corporate Governance Report, which forms an integral part of Annual Report. The composition of Committee is also disclosed on the Company's functional website at [www.tciexpress.in](http://www.tciexpress.in) along with Policy and projects approved by the Board, based on recommendations received by the CSR Committee.

**3. Provide the details of impact assessment of CSR projects carried out, in pursuance of Rule 8(3) of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable:**

The Company periodically reviews the progress of its initiatives undertaken through social developments arms and its independent implementing agencies. To keep track of progress of the initiatives taken and monitor fund disbursement, utilization certificates are procured from the agencies.

The Company at present is not required to carry out impact assessment, in pursuance of Rule 8(3) of the Companies (Corporate Social Responsibility Policy) Rules, 2014.

**4. Details of the amount available for set-off, in pursuance of Rule 7(3) of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set-off for the financial year, if any:**

For the current FY 2022-23 and preceding years, no amount is required to be set off, in pursuance of Rule 7(3) of the Companies (Corporate Social Responsibility Policy) Rules, 2014.

**5. Details of CSR obligations for the financial year:**

Sr. no.	Particulars	(Amount in Lakhs)
a)	Average profit of the Company as per Section 135(5) of the Act	13891.38
b)	Prescribed CSR Expenditure as per Section 135(5) of the Act	277.82
c)	Surplus arising out of the CSR projects/programmes/activities of the previous financial years	-
d)	Amount required to be set off for the financial year, if any	-
<b>Total CSR obligation for the FY [5(b)+5(c)-5(d)]</b>		<b>277.82</b>

**6. Details of expenditure and related matters:**

Sr. no.	Particulars	(Amount in Lakhs)
a)	Amount spent on CSR Projects (other than ongoing project)	270.00
b)	Amount spent in administrative overheads	10.00
c)	Amount spent on impact assessment, if applicable	-
<b>Total amount spent for the FY [6(a)+6(b)-6(c)]</b>		<b>280.00</b>

**7. Details of CSR projects and amount spent or unspent for the financial year:**

The Company has fully spent the required amount and there is no unspent CSR amount for the year, requiring a transfer to a fund specified in Schedule VII to the Act. All amount transferred on projects are, in the nature of other than ongoing, complete details are provided herein below:

ANNEXURE- V *CONTD...*

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	Amount spent in the current financial Year	Amount transferred to unspent CSR account for the project as per Section 135(6) of the Act	Mode of implementation Direct (Yes/No)	Mode of implementation - Through implementing agency	CSR Registration No.
				State	District						Trust/Foundation Name	
1.	Shiksha	Promoting Education	Yes	Jharkhand	Khunti	Other than on-going	180.00	130.00	-	No	TCI Foundation	00000298
				Maharashtra & Madhya Pradesh	Multiple district			30.00	-	No	Global Vikas Trust	00004400
				Andhra Pradesh	Srikakulam			20.00	-	No	Gnana Bharati Educational Trust	00045724
				Rajasthan	Jaipur							
				Karnataka	Vellore							
2.	Kavach	Promoting preventive healthcare	Yes	Delhi	Delhi		10.00	10.00	-	No	TCI Foundation	00000298
				Tamilnadu	Coimbatore							
3.	Saksham	Employment, enhancing vocational skills	Yes	Haryana	Rewari		25.00	25.00	-	No	Om Sarvodayam-Sansthanam	00017405
				Rajasthan	Churu		25.00	25.00	-	No	TCI Foundation	00000298
4.	Shorya	Promoting sports training for nationally recognized and Olympic sports	Yes									
5.	Samantha	Rural development	Yes	Haryana	Mahendergarh		30.00	25.00	-		Om Sarvodayam-Sansthanam	00017405
				Jharkhand	Khunti			5.00		No	TCI Foundation	00000298

ANNEXURE- V *CONTD...*
**8. Details of unspent CSR amount, during the current and preceding three financial years. Specify the reason(s), if the Company has failed to spend two percent of the average net profit, as per Section 135(5) of the Act:**

In terms of Section 135 of the Act read with CSR Rules and in accordance with the CSR Policy, your Company has during the FY 2022-23 and preceding three FY, spent over two percent of the average net profits of respective current and three preceding financial years.

**9. 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):**

Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent (₹ in Lakhs)	Details of entity/ authority/beneficiary of the registered owner		
				CSR Registration No.	Name	Registered address
Acquisition of furniture for TCI DAV Public School, situated at Govindpur Road, Jamhar, Khunti, Jharkhand	835234	10.10.2022 14.11.2022 19.12.2022 21.12.2022 07.01.2023 20.01.2023 18.03.2023 31.03.2023	19.00	00000298	TCI Foundation	Plot 69, Institutional Area, Sector-32, Gurugram-122001
Installation of facilities at Urmila Sports Academy, situated at village Nangal Bari, Tehsil Rajgarh, District Churu, Rajasthan	331023	25.03.2023	14.88	00000298	TCI Foundation	Plot 69, Institutional Area, Sector-32, Gurugram-122001

**10. Responsibility statement by Management:**

The CSR Committee confirms that the implementation and monitoring of the CSR Policy of the Company, is in compliance with the CSR objectives of the Company as defined under the Act and other applicable provision in this regard.

 On behalf of the **CSR Committee**

 On behalf of the **Board of Directors**

Place: Gurugram

**D.P Agarwal**
**Chander Agarwal**

Date: May 26, 2023

Chairperson of Committee

Managing Director

## ANNEXURE-VI

### CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

[Pursuant to Section 134 of the Companies Act, 2013 and the Companies (Accounts) Rules, 2014]

#### A. Conservation of Energy

Energy efficiency measures is one of the key strategic areas in our pursuit of sustainability as it not only reduces energy demand, also slow down resource depletion. The Company has successfully installed 600 kWp solar panels at the Gurgaon sorting center and 280 kWp at the Pune sorting center. These advanced sorting centers are now energy self-sufficient, utilizing solar energy efficiently and optimizing the Company's overall energy consumption. The Company focuses to use energy conserving roofing at its various sorting centers, which helps to save energy by reflecting light and heat away rather than absorbing them. The Company promotes use of BS VI compliant vehicles to restrict its emission level and ultimately helps to minimize carbon footprints. The Company aims to have negligible negative impact on the environment by identifying ways to optimize resource consumption in its operations, although the very nature of the businesses of the Company, has limited impact on environment. However, the Company complies with applicable environmental regulation in respect of premises and its operation.

The Company is progressing towards adopting sustainable business practices and transitioning to low environmental footprint. We have been making sustained efforts toward transitioning to renewable energy by enhancing utilization of solar, automation and digitalization in our business operations. During the year under review, the Company has implemented various energy-saving devices and systems, which help in conserving energy, these efforts are briefly elaborated in the Management Discussion Analysis

Report and further detailed in Business Responsibility and Sustainability Report, forming an integral part of this Annual Report.

#### B. Technology Absorption, Adoption and Innovation

The Company has been a pioneer in adopting latest technologies with innovation for achieving maximum automation, digitalization, operations excellence, and security. During the year under review, the Company has implemented the real time alerts system in some of its facilities using artificial intelligence, which has significantly controlled and ensured implementation of standard operating procedure, in its operations. The Company has also implemented security measures for ensuring encrypted data flow and restricted access-based policies.

Considering the recent developments, the Company has focused its capex utilization for construction, automation, and IT infrastructure development for the sorting and other centres. In the previous year, the Company has implemented automation in its sorting center align with strategic objectives, which resulted in direct cost reduction benefits, shorter turnaround time and enhanced operational efficiencies in the long run. In future, the Company is also planning to replicate similar automation in other sorting centers as well, which will not only add value to volume growth, better capacity utilization will also improve capacity utilization and efficiencies. The investment in new automated sorting centres will generate new growth opportunities for business and create value for all our stakeholders in the long run. The Company will continue to adopt and use the latest technologies to improve the efficiency and effectiveness of its business operations.

For and on behalf of the Board  
**TCI Express Limited**

**D.P Agarwal**  
 Chairperson  
 (DIN: 00084105)

**Chander Agarwal**  
 Managing Director  
 (DIN: 00818139)

Place: Gurugram  
 Date: May 26, 2023



# CORPORATE GOVERNANCE REPORT

## COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

For **TCI Express Limited** ('the Company'), strong governance is the foundation of Company's sustainable growth. Our philosophy of Corporate Governance is backed by rich legacy of sustainable and transparent practices followed in the Company. Our principles of governance encompassing integrity, ethical conduct, accountability, responsibility, equality and social responsibility independence, transparency in dealings as well as fair and timely disclosures, guide our business processes and are intrinsic to our work culture.

Our continuous approach towards **SUSTAINABLE GROWTH** with strong governance principles helps to build trust with the investors and the community and at length, lend a hand for creating and enhancing value for our stakeholders. With strong Corporate Governance structure guided by our inclusive Policy, our Board along with its Committees undertake fiduciary responsibilities for all stakeholders by ensuring transparency, fair play, independence in decision-making. Dedicated Board level Committees oversee the formulation, implementation and revision of various policies that guide our operations and we also have management level Committees that closely guide and monitor the functional teams. The Board of Directors along with our top Management team play an indispensable role in ensuring a strong governance approach in our decision making.

The Company is committed for achieving and adhering to the highest standards of Corporate Governance and constantly reviewing best practices to improve it further, by adopting best corporate practices and sustainability systems. The Company continues to focus on building trust with shareholders, employees, customers, suppliers and other stakeholders, based on the principles of good Corporate Governance, in compliance with all applicable laws and regulations including requirements stipulated under provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 ('Listing Regulations'), the Companies Act, 2013 ('the Act'), and listed below is the status with regard to same. The information provided in the Report on Corporate Governance for the purpose of uniformity is as on March 31, 2023 and updated as on the date of the Report, wherever applicable.

## GOVERNANCE STRUCTURE -BOARD OF DIRECTORS

The Company firmly believes that an active, well-informed, and independent Board is necessary to ensure the highest standards of Corporate Governance. The Board of Directors ('Board' or 'Directors') of the Company provide independent views and guidance to the Company's Management, while discharging its fiduciary responsibilities to ensure that the Company's actions and objectives are aligned to sustainable growth and long-term value creation.

The strength of the Board is accentuated by diversity in terms of the collective skill sets, gender and experience of the Directors. The Company currently has an optimum mix of Directors on the Board, who possess the requisite qualifications and experience in corporate management, enabling them to contribute effectively to the Company in their capacity as Directors of the Company. Detailed profiles of the Directors are available on the Company's website at [www.tciexpress.in](http://www.tciexpress.in).

### Composition and Competencies

Pursuant to Section 149(4) of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17 of the Listing Regulations, the Company has a balanced professional Board with right mix of Executive, Non-Executive and Independent Directors, together with rich experience and expertise from diverse background, relevant to the Company's business.

As on March 31, 2023, the Company's Board is comprised of Eight (8) Directors, of which one (1) is an Executive Director, Three (3) are Non-Executive & Non-Independent Directors, and Four (4) are Non-Executive Independent Directors, including one (1) Woman Director. The Chairperson is a Non-Executive Director and also a Promoter of the Company, therefore more than one-half (50%) of the total number of Directors on the Board, is Independent, in compliance of the Listing Regulations.

The names and categories of the Directors on the Company's Board and the Board of other listed Companies as also the areas of specialization and expertise of the Directors are set out in the following table given hereinunder:

Sr. no.	Name and category of Director in Company	Directorship held in other listed Companies and category thereat	Special knowledge, skills, competencies, expertise
1.	Mr. D.P Agarwal Non-Executive Director (NED) & Chairperson	Transport Corporation of India Limited-(ED) TCI Industries Limited-(NED) Jay Bharat Maruti Limited-(NEID) Indo Rama Synthetics (India) Limited-(NEID)	Industry oriented   Leadership   Astute analytical abilities   economic know-how   Risk management   Accounting, finance and taxation   Corporate governance and management skills   ESG & sustainability

Sr. no.	Name and category of Director in Company	Directorship held in other listed Companies and category thereof	Special knowledge, skills, competencies, expertise
2.	Mr. Vineet Agarwal Non-Executive Director (NED)	Transport Corporation of India Limited-(ED) Somany Ceramics Limited-(NEID)	Industry oriented   Leadership   Astute analytical abilities   economic know-how   Risk management   Accounting, finance and taxation   Corporate governance and management skills   ESG & sustainability
3.	Mr. Chander Agarwal Executive Director (ED)	Transport Corporation of India Limited-(NED)	Industry oriented   Leadership   Astute analytical abilities   economic know-how   Risk management   Accounting, finance and taxation   Corporate governance and management skills   ESG & sustainability
4.	Mr. Phool Chand Sharma Non-Executive Director (NED)	-	Industry oriented   Leadership   Astute analytical abilities   economic know-how   Risk management   Accounting, finance and taxation   Corporate governance and management skills   ESG & sustainability
5.	Mr. Ashok Kumar Ladha Non-Executive Independent Director (NEID)	-	Leadership   Astute analytical abilities   economic know-how   Risk management   Accounting, finance and taxation   Corporate governance and management skills   ESG & sustainability
6.	Mrs. Taruna Singhi Non-Executive Independent Director (NEID)	-	Leadership   Astute analytical abilities   economic know-how   Risk management   Accounting, finance and taxation   Corporate governance and management skills   ESG & sustainability
7.	Mr. Murali Krishna Chevuturi Non-Executive Independent Director (NEID)	-	Leadership   Astute analytical abilities   economic know-how   Risk management   Accounting, finance and taxation   Corporate governance and management skills   ESG & sustainability
8.	Mr. Prashant Jain Non-Executive Independent Director (NEID)	-	Leadership   Astute analytical abilities   economic know-how   Risk management   Accounting, finance and taxation   Corporate governance and management skills   ESG & sustainability

### Compliance with Directorship and Committee positions

The Company has received requisite disclosures from its Directors, regarding Directorship and Committee positions in other Companies, on the basis of which it is hereby confirmed that in terms of the Listing Regulations, as on March 31, 2023, none of the Directors of your Company is a Director in more than twenty (20) Companies (including Private Companies) or acts as Director (including Independent or alternate Directorship) in more than seven (7) listed Companies, or three (3) listed Companies in case they serve as a Whole-time Director in any listed Company. Further, none of the Independent Director(s) serves as Non-Independent Director of any Company on the Board of which any Non-Independent Director is an Independent Director. In terms of Regulation 25(8) of the Listing Regulations, all Independent Directors have confirmed that they are not aware of any circumstances or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their

duties. In the opinion of the Board, the Independent Directors fulfill the conditions specified in the Listing Regulations and are independent of the Management. All the Independent Directors have registered their names in the Independent Director's Databank.

The Chairperson-ship(s)/Membership(s) of mandatory Committees of the Board are within the permissible limits as stipulated under Regulation 26(1) of the Listing Regulations. Accordingly, none of the Directors on the Board of your Company is a Member of more than ten (10) Committees and Chairperson of more than five (5) Committees, across all Indian Public Limited Companies, in which he/ she is a Director.

The name of Directors with number of Directorships and Committee position held by them in other Public/Private limited Companies along with equity shares held as at March 31, 2023 are set out in the following table given hereinunder:

Sr. no.	Name of the Director	No. of equity shares held	No. of Directorship		No. of Committee position	
			Public	Private	Chairperson	Member
1.	Mr. D.P Agarwal	4,19,314	7	0	1	3
2.	Mr. Ashok Kumar Ladha	-	4	1	0	1
3.	Mrs. Taruna Singhi	-	1	5	1	1
4.	Mr. Murali Krishna Chevuturi	-	1	0	1	1
5.	Mr. Phool Chand Sharma	64,000	6	0	2	3
6.	Mr. Prashant Jain	-	2	1	0	1
7.	Mr. Vineet Agarwal	20,08,979	6	3	0	5
8.	Mr. Chander Agarwal	9,17,131	5	2	0	2

Note :

- Directorships held in Public Companies (including TCI Express Limited) and Private Limited Companies are included, and Section 8 Companies, Foreign Companies are excluded;
- For the purpose of considering the Committee Memberships and Chairpersonship, the Audit Committee and the Stakeholders' Relationship Committee of Public Limited Companies (including TCI Express Limited) alone have been considered;
- Membership includes Chairperson position also.

### Declaration from Independent Directors

All the Independent Directors on the Board of your Company have confirmed that they meet the criteria of independence as mentioned in Regulation 16(1)(b) of the Listing Regulations read with Section 149(6) of the Act and they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence. The Independent Directors do not have any pecuniary relationship or transactions with the Company, Promoters and Management, which may affect independence or judgment of the Directors in any manner.

The Board of Company has carried out an assessment of declarations and confirmations, submitted by the Independent Directors of the Company and after undertaking due assessment of the veracity of the same, is of the opinion that the Independent Directors are persons of integrity and possess the relevant expertise and experience to qualify as Independent Directors of the Company and are Independent of the Management, and they also fulfill the conditions specified in the Listing Regulations and the Act.

In terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, Independent Directors of the Company have confirmed that they have registered themselves with the databank maintained by the Indian Institute of Corporate Affairs, ('IICA'). The Independent Directors of your Company are exempted from the requirement to undertake online proficiency self-assessment test.

### Re-appointment or resignation by the Directors

The Directors are appointed or re-appointed with the approval of shareholders and shall remain in office in accordance with the provisions of the Act, Listing Regulations and best practices in Corporate Governance across the Industry. The Independent Directors are appointed for a fixed term not exceeding five (5) years. The Managing Director is also appointed for a term of five (5) years and is not liable to retire by rotation. Non-executive Directors (except Independent Directors) are liable to retire by rotation and are eligible for re-appointment, unless otherwise specifically provided under the Articles of Association or under any statute.

During the year under review, none of the Director including Independent Director was appointed or re-appointed or resigned before the expiry of their respective tenure(s).

### Resume of Directors seeking re-appointment

Brief resume of Mr. Vineet Agarwal, seeking re-appointment at the 15th Annual General Meeting ('AGM') is appended to the notice calling the AGM.

### Relationship between Directors

Mr. D.P Agarwal is father of Mr. Vineet Agarwal and Mr. Chander Agarwal and therefore, they are deemed to be related to each other. None of the other Directors are related to any other Director on the Board.

### Board and Annual General Meeting(s)

The Board of Company congregates at least once a quarter to review the quarterly results, financial and secretarial reports, annual budgets, strategies and such other matters as required under the applicable laws along with other agenda items and additional meetings are conducted from time to time to consider significant matters, whenever required. All the meetings are conducted as per well designed and structured agenda and in line with the compliance requirement under the Act, Listing Regulations and applicable Secretarial Standards prescribed by Institute of Company Secretaries of

India ('ICSI'). All the agenda items are backed by necessary supporting information and documents. Additional agenda items in the form of other business matters are included with the permission of the Chairperson and majority of the Directors present at the meeting. The agenda is circulated well in advance to the Board Members, along with comprehensive background information on the items in the agenda, to enable the Board to deliberate on relevant points and arrive at an informed decision. For any business exigencies, the resolutions are passed by circulation and later placed at the subsequent Board/Committee Meeting for ratification/approval.

Also, the Company makes available video conferencing facility or other audio-visual means, to enable larger participation of Directors in the meetings, whenever required. During the year most of meetings of the Board and its Committees were held through video conference, in compliance of applicable laws.

The Company Secretary acts as Secretary to the Board and Committee Meetings. In consultation with the Chairperson, Managing Director and the Management team, the Company Secretary prepares the agenda along with the detailed notes thereon. The required information as enumerated in Part A of Schedule II to the Listing Regulations is made available to the Board of Directors for discussions and consideration at every Board Meeting. The Board periodically reviews compliance reports of all laws applicable to the Company as required under Regulation 17(3) of the Listing Regulations. The Company Secretary notes the proceedings of each meeting. The draft of Minutes are prepared, circulated to all the Directors for their comments, finalized, entered in the Minutes Book and thereafter signed by the Chairperson, in accordance with the applicable Secretarial Standards. Apart from Board Members, the Board and Committee meetings are generally also attended, wherever required, by the Chief Operating Officer and Chief Financial Officer of the Company, to provide additional inputs on the items being discussed by the Board.

Detailed presentations are made at the Board/Committee meetings covering business framework, corporate governance

practices, ESG and sustainability, risk and financial reports along with performance updates of the Company, which facilitates them to clearly understand the business of the Company and the environment, in which the Company operates. Apart from quarterly updates, they are periodically updated on material changes in regulatory framework and its impact on the Company. The Board also shared its thought on these amendments and the Company strives to implement these guidelines to the extent permitted by the law.

The details of familiarization programmes provided to the Directors of the Company are mentioned in the Board's Report and can also be accessed through the following link: [www.tciexpress.in](http://www.tciexpress.in).

The Company adheres to the provisions of the Act read with the Rules issued thereunder, Secretarial Standards and Listing Regulations with respect to convening and holding the meetings of the Board of Directors, its Committees and the General Meetings of the shareholders of the Company.

### Annual General Meeting

The preceding fourteenth (14th) AGM of the Company was held on Wednesday, August 03, 2022, through video conferencing. All the Directors were present at the said AGM. The Chairperson of Audit Committee, Nomination and Remuneration Committee, Stakeholder's Relationship Committee and Risk Management Committee were present at the AGM.

The fifteenth (15th) AGM will take place on Friday, August 04, 2023 at 10:30 A.M, through video conferencing, pursuant to the guidelines issued by the Ministry of Corporate Affairs (MCA) and the Securities and Exchange Board of India (SEBI). For details, please refer to the Notice of AGM.

During the FY 2022-23, four (4) meetings of the Board of Directors and one (1) meeting of Shareholders were held and the intervening gap between the meetings was within the period prescribed under the Act and the Listing Regulations. Requisite quorum was present at all the meetings. The details of Board and AGM held during the FY 2022-23 along with attendance of Directors thereon are given below:

Name of the Director(s) and attendance	Board meeting held on				AGM held on
	27.05.2022	03.08.2022	31.10.2022	31.01.2023	03.08.2022
Mr. D.P Agarwal	√	√	√	√	√
Mr. Ashok Kumar Ladha	√	√	√	√	√
Ms. Taruna Singhi	LOA	√	√	√	√
Mr. Murali Krishna Chevuturi	√	√	√	√	√
Mr. Phool Chand Sharma	√	√	√	√	√
Mr. Prashant Jain	LOA	√	√	√	√
Mr. Vineet Agarwal	√	√	√	√	√
Mr. Chander Agarwal	√	√	√	√	√

LOA-Leave of absence



### Separate meeting and familiarization programme

As stipulated under the Act read with the code for Independent Directors, provided under Schedule IV to the Act and Regulation 25(3) of the Listing Regulations, a separate meeting of Independent Directors of the Company was held on May 27, 2022, to discuss the performance evaluation of Directors (including Chairperson) and the Board as a whole (including Committees of Board) and also to assess the quality, content and timeliness of flow of information between the Management and the Board, including the quality of agenda papers and Minutes.

The said meeting was attended by three (3) Independent Directors without the presence of Non-Independent Directors and members of Management, where they after taking into account the views of the Executive Directors and Non-Executive Directors, evaluated the performance of Directors (including Chairperson) and the Board as a whole (including Committees of Board) along with other agenda items. The Independent Directors also reviewed the outcome of the Board evaluation process and expressed their satisfaction and complimented the good process followed by the Company.

### Performance evaluation criteria for Directors

The annual performance evaluation and other relevant information are provided in the Board's Report, which is part of this Annual Report.

### COMMITTEES OF THE BOARD

The Board Committees play an important role in the governance structure of the Company and have been constituted to focus on specific areas and make informed decisions within the delegated authority. Accordingly, the Board has constituted several Committees of Directors, with adequate delegation of powers to focus effectively on the issues and ensure expedient resolution of diverse matters. Each Committee is guided by its charter or terms of reference, which provides for the composition, scope, powers, duties and responsibilities.

During the FY 2022-23, all recommendations made by the statutorily Committees of the Board of Directors, were accepted by the Board of the Company. The Company Secretary acts as the Secretary to all the Committees. As on reporting date, the Board is functioning with its Committee(s), as set out in the following table given hereunder:

Name of the Committee	Mr. D.P Agarwal	Mr. Ashok Kumar Ladha	Ms. Taruna Singhi	Mr. Murali Krishna Chevuturi	Mr. Phool Chand Sharma	Mr. Prashant Jain	Mr. Vineet Agarwal	Mr. Chander Agarwal
Audit Committee	-	Member	-	Chairperson	-	Member	Member	-
Nomination & emuneration Committee	Member	Chairperson	-	Member	-	Member	-	-
Stakeholders' Relationship Committee	-	-	Chairperson	-	Member	-	Member	-
Corporate Social Responsibility Committee	Chairperson	-	Member	-	-	-	-	Member
Risk Management Committee	-	-	-	-	Member	Chairperson	-	Member
Share Transfer Committee	-	-	-	-	Member	-	Member	Chairperson

Apart from Board Members, Mr. Mukti Lal-CFO is Member of Risk Management Committee.

Detailed terms of reference, composition, quorum, meetings, attendance and other relevant details of these Committees are provided hereunder:

### AUDIT COMMITTEE

#### Terms of reference

The Audit Committee is predominantly entrusted with the responsibility to supervise the Company's internal controls, financial reporting process and its compliance with the legal and regulatory requirements. It is governed by its charter, which is in line with the regulatory requirements mandated by the Act and the Listing Regulations. The terms of reference of the Audit Committee includes the matters specified under Regulation 18 and Part C of Schedule II of the Listing

Regulations and Section 177 of the Act, as amended from time to time, and other matters referred by Board.

The Chief Operating Officer and Chief Financial Officer are permanent invitees for all meetings of the Audit Committee. The concerned partners/ authorized representatives of the Statutory Auditors and Internal Auditors are also invited to the meetings to brief the Committee on all the points covered in the financial report and internal audit report as well as other related issues that come up during the discussions. The Audit Committee through regular interaction with the external and internal auditors and review of various financial statements ensures that the interests of stakeholders are protected.

The important functions of Audit Committee are enumerated below:

- Overseeing the Company's financial statements, financial reporting process, statement of cash flow and disclosure of its financial information, both on an annual and quarterly basis, to ensure that the financial statements are correct, sufficient and credible;
- Discussing with the 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;
- Reviewing with the management quarterly, half-yearly, nine-months and annual financial statements and Auditors Report there on, before submission to the Board for approval;
- Reviewing the Management Discussion and Analysis of the financial condition and results of operations;
- Recommending the appointment, remuneration, terms of appointment and scope of Statutory Auditors of the Company and approval for payment towards any other service;
- Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process and internal control systems;
- Reviewing the adequacy of internal audit function and discussing with the internal auditors on the significant findings and further course adopted;
- Reviewing internal audit reports relating to internal control and letters of internal control weaknesses, if any issued by the auditors;
- Evaluating internal financial controls and risk management systems;
- Reviewing the functioning of the whistle blower mechanism;
- Reviewing and recommending policies in relation to prohibition of the Insider Trading Code and supervise implementation of the same;
- Reviewing inter-corporate loans and investments, if any;
- Reviewing the legal matters which could have a material impact on the Company;
- Reviewing, approving or subsequently modifying transactions of the Company with related parties; and
- Carrying out any other function, as mentioned in the terms of reference of the Audit Committee and any other terms of reference as may be decided by the Board and/or specified/provided under the Act or Listing Regulations as amended, or by any other regulatory authority.

In addition, the powers and role of the Audit Committee are as laid down under Section 177 of the Act and Regulation 18 and Schedule II, Part C of the Listing Regulations. An indicative list of the said terms is also made available on the website of Company.

### Composition, meeting and attendance

The Board has constituted a well-qualified Audit Committee comprising of four (4) members, with majority of Independent Directors including the Chairperson. All the members of the Audit Committee are financially literate and have accounting or financial management expertise.

The Audit Committee meets at least four (4) times in a FY within a gap of one hundred and twenty days (120) between two (2) consecutive meetings. During FY 2022-23, the Audit Committee met four (4) times, commencing from May 27, 2022, August 03, 2022, October 31, 2022 and January 31, 2023.

The details of composition of Committee, meeting held and attendance at its meetings are set out in the following table given hereunder:

Name of the Director(s)	Category	Position	Number of Meetings	
			held during the year	attended during the year
Mr. Murali Krishna Chevuturi	Non-Executive Independent Director	Chairperson	4	4
Mr. Ashok Kumar Ladha	Non-Executive Independent Director	Member	4	4
Mr. Prashant Jain	Non-Executive Independent Director	Member	4	3
Mr. Vineet Agarwal	Non-Executive Director	Member	4	4

## NOMINATION AND REMUNERATION COMMITTEE

### Terms of reference

The Nomination and Remuneration Committee broadly assists the Board to formulate policies relating to the composition, performance evaluation and remuneration of the Directors, key managerial personnel (KMP), Senior Management Personnel (SMPs) and other employees, in consistent with criteria approved by the Board. The important functions of Nomination and Remuneration Committee are enumerated below:

- 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 with respect to 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 and 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.;

5. Ensure that Directors are inducted through suitable familiarization process and that proper & regular training is given to Independent Directors to update and refresh their skills, knowledge and familiarity with the Company;
6. Formulation of evaluation criteria for Independent/ Non-Independent/Executive Directors and the Board as a whole which includes its Committees and the KMPs;
7. Formulation and supervision of the remuneration policy of the Company;
8. Oversee the formulation and implementation of employee stock option plan, its administration, supervision and formulating detailed terms and conditions in accordance with SEBI guidelines.

Apart from the above, the Committee also exercises the role and powers entrusted to it by the Board and/or specified/

provided under the Act or Listing Regulations as amended, or by any other regulatory authority. An indicative list of the said terms is also made available on the website of Company.

### Composition and meetings

The composition of Nomination and Remuneration Committee is in compliance with the Act and the Listing Regulations. All the four (4) Members of the Nomination and Remuneration Committee are Non-Executive Directors, with two-thirds of them including the Chairperson of the Committee, being Independent Directors.

During the financial year under review, two (2) meetings of Nomination and Remuneration Committee were held on May 27, 2022 and January 31, 2023. The necessary quorum was present at all the meetings. The details of composition of Committee, meeting held and attendance at its meetings are set out in the following table given hereunder:

Name of the Director(s)	Category	Position	Number of Meetings	
			held during the year	attended during the year
Mr. Ashok Kumar Ladha	Non-Executive Independent Director	Chair person	2	2
Mr. D.P. Agarwal	Non-Executive Director	Member	2	2
Mr. Murali Krishna Chevuturi	Non-Executive Independent Director	Member	2	2
Mr. Prashant Jain	Non-Executive Independent Director	Member	2	1

### Nomination and Remuneration Policy

The Company on the recommendation of Nomination and Remuneration Committee has formulated and adopted a Nomination & Remuneration Policy, defining in detail the objective, roles and responsibilities of the Committee for its Directors, KMP, SMP and other employees of the Company, in terms of Section 178 of the Act read together with Regulation 19 of the Listing Regulations, as amended from time to time.

### Salient features of the Nomination and Remuneration Policy

The Nomination and Remuneration Policy sets out the guiding principles for identifying and ascertaining the integrity, qualification, expertise and experience of the person for the appointment as Director, KMP, SMP and other employees. The Policy further sets out guiding principles for the Nomination and Remuneration Committee for determining and recommending to the Board, remuneration of Managerial Personnel, KMP, SMP and other employees of the Company. The Policy is available on the website of the Company at [https://www.tciexpress.in/images/pdf/391\\_Nomination%20and%20Remuneration%20Policy.pdf](https://www.tciexpress.in/images/pdf/391_Nomination%20and%20Remuneration%20Policy.pdf). The Nomination and Remuneration Committee in accordance with the Policy, recommends remuneration of the Directors, KMP, SMP and other employees to the Board for its approval.

It also formulates criteria for evaluation of Executive Director, Non-Executive Director, Independent Directors, KMP/SMP and

Board (including its Committee) as a whole and ensures that Directors are inducted through suitable familiarization process and regular training is given to the Independent Directors.

### REMUNERATION STRUCTURE

#### Executive Director

The terms and conditions of appointment and remuneration of Executive Director is governed by resolutions passed by the Board of Directors and Members' of the Company, which cover the terms of such appointment and are implemented in conjunction with the service rules of the Company. The shareholders of the Company at their 13th AGM, have approved re-appointment of Mr. Chander Agarwal as Managing Director and remuneration payable for a period of five (5) consecutive years, commencing from August 18, 2021.

The remuneration package of Mr. Chander Agarwal is recommended by the Nomination and Remuneration Committee and approved by the Board, within the ceiling fixed by the Members. Annual increments are also placed before the Board for approval, based on recommendation received by the Nomination and Remuneration Committee. The Company strives to provide fair compensation to its Directors, taking into consideration remuneration practices of Companies of similar stature, industry benchmarks, Company's performance and individual performance of the Director, over a period of time.

The present remuneration structure of Mr. Chander Agarwal comprises fixed salary, house rent allowance, annual commission, Company's contribution to provident fund and gratuity, leave encashment and other perquisites in accordance with the rules of the Company, applicable from time to time. The remuneration of Managing Director shall at all times be determined in the manner provided under Section 197 and 198 of the Act and the Listing Regulations.

The Managing Director is not paid any sitting fees for attending the meetings of the Board of Directors or Committees thereof. No notice period or severance fee is payable to him. Presently, the Company does not have a scheme for grant of stock Options to the Managing Director and hence he does not hold any stock Options as on date.

Details of remuneration paid to Mr. Chander Agarwal for the FY 2022-23 is given in the table below.

(₹ in Crores)

Basic salary	Allowance	Perquisites	Commission	Retrials & other benefits	Total
3.33	1.95	0.12	4.00	0.50	9.90

### Non-Executive Directors

All the Non-Executive Directors including the Independent Directors and the Chairperson receive remuneration by way of sitting fees for attending the meetings of the Board and its Committees of which they are Members, and commission as may be determined by the Board after taking into account recommendations of the Nomination and Remuneration Committee, within the range approved by the shareholders. The shareholders of the Company at their 13th AGM, approved remuneration of Non-Executive Directors at a rate not exceeding 0.50% of the net profit of the Company, computed in the manner provided under Section 197 and 198 of the Act and the Listing Regulations. During the reporting year, Mr. D.P Agarwal, Mrs. Taruna Singhi, Mr. Prashant Jain

and Mr. Vineet Agarwal have waived their right to receive any sitting fees for attending Board and Committee meetings.

The commission payable to Non-Executive Directors is decided by the Board after taking into account recommendations of the Nomination and Remuneration Committee within the range approved by the shareholders, based on number(s) of factors including Company's performance, number of Board and Committee meetings attended, individual contributions at the meetings and contributions made by the Directors other than in meetings.

Details of sitting fees and commission paid to Non -Executive and Independent Directors for the FY 2022-23 is given in the table below:

(₹ in Crores)

Sr.no.	Name of the Director	Category	Sitting fee	Commission
1.	Mr. D.P Agarwal	Non-Executive Director	-	0.06
2.	Mr. Ashok Kumar Ladha	Non-Executive Director	0.0705	0.06
3.	Mrs. Taruna Singhi	Non-Executive Director		0.06
4.	Mr. Murali Krishna Chevuturi	Non-Executive Director	0.0705	0.06
5.	Mr. Phool Chand Sharma	Non-Executive Director	0.0575	0.06
6.	Mr. Prashant Jain	Non-Executive Director	-	0.06
7.	Mr. Vineet Agarwal	Non-Executive Director	-	0.06

### Remuneration of KMP, SMP and employees

The remuneration paid to KMP, SMP and employees is in accordance with the Nomination and Remuneration Policy, formulated in accordance with Section 178 of the Act and Regulation 19 read with Schedule II of the Listing Regulations.

The KMP (except Managing Director), SMP and employees are also rewarded through Employee Stock Option Plan, in terms of the provisions of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

### Pecuniary Relationship with Non-Executive Directors

The Company has no pecuniary relationship or transaction

with its Non-Executive and/or Independent Directors, other than payment of sitting fees to them for attending Board and Committee meetings and commission as approved by the Members and Board, for their invaluable services to the Company.

### Stock Options to Non- Executive Directors

During the financial year under review, the Company has not issued stock Options or convertible securities or shares with differential voting rights to its Director(s), accordingly none of the Director(s) holds convertible instruments in the Company as at March 31, 2023. Mr. Phool Chand Sharma holds 64,000 equity shares in the Company, pursuant to his entitlement of



ESOP's granted in the capacity of Whole Time Director and exercised during the previous years.

### Pledge of Shares

No pledge has been created over the equity shares held by either Promoters and/or Promoter Group Shareholders of the Company as on March 31, 2023. Pursuant to Regulation 31(4) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, the Chief Promoter has submitted a declaration to the Audit Committee of the Company, that he/they along with the other Members of the Promoter Group, have not made any encumbrance, directly or indirectly, during the FY 2022-23, in respect of the shares held by them in the Company. The said declaration was noted by the Audit Committee.

### STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee predominately empowered to review compliance relating to the shareholders and protect their interest. The important functions of the Committee are enumerated below:

1. Review and resolve the grievance of shareholders of the Company including complaints related to transfer, transmission of securities, non-receipt of annual report/dividends/ notices etc.;

2. Review of transfer of unclaimed dividends and shares to Investor Education & Protection Fund;
3. Review of movements in shareholding structure of the Company;
4. Review of measures taken for effective exercise of voting rights by shareholders;
5. Ensuring setting of proper controls and oversight of performance of the Registrar & Share Transfer Agent;
6. Recommendation of measures for overall improvement of the quality of investor services.

Apart from the above, the Committee also exercises the role and powers entrusted to it by the Board and/or specified/provided under the Act or Listing Regulations as amended, or by any other regulatory authority. An indicative list of the said terms is also made available on the website of Company.

### Composition and meetings

During the financial year under review, two (2) meetings of Stakeholders' Relationship Committee were held on May 27, 2022 and October 31, 2022. The necessary quorum was present at all the meetings. The details of composition of Committee, meeting held and attendance at its meetings are set out in the following table given hereunder:

Name of the Director(s)	Category	Position	Number of Meeting	
			held during the year	attended during the year
Mrs. Taruna Singhi	Non-Executive Independent Director	Chair person	2	1
Mr. Vineet Agarwal	Non-Executive Director	Member	2	2
Mr. Phool Chand Sharma	Non-Executive Director	Member	2	2

### Investor's Service

The Board has delegated the authority to Share Transfer Committee for monitoring and approving transfers, transmissions, transposition, dematerialization of shares, issue of duplicate share certificates, subdivision/ split of shares, allotment of shares and all matters incidental thereto. The decisions of Share Transfer Committee are placed before the Board at their subsequent meetings. The summary of number of requests/ grievances received and resolved in every quarter is also placed before the Stakeholders Relationship Committee/Board of Directors, for its information and review. The Committee comprised of three (3) Members. Mr. Chander Agarwal, Executive Director headed the Committee, Mr. Vineet Agarwal and Mr. Phool Chand Sharma, Non- Executive Director(s), act as Member to the Committee.

Ms. Priyanka, Company Secretary, functions as the Compliance Officer as required under Regulation 6 of the Listing Regulations. She has also been appointed as the Nodal Officer in line with statutory requirements. M/s. KFin

Technologies Limited-Registrar and Share Transfer Agents (RTA) of the Company, continue to serve our investor's need and provide entire range of services to the shareholders of the Company.

### Share Transfer System

In terms of amended Regulation 40 of the Listing Regulations, with effect from April 01, 2019, transfer of securities in physical form are not processed unless the securities are held in the dematerialized mode. Further, with effect from January 24, 2022, the SEBI has made it mandatory to issue securities in dematerialized mode only, while processing any investor service request viz. issue of duplicate securities certificates, claim from unclaimed suspense account, renewal/exchange of securities certificate, endorsement, subdivision/splitting of securities certificate, consolidation of securities certificates/ folios, transmission and transposition. Further, the SEBI vide its circular dated January 25, 2022, clarified that the RTA/ Company shall verify and process the service requests and

thereafter issue a 'letter of confirmation (LOC)' in lieu of physical securities certificate(s), to the securities holder/claimant within 30 days of its receipt of such request after removing objections, if any. The LOC shall be valid for a period of 120 days from the date of its issuance, within which the securities holder/claimant shall make a request to the Depository Participant for dematerializing the said securities.

The shareholders may correspond with the Company's RTA for any service request assistance relating to shares at the below mentioned address:

Name of the RTA	M/s. KFin Technologies Limited (Formerly known as 'KFin Technologies Private Limited')
Address	Selenium Building, Tower-B, Plot No-31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddi, Telangana, India, 500032
Contact	+91 40 6716 2222
E-mail	<a href="mailto:rajeev.kr@kfintech.com">rajeev.kr@kfintech.com</a>
Website	<a href="http://www.kfintech.com">www.kfintech.com</a>

### SEBI Complaints Redress System (SCORES)

The investors' complaints are also being processed through the centralized web base complaint redressal system of SEBI. The salient features of SCORES are availability of centralized database of the complaints, uploading online action taken reports by the Company. Through SCORES, the investors can view online, the action taken and current status of the complaints.

All investor's request was processed within the statutory period is lying as on March 31, 2023. The number of investor complaints received, resolved and outstanding as on March 31, 2023, are set out in the following table given hereunder:

Shareholder complaints	Status
No. of Shareholder complaints pending at the beginning of the year	Nil
No. of Shareholder Complaints received during the year	02
No. of Shareholder Complaints resolved during the year	02
No. of Shareholder Complaints pending at the closing of year	Nil

Name of the Director(s)	Category	Position	Number of meetings	
			held during the year	attended during the year
Mr. D.P. Agarwal	Non-Executive Director	Chair person	1	1
Mrs. Taruna Singhi	Non-Executive Independent Director	Member	1	LOA
Mr. Chander Agarwal	Executive Director	Member	1	1

LOA- Leave of absence

### CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

In accordance with Section 135 of the Act, the Board of Directors of the Company has formed a Corporate Social Responsibility ('CSR') Committee and devised a Policy on CSR, based on recommendations received by the CSR Committee, which inter alia sets out the guiding principles to the social and economic development of the community, in which, the Company operates. The Policy is available on the website of the Company at [https://www.tciexpress.in/images/pdf/387\\_CSR%20POLICY.pdf](https://www.tciexpress.in/images/pdf/387_CSR%20POLICY.pdf). A detailed CSR Report, giving detail of the CSR activities undertaken by the Company during the year under review, along with the amount spent are provided under the Board's Report, forming internal part of Annual Report.

The important functions of Corporate Social Responsibility Committee are enumerated below:

- To formulate and recommend to the Board, Policy on CSR and changes therein, as may be required to give effect to any applicable laws, Rules or Regulations or to implement or carry out CSR activities in a more efficient manner;
- To formulate and recommend to the Board, an annual action plan in pursuance of its CSR policy, which shall include the following:
  - the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
  - the manner of execution of such projects or programmes;
  - the modalities of utilization of funds and implementation schedules for the projects or programmes;
  - monitoring and reporting mechanism for the projects or programmes; and
  - details of need and impact assessment, if any, for the projects undertaken by the Company.

Apart from the above, the Committee also exercises the role and powers entrusted to it by the Board and/or specified/ provided under the Act or Listing Regulations as amended, or by any other regulatory authority. An indicative list of the said terms is also made available on the website of Company.

### Composition and meetings

During the financial year under review, one (1) meeting was held on May 27, 2022. The necessary quorum was present at the meeting. The details of composition of Committee, meeting held and attendance at its meeting are set out in the following table given hereunder:

## RISK MANAGEMENT COMMITTEE

The primary role of the Risk Management Committee is that of assisting the Board in overseeing the Company's risk management processes and controls. The Risk Management Committee, through its Policy on Risk Management, seeks to minimize adverse impact on the business objectives and enhance stakeholder value.

The important functions of the Risk Management Committee are enumerated below:

1. To identify and assess internal and external risks that may impact the Company in achieving its strategic objectives and ensure that appropriate methodology and standard operating processes are in place to monitor and evaluate risks associated with the business of the Company including, evaluating the adequacy of risk management systems;
2. To review risk management process that ensures a prudent balance between risks and reward in the Company's business activities;
3. To formulate, review and recommend to the Board a detailed risk management policy which shall include:
  - a) A framework for identification of internal and external risks specifically faced by the Company, in particular, including financial, operational, sectoral, sustainability, ESG, information, cyber security risks etc.;
  - b) Measures for risk mitigation including systems & processes for internal control of identified risks;
  - c) Business continuity plan;
4. To review monitor and oversee implementation of the risk management plan and policy, considering the changing industry dynamics and evaluating the adequacy of risk management systems and update the Board about the nature and content of its discussions, recommendations and actions to be taken;
5. To review the legal matters which could have a material impact on the Company;
6. To assure that financial risk is being effectively managed and controlled:

Apart from the above, the Committee also exercises the role and powers entrusted to it by the Board and/or specified/ provided under the Act or Listing Regulations as amended, or by any other regulatory authority. An indicative list of the said terms is also made available on the website of Company.

### Composition and meetings

During the financial year under review, four (4) meetings of Risk Management Committee were held on April 01, 2022, May 27, 2022, October 31, 2022 and January 31, 2023. The necessary quorum was present at all the meetings. The details of composition of Committee, meetings held and attendance at its meetings are set out in the following table given hereunder:

Name of the Director(s)/ Member(s)	Category	Position	Number of Meeting	
			held during the year	attended during the year
Mr. Prashant Jain	Non-Executive Independent Director	Chair person	4	3
Mr. Chander Agarwal	Executive Director	Member	4	4
Mr. Phool Chand Sharma	Non- Executive Director	Member	4	3
Mr. Mukti Lal	Chief Financial Officer	Member	4	4

## RISK MANAGEMENT FRAMEWORK

Details of risk management framework have been given under the Board's Report and Management Discussion and Analysis Report, forming internal part of Annual Report.

### Buyback Committee

The Board of Directors in their meeting held on May 27, 2022 constituted the buyback Committee to finalize the terms of buyback including schedule of activities, dates of opening and closing of the buyback, entitlement ratio, timeframe for completion of the buyback and to do all such acts, deeds, matters and things incidental and in connection with the buyback of the equity shares of the Company, in accordance with the [SEBI (Buyback of Securities) Regulations, 2018 ('SEBI (Buyback) Regulations')]. Subsequent to the completion of the buyback, the Committee was dissolved by the Company.

The important functions of the buyback Committee are enumerated below:

1. To seek all regulatory approvals, if any, for implementing the buyback;
2. To give any information, explanation, declarations, and confirmations in relation to the public announcement and any other advertisements, as may be required by the relevant authorities including SEBI;
3. To appoint, authorize, enter into agreements with and issue necessary instructions to merchant banker, registrar, custodians, advertising agencies, escrow agents, brokers, depository participants and all other intermediaries, advisors, consultants etc. as may be required, desired, or considered expedient for the implementation of the buyback including the payment of commission, brokerage, fee, charges etc. and enter into agreements/ letters in respect thereof;

4. To open one or more bank accounts including escrow accounts required if any, and to enter into agreements with and to give instructions to the bankers in connection therewith;
5. To open one or more depository account/buyer broker account and to open special trading window account with both the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE);
6. To authorize bankers to act upon the instructions of the merchant banker as required under the SEBI (Buyback) Regulations;
7. To initiate all necessary actions for preparation and amendments to the notice, public announcement and offer documents/related documents with respect to the buyback, signing, issuing and filing of the said documents with the Registrar of Companies, RBI, Securities and Exchange Board of India, the Stock Exchanges (where the Equity shares of the Company are listed) and other appropriate authorities, as may be applicable;
8. To adopt text of and to make Public Announcement or any corrigenda and all offer documents with respect to the buyback and any revision thereto;
9. To file copies of the buy Back Offer Documents and any revision thereto with SEBI, Stock Exchanges and other appropriate authorities;
10. To withdraw, postpone or to decide not to proceed with the buyback;
11. To decide on the timetable from the opening of the offer till the extinguishment of the shares;
12. To carry out management discussion and analysis on the likely impact of the buyback on the Company's earnings, public holdings, holdings of NRIs/FILs etc., promoters' holdings and change in management structure;
13. To issue, furnish and make disclosures, certificates, returns, confirmations etc. as may be required under the Act, SEBI Buyback Regulations or other applicable law and to file such documents with the relevant persons as may be required under the Act, SEBI (Buyback) Regulations or other applicable law;
14. To adopt text of and publish the relevant buyback offer documents before and or after buyback;
15. To verify offer/acceptances received;
16. To pay to the Shareholders consideration for shares bought back pursuant to the buyback;
17. To issue rejection letters, if any;
18. To affix the Common Seal of the Company on relevant documents required to be executed for the buyback of shares in accordance with the provisions of the articles of association of the Company;
19. To extinguish shares bought back within the time limit specified under the SEBI (Buyback) Regulations and to destroy share certificates upon the completion of the buyback;
20. To file Return of buyback with Registrar and other statutory authorities;
21. To maintain Register of Securities bought back;
22. To take appropriate action for the removal of difficulties, if any, and to decide on all matters in connection with or incidental to the implementation of buyback programme;
23. To represent the Company before the MCA, SEBI, Reserve Bank of India, Stock Exchanges or any other agencies connected with the buyback offer of the Company and to sign and submit all forms, letters, documents or other papers that may be required for the implementation of the buyback;
24. To authorize one or more executives of the Company or of the merchant bankers to carry out any of the above activities;
25. To give such directions as may be necessary or desirable and to settle any questions or difficulties whatsoever that may arise in relation to the buyback;
26. To do all such acts, matters and things incidental and in connection with the buyback and to sign and deliver such documents as may be necessary, desirable, or expedient.

### Composition and meetings

During the financial year under review, nine (9) meetings of buyback Committee were held on August 04, 2022, August 08, 2022, September 01, 2022, October 01, 2022, November 01, 2022, December 01, 2022, January 01, 2023, February 01, 2023 and February 13, 2023. The necessary quorum was present at all the meetings. The details of composition of Committee, meeting held and attendance at its meetings are set out in the following table given hereunder:

Name of the Director(s)/ Member(s)	Category	Position	Number of Meeting	
			held during the year	attended during the year
Mr. Chander Agarwal	Executive Director	Chair person	9	8
Mr. Phool Chand Sharma	Non- Executive Director	Member	9	9
Mr. Pabitra Mohan Panda	Chief Operating Officer	Member	9	9
Mr. Mukti Lal	Chief Financial Officer	Member	9	9

## Listing and liquidity of Shares

The equity shares of the Company are in compulsory dematerialized segment and are frequently traded on the following Stock Exchanges:

Sr. no.	Name of the Stock Exchange	Stock Code	Address
1.	BSE Limited (BSE)	540212	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001
2.	National Stock Exchange of India Limited (NSE)	TCIEXP	Exchange Plaza, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051

The equity shares are available for trading in the depository systems of both the National Securities Depository Limited and the Central Depository Services (India) Limited. The ISIN Number of Company on both the NSDL and CDSL is INE586V01016. The Annual Listing fees has been paid by the Company to the above Stock Exchanges and depositories for

the FY 2022-23. The equity shares of the Company have not been suspended from trading on the said Stock Exchanges or by any regulatory/statutory authority.

As on March 31, 2023, 98.51% of Company's paid-up capital is held in the dematerialized form. The status of shares held in demat and physical format is given below.

Particulars	No. of Shares	% of Share capital
Shares held in Demat form with NSDL	35,362,605	92.30
Shares held in Demat form with CDSL	23,78,128	6.21
Shares held in Physical	5,70,917	1.49
<b>Total</b>	<b>38,311,650</b>	<b>100.00</b>

## Reconciliation of Share Capital

A qualified Practicing Company Secretary carried out quarterly examination of secretarial records to reconcile the total admitted share capital with NSDL and CDSL and the total issued and listed capital. The audit confirmed that the total issued and paid-up capital was in agreement with the aggregate of total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

## DISCLOSURE ON EQUITY CAPITAL

### a) Distribution of Shareholding

The shareholding distribution of equity shares as at March 31, 2023 is provided in the table below:

Sr. no.	No. of Shares	No. of Holders	% to total Holders	No. of Shares	% to total Shareholding
1.	1-5,000	42,389	99.63	4,402,873	11.49
2.	5,001-10,000	69	0.16	4,79,142	1.25
3.	10,001-20,000	37	0.09	5,06,526	1.32
4.	20,001-30,000	10	0.02	2,41,421	0.63
5.	30,001-40,000	4	0.01	1,40,390	0.37
6.	40,001-50,000	6	0.01	2,70,413	0.71
7.	50,001-100,000	8	0.02	5,54,067	1.45
8.	100,001 and above	25	0.06	31,716,818	82.78
<b>Total</b>		<b>42,548</b>	<b>100.00</b>	<b>38,311,650</b>	<b>100.00</b>



**b) Shareholding Pattern**

The shareholding pattern of the Company as at March 31, 2023 with a comparison as at March 31, 2022 is provided in the table below:

Sr. no.	Category	As on 31.03.2023		As on 31.03.2022	
		No. of Shares held	% to total Capital	No. of Shares held	% to total Capital
<b>A</b>	<b>Promoters and Promoters Group</b>	<b>2,66,87,662</b>	<b>69.66</b>	<b>25,672,180</b>	<b>66.69</b>
1.	Indian Promoter including HUF	69,85,360	18.23	59,69,878	15.51
2.	Bodies Corporate	17,214,805	44.93	17,214,805	44.72
3.	Partnership Firm	24,87,497	6.49	24,87,497	6.46
<b>B</b>	<b>Non-Promoters Holding</b>	<b>1,16,23,988</b>	<b>30.34</b>	<b>1,28,22,945</b>	<b>33.31</b>
<b>B1</b>	<b>Institutions (Domestic)</b>				
4.	Mutual Funds	3,256,053	8.50	3,108,565	8.08
5.	Alternate Investment Fund	1,31,093	0.34	17,291	0.04
6.	Insurance Companies	5,35,488	1.40	4,17,825	1.09
7.	Financial Institutions/Banks	689	0.00	666	0.00
<b>B2</b>	<b>Institutions (Foreign)</b>				
8.	Foreign Portfolio Investors	7,80,936	2.04	7,69,178	2.00
<b>C</b>	<b>Non Institutions</b>				
9.	Directors and their relatives	66,000	0.17	58,402	0.15
10.	Key Managerial Personnel	19,626	0.05	19,026	0.05
11.	Indian Public	47,26,063	12.34	52,99,678	13.77
12.	Trusts	19,597	0.05	21,458	0.06
13.	Non-Resident Indians	3,87,607	1.01	13,93,340	3.62
14.	Clearing members	822	0.00	7,739	0.02
15.	Body Corporate	7,38,519	1.93	7,48,452	1.94
16.	Employees-ESOP's	34,041	0.09	22,543	0.06
17.	Unclaimed Suspense Account	3,57,631	0.93	360,310	0.94
18.	HUF	5,69,823	1.49	5,78,472	1.50
<b>Total</b>		<b>38,311,650</b>	<b>100.00</b>	<b>3,84,95,125</b>	<b>100.00</b>

Note: Please refer Board's Report for capital movement.

**c) Market Price Data**

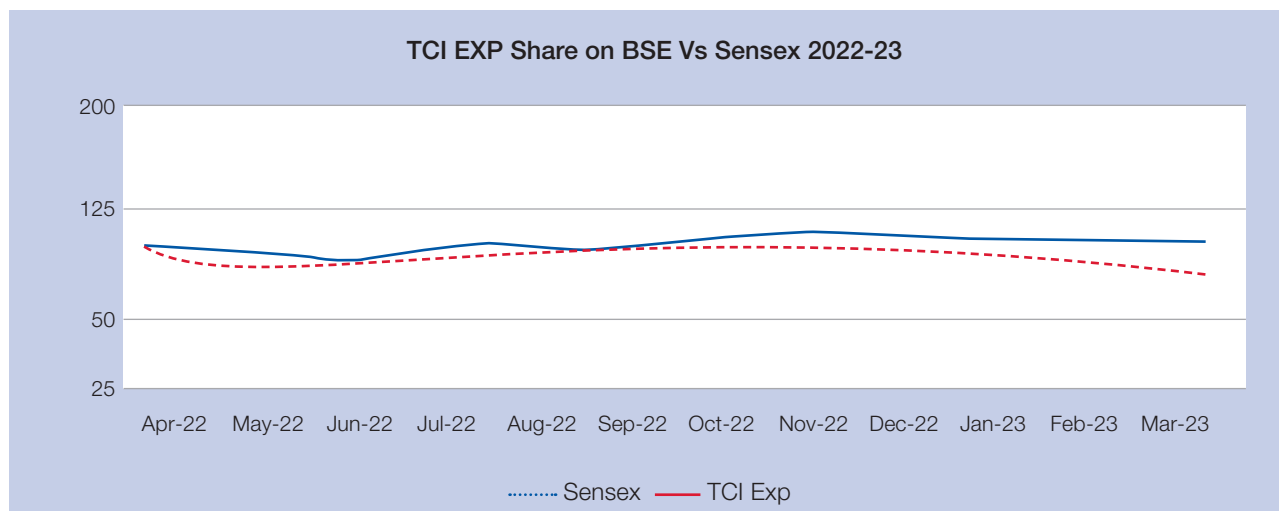
The details of high, low and closing market price of the equity shares of the Company at BSE and NSE during the FY 2022-23 are provided in the table below:

Month	NSE			BSE		
	High Price	Low Price	Close Price	High Price	Low Price	Close Price
April, 2022	1,960.00	1,708.00	1,867.70	1,949.00	1,708.00	1,856.15
May, 2022	1,898.85	1,442.05	1,618.60	1,889.50	1,444.50	1,615.45
June, 2022	1,764.95	1,554.00	1,594.40	1,765.65	1,551.00	1,593.80
July, 2022	1,790.00	1,490.75	1,770.10	1,790.05	1,491.45	1,769.40
August, 2022	1,899.80	1,621.20	1,766.65	1,899.00	1,620.05	1,765.40
September, 2022	2,013.00	1,721.80	1,847.40	2,009.95	1,730.05	1,848.15
October, 2022	1,945.00	1,800.00	1,893.00	1,975.00	1,800.00	1,894.85
November, 2022	1,982.00	1,751.00	1,862.20	1,980.00	1,750.85	1,863.15
December, 2022	1,921.00	1,725.00	1,793.65	1,920.00	1,710.70	1,793.25
January, 2023	1,886.00	1,692.75	1,719.70	1,899.95	1,693.25	1,739.75
February, 2023	1,720.05	1,380.25	1,579.60	1,730.00	1,383.75	1,577.00
March, 2023	1,604.00	1,415.00	1,492.95	1,601.00	1,417.95	1,493.40

Source: [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com)

#### d) Performance with Indices

The performance of the Company's share price relative to the BSE SENSEX for the FY 2022-23 is provided in the table below:



Source: [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com)

#### UNCLAIMED DIVIDEND AND SUSPENSE ACCOUNT

##### Unclaimed Dividends/Fractional Shares' Proceeds Entitlement

Pursuant to the provisions of the Act, dividend/fractional entitlements lying un-claimed for a period of seven (7) years

from the date of their transfer to unpaid/un-claimed account, have to be transferred to the Investor Education and Protection Fund (IEPF). The Members are requested to note the following due date(s) for transfer of fractional entitlement/unpaid/unclaimed dividend to the IEPF. The Members are requested to claim their entitlement, before transfer to the IEPF.

Sr. no.	Year	Fractional/ Dividend	Date of Declaration	Due date for transfer to IEPF
1.	FY 2016-17	Fractional amount	January 18, 2017	February 24, 2024
2.	FY 2016-17	1st Interim dividend	January 31, 2017	March 08, 2024
3.	FY 2016-17	Final dividend	August 01, 2017	September 06, 2024
4.	FY 2017-18	1st Interim dividend	November 01, 2017	December 07, 2024
5.	FY 2017-18	2nd Interim dividend	January 31, 2018	March 08, 2025
6.	FY 2017-18	Final dividend	August 01, 2018	September 06, 2025
7.	FY 2018-19	1st Interim dividend	November 03, 2018	December 09, 2025
8.	FY 2018-19	2nd Interim dividend	February 11, 2019	March 19, 2026
9.	FY 2018-19	Final dividend	July 30, 2019	September 04, 2026
10.	FY 2019-20	1st Interim dividend	November 04, 2019	December 10, 2026
11.	FY 2019-20	2nd Interim dividend	January 27, 2020	March 04, 2027
12.	FY 2019-20	3rd Interim dividend	March 13, 2020	April 19, 2027
13.	FY 2020-21	1st Interim dividend	February 09, 2021	March 16, 2028
14.	FY 2020-21	Final dividend	July 28, 2021	September 04, 2028
15.	FY 2021-22	1st Interim dividend	October 22, 2021	November 29, 2028
16.	FY 2021-22	2nd Interim dividend	January 28, 2022	March 07, 2029
17.	FY 2021-22	Final dividend	August 03, 2022	September 08, 2029
18.	FY 2022-23	1st Interim dividend	October 31, 2022	December 06, 2029
19.	FY 2022-23	2nd Interim dividend	January 31, 2023	March 08, 2030

Pursuant to the IEPF Rules, the Company has also uploaded the details of unpaid/unclaimed amounts lying with the Company on the Company's website at <https://www.tciexpress.in/unpaid-dividend.aspx?invid=18&key=6f4922f45568161a8cdf4ad2299f6d23> and also on the website of the MCA at [www.iepf.gov.in](http://www.iepf.gov.in).

### Unclaimed Suspense Account

In accordance with the requirement of Regulation 34(3) read with Schedule V (Part-F) of the Listing Regulations, the Company reports the following details in respect of equity shares lying in the suspense account, pursuant to shares allotted under its scheme of demerger settled in August, 2016:

Sr. no.	Particulars	No. of Shareholders	No. of Equity Shares
1.	Aggregate number of shareholders and outstanding shares in the suspense account lying at beginning of the financial year*	2,622	3,60,310
2.	Number of shareholders who approached the Company for transfer of shares from suspense account during the financial year	18	2,679
3.	Number of shareholders to whom shares were transferred from suspense account during the financial year	18	2,679
4.	Aggregate number of shareholders and the outstanding shares in suspense account lying at the end of the financial year	2,604	3,57,631

\*Shares were transferred to demat suspense account on September 26, 2018.

The voting rights on the said shares shall remain frozen till the rightful owner of such shares claims the shares. The rightful owner can still claim his/ her shares along with corporate benefits (if any) lying in the said account, after complying with the procedure laid down in the statute regarding the same.

## STATUTORY REPORTS

### a) Board's Report

The Board's Report is given in a separate section and forms an integral part of Annual Report.

### b) Management Discussion and Analysis Report

The Management Discussion and Analysis Report is given in a separate section and forms an integral part of Annual Report.

### c) Business Responsibility and Sustainability Report

The Business Responsibility and Sustainability Report is given in a separate section and forms an integral part of Annual Report.

### d) Environmental, Social & Governance Report

We have established a structured ESG strategy, leveraging our valuable resources, such as our talented workforce, transportation infrastructure, and logistics expertise, to make a meaningful contribution to society. We prioritize ESG areas where we can effectively utilize these resources to drive positive impact. A detailed disclosure of these efforts can be accessed at the website of Company at [www.tciexpress.in](http://www.tciexpress.in).

## CODES AND POLICIES

The Company has established copious of Codes and Policies, based on our core values and principles, and spells out expectations from its Directors, KMP/SMP, Employees, and

Stakeholders at large. The Company is committed to conduct its affairs in a fair and transparent manner, by adopting highest ethical standards while undertaking open and fair business culture, following the best practices of Corporate Governance, and enhancing the Company's reputation. In alignment of these values, the Company has formulated Policy on 'Anti-Bribery and Anti-Corruption'. This Policy has been developed in consistent with the Company's Policy on 'Whistle Blower and Protection Mechanism' and other codes/policies for combating unethical practices, fraud, corruption, misconduct, violation of the Company's Code of Conduct and any type of irregularity in the Company. This mechanism provides avenue for raising concerns and provides secure environment to its Stakeholders to express concerns without fear of punishment or unfair treatment.

Our Code of Conduct for Employees and Supplier sets out guiding principles and expectations from its respective stakeholder. The Code of Conduct for employees serves as a central Policy document, outlining the requirements that all individuals working for or with the Company must comply with, regardless of their location or the nature of their operations. During the year under review, the Company adopted a formal Code of Conduct for its Supplier, emphasize its commitments in the areas of business integrity, human rights, labour practices and environment stewardship.

### a) Code of conduct for Board and Senior Management

The Company has adopted a code of conduct for its Board of Directors and Senior Management. This code of conduct highlights the standards of conduct expected from the Company's Directors and Senior Management in alignment with the Company's objectives/policies, and aims at enhancing an ethical transparent process in managing the affairs of the Company.

All Members of the Board and Senior Management

personnel have affirmed compliance with the code of conduct, for the financial year ended on March 31, 2023. The declaration to this effect signed by the Managing Director is enclosed as part of this Report.

#### b) Code of Conduct to Prevent Insider Trading

The Company has instituted comprehensive i) Code of Conduct for the prevention of insider trading in securities of the Company ('Code of Conduct for Prevention of Insider Trading') and ii) Code of practices and procedures for fair disclosure of unpublished price sensitive information ('Code of Fair Disclosure'), in accordance with the provisions contained under the SEBI (Prohibition of Insider Trading) Regulations, 2015 ('PIT Regulations'). The Code of Conduct for Prevention of Insider Trading lays down guidelines and procedures to be followed and disclosures to be made by Insiders, Connected Persons, Directors, Promoters, KMP, top level executives and certain staff ('collectively can be referred as Designated Persons'), whilst dealing in the Company's shares. The Company also conducted trainings and workshops with the Designated Persons to create awareness on various aspects of the Code for Prevention of Insider Trading, to ensure that the internal controls are adequate and effective.

The Board has also formulated a Policy for determination of 'legitimate purposes' as a part of the Code of Fair Disclosure, which contains regulations for preservation of unpublished price sensitive information (UPSI). No Designated Person is permitted to communicate, provide, or allow access to any UPSI relating to the Company or its securities, to any person except where such communication is in furtherance of legitimate purpose, performance of duties or discharge of legal obligations. The aforesaid Codes are posted on the website of the Company on web link <https://www.tciexpress.in/corporate-governance.aspx?invid=10&key=d3d9446802a44259755d38e6d163e820>.

The Company Secretary has been appointed as the Compliance Officer and is responsible for ensuring and monitoring adherence to the Codes. The Company periodically monitors and facilitates compliance with the PIT Regulations and reports the status to Audit Committee and the Board, on a quarterly basis.

#### c) Vigil Mechanism

The Company believes in conducting affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior. Accordingly, the Company has framed several codes and policies including 'Policy on Whistle Blower and Protection Mechanism', in accordance with provisions of Section 177(9) of the Act and Regulation 22 of the Listing Regulations, and provide a formal mechanism to its Directors, employees and stakeholders of the Company for reporting any unethical

behaviour, breach of any statute, actual or suspected fraud on the accounting policies and procedures.

During the year under review, the Policy on 'Whistle Blower and Protection Mechanism' was amended and revised Policy is available on Company's intranet and can also be accessed on the Company's website at <https://www.tciexpress.in/corporate-governance.spx?invid=10&key=3d9446802a44259755d38e6d163e820>.

To make all the employees aware about the whistle blower and protection mechanism, periodical trainings are provided by the Company to sensitize over the matter. The Audit Committee reviews a synopsis of the complaints received and the resolution thereof, every quarter under the said Policy. The Company affirms that none of the whistle blower has been denied access to the Audit Committee of the Board.

Further, details with respect to the Policy are provided under the Boards Report section, titled as 'whistle blower and vigil mechanism'. The Business Responsibility and Sustainability Report also elaborated the specific efforts taken by the Company, towards vigil mechanism and protection provided to the whistle blowers.

#### d) Prevention of Sexual Harassment

The Company is committed to uphold the dignity of every individual engaged or associated with the Company and eludes all kinds of discrimination. The Company has always believed in providing a safe and harassment-free workplace for every individual working in the Company. As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ['POSH Act'] and the Rules made thereunder, the Company has adopted an anti-sexual harassment Policy, which is aimed at providing a safe, secure and dignified work environment and constituted an Internal Complaints Committee (ICC) to deal with complaints relating to sexual harassment at workplace. Further, the Policy also gives shelter to contract workers, probationers, temporary employees, trainees, apprentices of the Company and any person visiting the Company. The Policy is communicated to the employees and is also posted on the Company's intranet and also available on its website at: [www.tciexpress.in](http://www.tciexpress.in) under 'Investors Relation' section.

The Annual Report as required under Section 21 of the POSH Act read with Rule 14 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Rules, 2013 has been submitted to the respective authority.

Further, details with respect to the Policy are provided under the Boards Report section, titled as 'prevention of harassment'. The Business Responsibility and Sustainability Report also elaborated the specific efforts taken by the Company for the protection, against any form of prejudice, gender bias and sexual harassment at the workplace.

## e) Materiality and Dealing with Related Party Transactions

The Company has adopted a Policy on materiality and dealing of Related Party Transactions (RPT's). The objective is to ensure proper approval, disclosure and reporting of transactions as applicable, between the Company and any of its related parties. All RPT's entered during the year were in the ordinary course of business and on arm's length basis. The Policy on dealing with materiality of RPT's has been placed on the Company's website at [https://www.tciexpress.in/images/pdf/392\\_Related%20Party%20Transactions%20Policy.pdf](https://www.tciexpress.in/images/pdf/392_Related%20Party%20Transactions%20Policy.pdf).

In compliance with the requirements of Section 188 of the Act and Regulation 23 of the Listing Regulations, no material RPT's were entered during the FY 2022-23, that may have potential conflict with the interests of the Company at large, a detailed report on RPT's is provided to the Board's Report, which forms part of this Annual Report. Further, the detailed disclosure on RPT's as per IND AS-24 and as per schedule V of the Listing Regulations, have also been provided in the financial statements.

## f) Material Subsidiaries

As on reporting date, the Company does not have a material subsidiary as per provisions contained under the Listing Regulations, therefore, there is no Policy required to be adopted for determining material subsidiary.

## CERTIFICATION:

### Certificate on Financial Statement

In terms of Regulation 17(8) of the Listing Regulations, the Managing Director and the Chief Financial Officer, have issued a certificate with regard to the propriety of the financial statements for the FY 2022-23 and other matters stated in the said Regulation. The certificate is provided herewith and forms an integral part of this Report.

### Certificate on Non- Disqualification of Directors

The Company has obtained a certificate from a Company Secretary in Practice, affirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors by the SEBI and/or MCA or any such statutory authority, in accordance with the Listing Regulations. The certificate is provided herewith, forming an integral part of this Report.

### Certificate on Corporate Governance

The Company regularly submits to the Stock Exchanges, within the prescribed period, quarterly reports on Corporate Governance. A Certificate from the Practicing Company Secretary has been obtained, affirming compliance with the conditions of Corporate Governance, as stipulated under the Listing Regulations and provided herewith, forming integral part of this Report.

## The Compliance Framework

The Company has a robust and effective framework for monitoring compliances with applicable laws within the organisation and to provide updates to Senior Management and the Board on a periodic basis. The Company is in compliance with all the mandatory provisions related to Corporate Governance, pursuant to the requirement of the of the Act, Listing Regulations read with other applicable provisions, if any.

The discretionary requirements as stipulated in Regulation 27(1) read with Part E of Schedule II of the Listing Regulations, have been adopted to the extent and in the manner as stated under the appropriate headings in this Corporate Governance Report.

## DISCLOSURES

### a) Audit Report and Accounting Treatment

The Auditors have issued an unmodified opinion on the financial statements for the financial year ended March 31, 2023. The said Auditors' Report forms part of this Annual Report.

In the preparation of the financial statements, the Company has followed the Indian Accounting Standards (Ind AS), notified under section 133 of the Act read together with the Companies (Indian Accounting Standards) Rules, 2015 and there are no material departures from the same. The significant accounting policies, which are consistently applied, have been set out in the notes to the financial statements.

### b) Fund Raising and Utilization

The Company did not raise any funds during the FY 2022-23, by issuance of debt securities, public issue, right issue or preferential allotment or qualified institutions placement, hence provisions on utilization of funds do not attract for the FY 2022-23.

### c) Change in Share Capital

During the period under review, the Company has bought back total 2,34,275 equity shares from the equity shareholders of the Company (other than the Promoters, the Promoter Group and Persons in Control of the Company) under the open market route through the Stock Exchange. Further, the Company has allotted 50,800 equity shares, against the stock Options exercised by the employees, under the Company's Employee Stock Option Scheme-2016.

Accordingly, paid-up capital of the Company stood at ₹ 76,623,300, comprising of 3,83,11,650 equity shares of ₹ 2.00 each as on March 31, 2023.

For details on capital updation, please refer Board's Report.



#### d) Outstanding Instruments

The Company has not issued any global/american depositary receipt, warrants or any convertible instruments in the past, except stock Options to its employees, details of which are given in Board's Report and hence, as on March 31, 2023, the Company does not have any outstanding or convertible instruments, which could have an impact on the equity of the Company.

#### e) Price Risk and Hedging

The Company neither undertakes any commodities business nor has any exposure to foreign currencies that may require implementing any hedging strategies, hence it is not applicable to the Company.

#### f) Foreign Exchange Earnings and Outgo

Details of foreign exchange earnings and outgo as required under section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014, are as under:

(₹ in Crores)

Particulars	FY 2022-23	FY 2021-22
Foreign Exchange Outgo	11.40	24.28
Foreign Exchange Earnings	0.39	0.04

#### g) Loans and Advances

The Company has not extended any form of loans and/or advances to any Firms/Companies, in which Directors are interested.

#### h) Re-affirmation of Credit Rating

The CRISIL Limited and ICRA Limited have again re-affirmed ratings as [(CRISIL) AA-Stable] and [(ICRA) A1+], against term loan facility of ₹ 100 Crores and commercial papers for ₹ 25 Crores, respectively.

#### i) Strictures and Penalties

The Company has a rich track record of statutory compliances. It is committed to adopt best practices on Corporate Governance and protection of stakeholder's interest. The Company has complied with the requirements of the MCA, Stock Exchanges, SEBI and other statutory authorities.

No strictures or penalties have been imposed on the Company by the MCA, Stock Exchanges, SEBI or by any statutory authority on any matters related to capital markets, during the last three (3) years.

### GENERAL BODY MEETINGS

#### a) Annual General Meeting(s)

The General Body Meeting(s) of the Company was held in accordance with the requirements of the Act and the Listing Regulations. The details of AGM held in previous three (3) years along with the details of the Special Resolutions, as more particularly set out in the notices of the respective AGMs and passed by the members are provided herein below:

Financial Year (FY)	Date	Time	Venue/Mode	No. of Special Resolutions passed	Detail of Special Resolutions passed
FY 2021-22	August 03, 2022	10:30 A.M	Deemed Venue: Corporate Office Mode: Through Video Conferencing (VC) / Other Audio-Visual Means (OAVM)	4	1) Amendment to the Employee Stock Option Scheme-2016; 2) To extend the benefits under Employees Stock Option Scheme 2016 to the Employees of Subsidiaries Companies of the Company, if any; 3) To extend the benefits under Employees Stock Option Scheme 2016 to the Employees of the Group Company(ies) including Associate Company(ies) of the Company, if any; and 4) To approve buyback of Equity shares of the Company.

Financial Year (FY)	Date	Time	Venue/Mode	No. of Special Resolutions passed	Detail of Special Resolutions passed
FY 2020-21	July 28, 2021	10:00 A.M.		5	1) Re-appointment of Mr. Chander Agarwal (DIN: 00818139) as the Managing Director of the Company and remuneration payable, for a further period of five (5) consecutive years; 2) Re-appointment of Mr. Ashok Kumar Ladha (DIN: 00089360) as an Independent Director of the Company, for a second term of five (5) consecutive years; 3) Re-appointment of Mr. Murali Krishna Chevuturi (DIN: 01770851) as an Independent Director of the Company, for a second term of five (5) consecutive years; 4) Re-appointment of Mrs. Taruna Singhi (DIN: 00635973) as an Independent Director of the Company, for a second term of five (5) consecutive years; and 5) Re-appointment of Mr. Prashant Jain (DIN: 00769291) as an Independent Director of the Company, for a second term of five (5) consecutive years.
FY 2019-20	July 24, 2020	10:30 A.M.		Nil	There was no matter that required passing of Special Resolution

#### b) Extraordinary or Court Convened Meeting

No Extraordinary General Meeting or Court Convened Meeting was held during the FY 2022-23.

#### c) Postal Ballot

No Postal Ballot was conducted during the FY 2021-22 and 2022-23 and none of the businesses proposed to be transacted at this AGM that requires passing of a resolution through Postal Ballot. Hence, the provisions relating to Postal Ballot are not required to be complied with.

### MEANS OF COMMUNICATIONS

The Company always believes that effective corporate communication is a key element in building a relationship with stakeholders. Prompt and efficient communication with the stakeholders enables them to be aware of the Company's business activities, strategy and future prospects. For this purpose, the Company provides multiple channels of communications through the following ways:

**Financial Results and Publication:** The unaudited quarterly results and audited annual results are announced within forty-

five (45) days and sixty (60) days, respectively, from close of the quarter/financial year, as required under the Listing Regulations. The aforesaid financial results are disseminated to the Stock Exchanges, within thirty (30) minutes from the close of the Board meetings at which these are considered and approved. The results are also published usually in leading newspapers i) Financial Express (English) and ii) Nava Telangana (Telugu) vernacular edition, having nation-wide circulation. Also, the same is displayed on the website of the Company.

**Investor Interactions and Presentation:** Well before the Board meeting, schedule of investor/analysts meeting is disseminated to the Stock Exchanges and on the website of Company. Efforts are being made by the Company for wider participation of investors at such meetings. After the financial results are communicated to the Stock Exchanges, the Company prepares presentations on the performance of the Company and filed with the Stock Exchanges and also placed on the Company's website for the benefit of the institutional investors, analysts and other shareholders.

The Company also conducts con-calls/meetings with investors, immediately after declaration of financial results to brief them on the performance of the Company. This is followed

by the question-and-answer session such that whosoever has a question for the management can raise it in the forum. Transcripts of the conference calls are also made available on the Company's website. The Senior Management team of the Company also conducts time to time several conference calls and meets with institutional investors/analysts, based on the information already available in public domain. The Company discusses with the Institutional Investors and Analysts on the Company's performance on a periodic basis and intimation of such meet along with presentations, if any, made during such meetings and calls are also made available on the website of the Company/Stock Exchange.

**Press Releases:** The Company issues press releases from time to time concerning financial results and other material events. These are also submitted to the NSE and BSE, before their release to the media for wider dissemination as well as uploaded on the Company's website on a regular basis.

**Website:** The Company's website [www.tciexpress.in](http://www.tciexpress.in) is a comprehensive reference on its leadership, Board/Committee charters, management, vision, policies, corporate governance, sustainability, and investor relations. It has a separate dedicated section 'Investors Relation' which acts as the primary source of information to the investors and contains comprehensive database of information about the Company, its business and operations, financial information, statutory filings and reports, details of unclaimed dividend and shares transferred/liable to be transferred to IEPF and other statutory records/documents, as prescribed under Regulation 46 of the Listing Regulations.

Apart from this, other relevant information of interest to the Investors are also placed on the website, along with applicable forms (wherever applicable), which are easily available for download.

**Annual Report:** In line with the MCA and SEBI circulars, electronic copies of the Annual Report containing Audited Financial Statements, Management's Discussion and Analysis Report and Business Responsibility and sustainability Report, Directors' Report, Auditors' Report and other important

information is circulated by e-mail to the Members, whose e-mail addresses were registered with the Company/Depositories. The Annual Reports are also available in the 'Investor Relations' section on the Company's website.

**Management's Communiqué:** The messages delivered by the Chairperson and Managing Director of the Company, form part of the Annual Report and published therein.

**Stock Exchange Disclosures:** All periodical compliance filings, inter alia, shareholding pattern, corporate governance report, corporate announcements, amongst others, are in accordance with the Listing Regulations, filed electronically on BSE Corporate & Listing Centre (Listing Centre), online portal of BSE and on NSE Electronic Application Processing System (NEAPS), the online portal of NSE.

The Company also discloses to the Stock Exchanges, all information required to be disclosed under Regulation 30 read with Part A of Schedule III of the Listing Regulations, including material information having a bearing on the performance/operations of the Company and other price sensitive information, if any.

**SCORES:** The SEBI has provided facility to investors to place their complaints/grievances on centralized web-based complaints redress system viz. SEBI Complaints Redress System (SCORES). The Company is duly registered with SCORES and facilitates shareholders to make their grievances and resolution on-line. As on date, no complaint is pending against the Company under SCORES platform.

**Shareholder's Communication:** The Company had during the FY 2022-23 sent various statutory communications to the Shareholders including Annual Reports, registering/ updating KYC particulars, ECS and tax intimation of dividend by e-mail to those shareholders whose e-mail addresses were registered with the Company/Depositories. In support of the 'Green Initiative' the Company encourages Members to register their e-mail address with their Depository Participant or the Company, to receive soft copies of the Annual Report, Notices and other information disseminated by the Company, on a real-time basis without any delay.

## GENERAL SHAREHOLDER INFORMATION

### a) Financial Calendar

The financial year of the Company is for a period of twelve (12) months, commencing from April 01 and ending on March 31 of the following year. The tentative calendar of the Board meeting for the approval of financial results and AGM is indicated below:

Tentative Schedule of Financial Reporting	Likely Schedule of Meetings
Financial reporting for quarter ending June 30, 2023	On or before August 14, 2023
Financial reporting for quarter and half year ended September 30, 2023	On or before November 14, 2023
Financial reporting for quarter and nine months ended December 31, 2023	On or before February 14, 2024
Financial reporting for quarter and year ended March 31, 2024	On or before May 30, 2024
AGM for the year ending March 31, 2024	On or before September 30, 2024

**b) Dividend Payment**

The dividend of ₹ 2.00 per equity share of ₹ 2.00 each (100%), as recommended by the Board, if approved by the shareholders at the AGM, will be paid, subject to deduction of TDS, wherever applicable:

Financial Year	Type	Payment Date	Book Closure
FY 2022-23	Final	The final dividend, if approved shall be paid within thirty (30) days from the date of shareholder's approval.	Saturday, July 29, 2023 to Friday, August 04, 2023, (both days inclusive).

**c) Address for correspondence with the Company**

Company's Address and Contact details	Corporate Office	Registered Office
	TCI House, Plot No. 69, Sector -32, Institutional Area, Gurugram-122001	Flat Nos. 306 & 307, 1-8-273, Third Floor, Ashoka Bhoopal Chambers, S.P. Road, Secunderabad, Telangana-500003
	Tel: 91-124-238-4090-94,	Tel: +91-40 -27840104
E-mail:	<a href="mailto:secretarial@tciexpress.in">secretarial@tciexpress.in</a>	
Website:	<a href="http://www.tciexpress.in">www.tciexpress.in</a>	
Plant Location	In view of nature of the Company's business, the Company operates from various offices in India and does not have any manufacturing plant. Please refer Management's Discussion and Analysis Report for detailed information.	
Registrar and Share Transfer Agent	KFin Technologies Limited, Unit: TCI Express Limited Selenium Tower B, Plot 31-32 Gachibowli, Financial District Nanakramguda, Hyderabad-500 032 Tel: 040 - 67161500 Fax: 040 - 23001153 E-mail: <a href="mailto:einward.ris@kfintech.com">einward.ris@kfintech.com</a> Website: <a href="http://www.kfintech.com">www.kfintech.com</a>	
Investor's Designated E-mail	<a href="mailto:secretarial@tciexpress.in">secretarial@tciexpress.in</a>	

**ACCLAMATION**

Looking ahead, we remain committed to deliver long term value to our shareholders and to continuing our track record of success. We will focus on innovation, customer satisfaction and operational excellence as we pursue new opportunities and challenges. Your involvement as Members is greatly valued and we look forward to your continuing support. The Members are requested to give us their valuable suggestions, for enhancement of our investor services by writing to us at [secretarial@tciexpress.in](mailto:secretarial@tciexpress.in) or at the address provided hereinabove. Your feedback is valuable to us in order to serve you better.

For and on behalf of the Board  
**TCI Express Limited**

Place: Gurugram  
 Date: May 26, 2023

**Chander Agarwal**  
 Managing Director  
 (DIN: 00818139)

**DECLARATION TO COMPANY'S CODE OF CONDUCT**

[Pursuant to Regulation 26(3) and Part D of Schedule V of the Securities and Exchange Board of India  
(Listing Obligations and Disclosure Requirements) Regulations, 2015]

To  
The Members of,  
**TCI Express Limited**

I, Chander Agarwal, Managing Director of TCI Express Limited, hereby declare based on disclosures received, that all the Members of the Board of Directors and Senior Management Personnel, have affirmed compliance with the Code of Conduct applicable to them as laid down by the Board of Directors, in terms of Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the year ended March 31, 2023.

For **TCI Express Limited**

Place: Gurugram  
Date: May 12, 2023

**Chander Agarwal**  
Managing Director  
(DIN:00818139)



**CERTIFICATE ON FINANCIALS BY THE MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER**

[Pursuant to Regulation 17(8) and Part B of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

We, the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of TCI Express Limited ('the Company') to the best of our knowledge and belief certify that:

1. We have reviewed financial statements and the cash flow statement for the year ended March 31, 2023 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.
2. We further state that to the best of our knowledge and belief, no transactions were entered into by the Company during the year, which were fraudulent, illegal or in violation of the Company's code of conduct.
3. 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.
4. 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 we 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.

For **TCI Express Limited**

Place: Gurugram  
Date: May 26, 2023

**Chander Agarwal**  
Managing Director

**Mukti Lal**  
Chief Financial Officer

**CERTIFICATE ON CORPORATE GOVERNANCE**

[Pursuant to Regulation 34(3) and Para E of Schedule V of the Securities and Exchange Board of India  
(Listing Obligations and Disclosure Requirements) Regulations, 2015]

To  
The Members,  
**TCI Express Limited**

I, Sanjeev Bhatia, a Practicing Company Secretary, have examined the compliance of the conditions of Corporate Governance by TCI Express Limited ('the Company') for the financial year ended on March 31, 2023, as stipulated under Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and Para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of the conditions of Corporate Governance is responsibility of the management of the Company. My examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me and representations made by the management, I certify that the Company has complied with the conditions of Corporate Governance, as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the financial year ended on March 31, 2023.

We further state that such compliance 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**

Date: May 12, 2023  
Place: Gurugram

**Sanjeev Bhatia**  
Company Secretaries  
Certificate of Practice no: 3870

**CERTIFICATE ON NON-DISQUALIFICATION OF DIRECTORS**

[Pursuant to Regulation 34(3) and Clause (10)(i) of Para C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To  
The Members,  
**TCI Express Limited**

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of TCI Express Limited, having CIN-L62200TG2008PLC061781 and registered office at Flat No. 306 & 307, 1-8-271 to 273, 3rd Floor Ashoka Bhoopal Chambers, S. P. Road Secunderabad, Hyderabad Telangana 500003 (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 Clause (10)(i) of Para C of Schedule V 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 and its officers, I hereby certify that none of the Directors on the Board of the Company for the financial year ending on March 31, 2023, 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 for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion based on above-said documents/verifications. 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**

Date: May 12, 2023  
Place: Gurugram

**Sanjeev Bhatia**  
Company Secretaries  
Certificate of Practice no: 3870

# BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

## NATIONAL GUIDELINES ON RESPONSIBLE BUSINESS CONDUCT (NGRBC) PRINCIPLES:

1

### Ethics, Transparency and Accountability

Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

2

### Product Life Cycle Sustainability

Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

3

### Employees' Well-Being

Businesses should promote the well-being of all employees.

4

### Stakeholder Engagement

Businesses should respect the interests of, and be responsive towards, all stakeholders, especially those who are disadvantaged, vulnerable and marginalised

5

### Human Rights

Businesses should respect and promote human rights.

6

### Environment

Businesses should respect, protect, and make efforts to restore the environment.

7

### Policy Advocacy

Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

8

### Inclusive Growth

Businesses should support inclusive growth and equitable development

9

### Customer Value

Businesses should engage with and provide value to their customers and consumers in a responsible manner.

## The Business Responsibility & Sustainability Report (BRSR) and Environment, Social & Governance (ESG) practices

As one of the top and fastest-growing express logistics Company, we are aware of our obligation to preserve the environment, to ensure the safety and well-being of our employees, and to improve the quality of life in the communities, in which we operate. The sustainability and ESG are the essential pillars of our long-term strategy. TCI Express Limited ('TCI Express' or 'the Company') has adopted a structured strategy through effective ESG systems and processes in an effort to promote sustainable development. Our established ESG strategies complies with the mission, ethics, values, and culture of our organization. We give priority to ESG areas, where we employ our valuable resources, such as our talented workforce, transportation infrastructure, and logistics know-how, to make a significant contribution to society.

We have implemented a number of sustainability measures this year to make sure the business is mindful of people, the environment, economy and human rights. Our initiatives address improving efficiency, reducing costs, and protecting against risks. We are striving to bring desired environmental footprints in vehicle fleets, facilities and materials. TCI Express has focused on various environmental initiatives viz. renewable energy, minimizing carbon foot-printing, waste management, rainwater harvesting, and behavior change strategies. We are working closely with our social partner's TCI Foundation, TCI Express Foundation, and other independent implementing agencies to reach unserved and under privileged communities in the country. We implement workplace safety using innovative technologies to safeguard the interests of everyone associated with our business. TCI Express is an equal opportunity corporate with a diverse, inclusive, equitable, and growth-focused Company, where everyone has the opportunity to flourish. We adhere to the statutory rules pertaining to human rights, labor laws, prevention of exploitations, ethics, and many more. Our Code of Conduct, data privacy policies and risk management system are in place to protect the interests of stakeholders, customers, and communities. We have always been committed to fostering an environment of transparency and honesty in which employees feel safe to raise concerns about unethical, unacceptable, or fraudulent practices or activities.

We are aware that integrating ESG concerns into all aspects of Company operations is a process of continual improvement, and the qualitative and quantitative indicators collected will assist our stakeholders in keeping track of and evaluating our ESG performance. We consider stakeholder suggestions, and we think that ongoing interaction and cooperation are essential to our development. We are convinced that TCI Express will achieve greater heights in its pursuit of sustainable development with the help of our stakeholders, employees, and business partners. As part of our ongoing efforts to meet the ESG requirements, we are publishing the BRSR for the financial year ('FY') 2022-23 and an ESG Report in accordance with international standards and GRI standard 2021.

### Section A: General disclosure

#### I. Company details

Sr. no.	Questions	Responses
1.	Corporate identity number (CIN) of the Company	L62200TG2008PLC061781
2.	Name of the Company	TCI Express Limited
3.	Year of incorporation	2008
4.	Registered office address	Flat No. 306 & 307, 1-8-271 to 273, 3rd Floor, Ashoka Bhoopal Chambers, Secunderabad Telangana-500003
5.	Corporate address	TCI House, 69, Institutional Area, Sector 32, Gurugram, Haryana 122001
6.	E-mail	<a href="mailto:secretarial@tcipress.in">secretarial@tcipress.in</a>
7.	Telephone	(+91) 124 2384090
8.	Website	<a href="http://www.tciexpress.in">www.tciexpress.in</a>
9.	FY for which reporting is being done	2022-23
10.	Name of Stock Exchange(s) where shares are listed	National Stock Exchange of India Ltd and BSE Limited
11.	Paid-up capital (in ₹)	76,623,300
12.	Name and contact details (telephone, email address) of the person, who may be contacted in case of any queries on the BRSR report	Mr. Chander Agarwal (Managing Director) Mr. Pabitra Mohan Panda (Chief Operating Officer) Mr. Mukti Lal (Chief Financial Officer) Tel: +91-124-2384090-94 E-mail: <a href="mailto:secretarial@tcipress.in">secretarial@tcipress.in</a>
13.	Reporting boundary	Standalone basis



## II. Product and services

### 14. Details of business activities (accounting for 90% of the turnover):

Description of main activity	Description of business activity	% of turnover of the Company
Surface express including B2B and C2C express services	TCI Express is India's fastest business to business (B2B) express delivery service. It provides end-to-end express logistics services and accompanying services such as surface express, domestic air express, international air express, rail express, pharma cold chain express and e-commerce, etc.	90%+

### 15. Products/services sold by the entity (accounting for 90% of the entity's turnover):

Product/service	NIC code	% of turnover of the Company
Surface express, domestic air express, international air express, rail express, C2C express, e-commerce express & pharma cold chain express services.	52241, 52242, 52243	100%

## III. Operations

### 16. Number of locations, where plants and/or operations/offices of the entity are situated:

Location	No. of branches	No. of sorting centers	No. of offices			Total
			Zonal offices	Regional offices	Registered/Corporate office	
National	950	28	60	10	2	1050
International -(Singapore)	-	-	-	-	1	1

### 17. Markets served by the entity:

Sr. no.	Locations	No.
1.	National (No. of States) National (No. of Union Territories) International (No. of Countries)	28 8 We serve most of international countries for pick-up and delivery through third party service providers arrangements.
2.	What is the contribution of exports as a % of the total turnover of the Company	0.03%
3.	A brief on types of customers	TCI Express holds a significant market share and possesses a vast base of loyal and satisfied customers base across India, with a particular emphasis on the B2B sector. We cater to a diverse range of industries encompassing, automobile, pharmaceuticals, engineering, electronics, energy & power, and textile, which further strengthening our position in the market.

## IV. Employee

### 18. Employees and workers (including differently abled) at the end of FY:

Sr. no.	Particulars	Total (A)	Male			Female
			No. (B)	% (B/A)	No. (C)	% (C/A)
Employees (including differently abled)						
1.	Permanent (D)	3072	2684	87.37%	388	12.63%
2.	Other than permanent (E)	224	184	82.14%	40	17.86%
3.	Total employees (D + E)	3296	2868	87.01%	428	12.99%
Workers						
4.	Permanent (F)	0	0	NA	0	NA
5.	Other than permanent (G)	53	52	98.11%	1	1.89%
6.	Total workers (F + G)	53	52	98.11%	1	1.89%
Differently abled employees						
1.	Permanent (D)	5	3	60.00%	2	40.00%
2.	Other than permanent (E)	0	0	NA	0	NA
3.	Total differently abled employees (D + E)	5	3	60.00%	2	40.00%
Differently abled workers						
4.	Permanent (F)	0	0	NA	0	NA
5.	Other than permanent (G)	0	0	NA	0	NA
6.	Total differently abled workers (F + G)	0	0	NA	0	NA

**19. Participation/inclusion/representation of women:**

Particulars	(A)	No. and % of females	
		No. (B)	% (B/A)
Board of Directors^	8	1	12.50%
Key Management Personnel^	4	1	25.00%

^Includes the Managing Director

**20. Turnover rate (in%) for permanent employees and workers (disclose trends for the past 3 years):**

Particulars	FY 2022-23			FY 2021-22			FY 2020-21		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent employees	8.60	13.80	9.30	8.80	12.20	9.20	8.20	11.50	8.90
Permanent workers	NA	NA	NA	NA	NA	NA	NA	NA	NA

**V. Holding, subsidiary, and associate companies (including joint ventures)**
**21. Names of holding/subsidiary/associate companies/joint ventures:**

Sr. no.	Name of the holding /subsidiary/ associate Companies/joint ventures	Indicate whether holding/subsidiary/ associate/joint venture	% of shares held by the Company	Does the entity indicated participate in the business responsibility initiatives of the Company?
1.	TCI Express Pte. Ltd.	Wholly Owned Subsidiary	100%	No

**VI. CSR details**
**22. CSR details :**

Sr. no.	Particulars	Details
1.	Whether CSR is applicable as per Section 135 of the Companies Act, 2013	Yes
2.	Turnover ( ₹ in Crores)	1241.01
3.	Net worth ( ₹ in Crores)	588.71

**VII. Transparency and disclosures compliances**
**23. Complaints/grievances on any of the principles (Principles 1 to 9) under the NGRBC.**

There are defined channels for receiving complaints/grievances from stakeholders and these are addressed with expediency in upholding the ethical standards practiced by the Company within the framework of different policies. The Company has following Code(s) and Policy(ies), which provides mechanisms for registering grievance from respective stakeholders and ensure effective resolution of said grievances:

Sr. no.	Particulars	Details
1.	Policy on Whistle Blower and Protection Mechanism	<a href="https://www.tciexpress.in/corporate-governance.aspx?invid=10&amp;key=d3d9446802a44259755d38e6d163e820">https://www.tciexpress.in/corporate-governance.aspx?invid=10&amp;key=d3d9446802a44259755d38e6d163e820</a>
2.	Anti-Bribery and Anti-Corruption Policy	
3.	Policy on Human Rights and Resource	
4.	Health, Safety and Environment Policy	Intranet
5.	Sustainable Procurement Policy	
6.	Stakeholder's Engagement Policy	
7.	Corporate Social Responsibility Policy	<a href="https://www.tciexpress.in/corporate-governance.aspx?invid=10&amp;key=d3d9446802a44259755d38e6d163e820">https://www.tciexpress.in/corporate-governance.aspx?invid=10&amp;key=d3d9446802a44259755d38e6d163e820</a>
8.	Policy on Prevention of Sexual Harassment at Work Place	
9.	Risk Management Policy	
10.	Cyber Security Policy	Intranet
11.	Policy on Related Party Transactions	
12.	Code of Conduct for Prevention of Insider Trading and Fair Disclosure of Price Sensitive Information	
13.	Code of Conduct for Directors/KMPs/SMPs	<a href="https://www.tciexpress.in/corporate-governance.aspx?invid=10&amp;key=d3d9446802a44259755d38e6d163e820">https://www.tciexpress.in/corporate-governance.aspx?invid=10&amp;key=d3d9446802a44259755d38e6d163e820</a>
14.	Code of Business Conduct and Work Ethics	
15.	Supplier's Code of Conduct	

A quantity of Policies guiding the Company's conduct with its stakeholders, including grievance mechanisms, are placed on the Company's website as well as its intranet. Internal Policies, governing conduct of internal stakeholders are placed on the intranet platform of the Company:

Stakeholder group from whom complaint is received	Grievance redressal mechanism in place (Yes/No)	FY 2022-23			FY 2021-22		
		No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks	No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks
Communities	Yes	-	-	NA	-	-	NA
Investors	Yes	-	-	NA	-	-	NA
Shareholders	Yes	2	-	NA	2	-	NA
Employees and workers	Yes	-	-	NA	-	-	NA
Customers	Yes	7520	-	NA	11060	-	NA
Value chain partners	Yes	-	-	NA	-	-	NA

#### 24. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format.

During the FY 2022-23, the Company undertook materiality assessment, based on external framework i.e., Global Reporting Initiative (GRI) Standard 2021. The goal was to identify the key economic, ecological, and social topics for siemens globally in accordance with the GRI Standards. To this end, relevant stakeholders were consulted, and the impact viewed from an inside-out perspective (impact materiality) was considered. The exercise enabled us to prioritize the relevant sustainability topics and the same is listed in the table below:

Sr. no.	Material issues identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Energy use and management	Risk	<p><b>Resource depletion:</b> Fossil fuel reserves are finite, and as we continue to extract and consume them, they become increasingly scarce and harder to access. This leads to higher extraction costs, geopolitical conflicts, and price volatility, all of which pose risks to energy security and stability. Many energy technologies, including solar panels, wind turbines, batteries, and electric vehicles, require minerals and metals such as lithium, cobalt, nickel, and rare earth elements. These resources are not infinite, and their extraction can have environmental consequences. Energy production, particularly in thermal power plants, often requires large amounts of water for cooling purposes.</p>	<p><b>Energy Efficiency:</b> Promoting energy efficiency measures can reduce overall energy demand and slow down resource depletion. This includes improving building insulation, using energy-efficient appliances, and implementing industrial processes that minimize energy waste.</p> <p>TCI Express has implemented several technological solutions to conserve electricity and enhance efficiency at its offices. These include installation of energy-efficient equipment in office premises, replacing the existing conventional lighting with light-emitting diode (LED) and shutting down air-conditioners beyond operational hours. Apart from improving the energy efficiency in operations, the Company is also committed to invest on reduction in consumption of energy from conventional resources. The Company focuses to use energy conserving roofing at its various sorting centers, which helps to save energy by reflecting light and heat away rather than absorbing them. The Company has successfully commissioned automated sorting center at Gurugram, which offers automated loading, reduced parcel handling and vehicle halting time by 40%, thus resulting in lower energy consumption.</p> <p><b>Renewable Energy Transition:</b> Shifting towards renewable energy sources, such as solar can reduce reliance on fossil fuels and their associated depletion risks. In addition to the 600 kWp solar panels at sorting center situated at Gurgaon, which is fully energy self-sufficient. We have also installed a 280 kWp solar panel at Pune sorting center, which is partially energy self-sufficient, and these new age sorting centers are able to utilize solar energy in an efficient manner and optimize the Company's energy consumption. These solar(s) have been able to generate 8,04,311 kWh of renewable electricity in the current FY 2022-23.</p>	Negative
2.	Emissions/ carbon footprint	Risk	<p><b>Climate change:</b> Climate change presents numerous risks, including extreme weather events, rising sea levels, disruption of ecosystems, agriculture, and food insecurity.</p> <p><b>Economic impacts:</b> GHG emissions and climate change have significant economic consequences such as increased costs, business disruptions, and market instability.</p> <p><b>Health risks:</b> GHG emissions contribute to air pollution, which poses health risks to individuals and communities.</p> <p>Reducing GHG emissions, energy use, and mitigating the effects of long-term changes in the earth's climate and its physical impacts on business operations, communities and the natural environment is imperative to any business.</p>	<p>Mitigating greenhouse gas (GHG) emissions and addressing climate change risks requires concerted efforts to transition to cleaner and more sustainable energy sources, improve energy efficiency, promote renewable energy adoption, implementation of effective policies and regulations. By reducing GHG emissions, we can mitigate climate-related risks and build a more resilient and sustainable future.</p> <p>In the pursuit of reducing the Company's GHG emissions, the Company has implemented several measures such as:</p> <ul style="list-style-type: none"> <li>- Promotion and usage of Compressed Natural Gas (CNG) for running its vehicles.</li> <li>- Use of BS VI compliant vehicles to restrict its emission level.</li> </ul> <p>In addition to reducing GHG emissions, our Company is dedicated to minimizing other air emissions as well. We prioritize the regular pollution under control (PUC) and maintenance checks for all our vehicles to ensure that they comply with the prescribed norms and maintain minimal air pollution levels.</p> <p>Furthermore, our Company has undertaken an extensive plantation initiative in the fiscal year 2021-22, we have successfully planted 100,019 trees on 82.19 acres of land. This substantial effort not only contributes to enhancing green cover but also aids in carbon sequestration. By sequestering carbon dioxide from the atmosphere, these trees help mitigate climate change impacts and foster a healthier environment for all.</p>	Negative

Sr. no.	Material issues identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
3.	Talent attraction and retention	Opportunity	The Company consistently invests in growth and development of the people and in aligning them with the strategic business imperatives. Human resources are the origin of Company's strength and a key competitive advantage.		Positive
4.	Cyber security	Risk	The increasing reliance on digital technologies and interconnected systems exposes various risks and vulnerabilities. Data breaches can result in significant financial losses, reputational damage, and legal liabilities. Ransomware attacks, disruption of critical Infrastructure, phishing attacks, and insider threats being other critical risks. Organizations that fail to comply with cybersecurity regulations and industry standards may face legal and regulatory penalties. Inadequate security measures or a data breach can expose customer information, leading to privacy concerns and potential legal and financial consequences for the organization.	<p>By proactively addressing cybersecurity risks and implementing appropriate security measures as explained herein below, the Company has minimized the potential impact of cyber threats and are protecting digital assets and operations:</p> <ul style="list-style-type: none"> <li>- The Company has implemented robust cybersecurity policies and procedures.</li> <li>- The Company conducts security audits and vulnerability scans on a timely basis.</li> <li>- It has implemented multi-factor authentication and strong access controls.</li> <li>- The Company has implemented virtual private network software to encrypt sensitive data and regularly back up critical information.</li> <li>- The Company keeps the software and systems up to date with patches and security updates.</li> <li>- The Company trains the employees in cybersecurity best practices and raising awareness of common threats.</li> <li>- The Company has deployed intrusion detection and prevention systems and firewalls.</li> <li>- The Company engages with third-party security experts for expert advice.</li> <li>- The Company has established an incident response plan to effectively respond to and recover from cyber incidents.</li> </ul>	Negative
5.	Customer management	Risk	While effective customer management is crucial for the success of an organization, there are certain risks associated with it. Poor customer management can result in dissatisfied customers, who may express their discontent through negative reviews, complaints, or word-of-mouth. Negative experiences shared by customers can damage the organization's reputation and hinder customer acquisition and retention efforts. Inefficient customer management practices can result in misallocation of resources.	<p>To mitigate the risks associated with customer management, the Company has a robust customer service team that works on various aspects like:</p> <ul style="list-style-type: none"> <li>- The Company has an effective customer service and support processes to ensure timely and satisfactory resolution of customer inquiries and issues.</li> <li>- The Company has established various touch points for the customers to raise complaints or share feedback such as a tollfree number, e-mail, a dedicated page on the website, social media platforms.</li> <li>- The complaints are recorded in an online application in the Company's system.</li> <li>- The customers are provided with realistic turnaround time, and resolved on a priority.</li> <li>- The Company has also established an escalation procedure, which is communicated to the customers.</li> <li>- The Company provides a feedback link to the customer with every order to regularly seek customer satisfaction level and feedback to identify areas for improvement and address customer concerns.</li> <li>- The Company also provides regular training to its business associates (BA) and delivery business associate (DBA), where they are sensitized with basic etiquette of handling customers, product handling, customer service skills, communication skills, etc.</li> <li>- The Company fosters a customer-centric culture throughout the organization, emphasizing the importance of customer satisfaction and retention.</li> <li>- The Company continuously monitors and analyzes customer data to gain insights, make informed decisions, and personalize customer experiences.</li> </ul>	Negative



Sr. no.	Material issues identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
6.	Digitization	Opportunity	<p><b>Increased efficiency and productivity:</b> Automation of routine tasks and digitized data management enable employees to focus on higher-value activities, resulting in increased productivity and cost savings.</p> <p><b>Enhanced customer experience:</b> Through digital channels, organizations can offer self-service options, 24/7 availability, and tailored interactions. This leads to improved customer satisfaction, loyalty, and retention.</p> <p><b>Data-driven insights and decision making:</b> Digitization generates vast amounts of data that organizations can leverage for insights and informed decision making.</p> <p><b>Scalability and growth:</b> Digital platforms and technologies provide scalability and facilitate organizational growth.</p> <p><b>Competitive advantage:</b> Organizations that embrace digitization gain a competitive advantage. By leveraging emerging technologies, data analytics, and digital channels, organizations can differentiate themselves from competitors.</p> <p><b>Cost optimization:</b> Digitization offers opportunities for cost optimization and reduced operational expenses.</p> <p><b>Agility and adaptability:</b> Digital technologies allow organizations to quickly launch new products or services, respond to market trends, and pivot their strategies as needed. This agility ensures organizations remain relevant and competitive in today's fast-paced business landscape.</p>		Positive
7.	Sustainable supply chain	Opportunity	<p><b>Cost savings:</b> Adopting sustainable practices can lead to cost savings in the long run. For example, reducing energy consumption, optimizing transportation routes, and minimizing waste can result in lower operational costs and resource utilization.</p> <p><b>Enhanced reputation and brand image:</b> Embracing sustainability in the supply chain has contributed to a positive brand image and reputation. Customers, investors, and stakeholders increasingly value environmentally and socially responsible practices.</p> <p><b>Competitive advantage:</b> It provides the Company with a competitive advantage in the marketplace.</p> <p><b>Access to new markets and customers:</b> Sustainable supply chain practices have opened doors to new markets and customers.</p> <p><b>Risk mitigation:</b> Diversifying suppliers and adopting sustainable sourcing practices have reduced dependence on single suppliers and minimize the risk of supply disruptions. Additionally, implementing environmental and social risk management strategies has enhanced resilience and protected the organization against regulatory, legal, and reputational risks.</p> <p><b>Long-term business viability:</b> Embracing sustainability is an investment in the longevity and resilience of the business. By capitalizing on these opportunities, the Company can create value, drive innovation, and achieve both financial and non-financial benefits through a sustainable supply chain.</p>		Positive

Sr. no.	Material issues identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
8.	Economic performance	Opportunity	<p>Achieving strong economic performance can provide several opportunities for TCI Express. Here are some key opportunities associated with the economic performance.</p> <p><b>Profitability and financial stability:</b> Strong economic performance often translates into higher profitability and financial stability for the organization.</p> <p><b>Market expansion and growth:</b> Improved economic performance provides the resources and confidence to pursue market expansion and growth initiatives.</p> <p><b>Competitive advantage:</b> The Company can invest in research and development, innovation, and marketing, which allows it to differentiate its offerings, attract customers, and outperform competitors.</p> <p><b>Talent attraction and retention:</b> Organizations with strong economic performance are often more attractive to top talent.</p> <p><b>Enhanced stakeholder relations:</b> Positive economic performance strengthens relationships with stakeholders such as shareholders, employees, suppliers, and communities.</p> <p><b>Resilience to economic challenges:</b> The Company would have the financial resources and operational capabilities to economic fluctuations, adapt to market changes, and seize opportunities that arise during uncertain times.</p>		Positive

## Section B: Management and process disclosures

This section aimed at helping businesses to demonstrate the structures, policies, and processes put in place towards adopting the NGRBC principles and core elements. The Company has a well-established ESG governance structure to benchmark, implement and monitor ESG-aligned decisions and actions. The ESG performance funnels into the apex leadership team and the CSR Committee at Board for guidance.

Sr. no.	Disclosure questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes										
1.	a) Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)  b) Has the policy been approved by the Board? (Yes/No)  c) Web-link of the policies, if available	Yes   <								

### 4. Name of the national and international codes/certifications/labels/standards [e.g., forest stewardship council, fairtrade, rainforest alliance, trustee standards (e.g., SA 8000, OHSAS, ISO, BIS)] adopted by the Company and mapped to each principle.

The policies of the Company are largely based on the NGRBC's principles. TCI Express follows GRI standards and sustainable development goals (SDGs) for measuring and reporting its sustainability performance. Employee and human rights policies are aligned with Indian labour codes, international frameworks like international labor organization (ILO), and universal declaration of human rights (UDHR).

### 5. Specific commitments, goals and targets set by the entity with defined timelines, if any.

The Company has set targets for ESG commitment inter alia, related to energy efficiency, water conservation, safe & harassment free workplace, equitable & inclusive workplace, ethics transparency, quality & accountability, sustainable supply chain management. For more information, please refer the ESG section of 'Management Discussion and Analysis', forming part of this Annual Report.

### 6. Performance of the entity against the specific commitments, goals, and targets along with reasons in case the same are not met.

The Company monitors the performance against the specific commitments on an ongoing basis. The performance against the set targets undertaken for ESG has been published in the ESG section 'Management Discussion and Analysis', forming part of this Annual Report.

#### Governance, leadership, and oversight

### 7. Details of the highest authority responsible for implementation and oversight of the business responsibility policy(ies).

The Company has a well-established ESG governance structure to benchmark, implement and monitor ESG-aligned Policies and action. The ESG performance funnels into the apex leadership team (as disclosed under Section A of the Report) and the CSR Committee/Board for guidance.

### 8. Does the entity have a specified Committee of the Board/Director responsible for decision making on sustainability related issues? (Yes/No). If yes, provide details.

Yes, the Company's CSR Committee is responsible for sustainability and CSR-related issues. Beyond the Committee, the Company's governance, ethics, and sustainability practices are ultimately under the control of the Board and Board Committees, who are also crucial in identifying, mitigating, and managing ESG risks and other major issues.

**9. Details of review of NGRBCs by the Company:**

Subject for review	Indicate whether review was undertaken by Director /Committee of the Board/any other Committee									Frequency (Annually/Half yearly/Quarterly/ any other-please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Yes, all the policies of the Company are approved by the Board and reviewed periodically. During the review, the effectiveness of the policies is evaluated and necessary amendments to policies and procedures are implemented.									Ongoing basis								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances										a) Quarterly b) as when required, in compliance of the statutory requirements.								

**10. Has the entity carried out independent assessment/evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.**

No. Independent assessment/evaluation of the working of its policies has not been carried out by any external agency, however policies are audited internally.

**Section C: Principle-wise performance disclosure**

**Principle 1: Businesses should conduct and govern themselves with integrity, and in a manner that is ethical, transparent, and accountable**

**Essential Indicators**
**1. Percentage coverage by training and awareness programmes on any of the principles during the FY:**

Category	Total No. of training and awareness programs held	Topics/principles covered under the training and its impact	% of persons in respective category covered by the awareness programs
Board of Directors (BoD)	4	Please refer note below	93.75%
Key Managerial Personnel (KMPs)	6		100%
Employees other than BoD and KMPs	150		80.27%
Workers	66		100%

During the year, the Board of Directors of the Company as part of its statutory meetings engaged with matters comprising of business insights, economy and environmental, social and corporate governance, including whistleblower and vigilance mechanism parameters. Through its periodical updates, the management of the Company familiarizes the Directors with the business practices, systems and policies adopted by various departments of the Company, especially the governance practices and compliance process adopted by the Company. In addition, frequent updates are shared with all the Board members/KMPs apprising them on developments in the Company, key regulatory changes, risks, compliances and legal cases.

The Company has also conducted ESG specific trainings for its Directors/KMP/Employees and its stakeholders, where they were apprised with commitment made by the Company towards meeting ESG performance through the BRSR.

The Company makes aware of its Board and takes in to consideration view point of Directors on ESG and environment related matters. During the year, the Company conducted materiality assessment, where input of Board was taken on material topics. Also outcome of assessment was presented before the Board.

For employees and KMP's, the Company apart from familiarizing with Employee's Codes and Policies, has conducted various trainings which includes, prohibition of insider trading, anti-bribery & corruption practices, prevention of sexual harassment at the workplace, gender equality/equal opportunities, human rights, health & safety, material handling training, skill and behaviour development, wellness sessions and skill upgradation, information and cyber security awareness, code of work conduct and ethics, regular mailers are sent to employees on ethics, health, environmental and social issues and other relevant topics as part of the awareness programmes. The various updates are also placed at the intranet platforms of the Company. For the workers, the Company has imparted various trainings such as safe material handling, issuing SOP's on handling material, skill and behaviour development, wellness sessions and skill upgradation etc.

**2. Details of fines/penalties/punishment/award/compounding fees/settlement amount paid in proceedings (by the entity or by Directors/KMPs) with regulators/law enforcement agencies/judicial institutions in FY.**

In consonance of the materiality threshold as specified in Regulation 30 of the Listing Regulations, 2015, none of the Directors/KMPs was held liable with regulators/law enforcement agencies/judicial institutions.

**3. Of the instances disclosed in question 2 above, details of the appeal/revision preferred in cases, where monetary or non-monetary action has been appealed.**

Not applicable.

**4. Does the entity has an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

Business ethics and uprightness form an essential part of the Company's day-to-day operations. It follows high ethical standards in its dealings with all stakeholders, including members, employees, customers, value chain partners, regulators, investors, and the community at large. It promotes throughout its value chain transparency in its business practices by inculcating honesty, integrity, ethical behavior, and zero tolerance for bribery and corruption in its business operations. To ensure alignment with these ethical business practices, the Company has formulated time-to-time copious Code(s) and Policy(ies) and provides mechanisms for grievance redressal. The Company has in place Code of Conduct for Board of Directors and Key/Senior Management Personnel (KMP's/SMP's). Every Director and KMP's/SMP's annually affirm compliance with the said Code. With respect to its employees, while onboarding the Company, they are also required to sign requisite undertakings, confirming adherence to the laws and the Company's Policies/Codes related to anti-corruption and acceptable behavior, that the employees are expected to demonstrate throughout their tenure as employees of the organization. The Company has also formulated a vigil mechanism and adopted a Policy on ethics and whistleblower for Directors, employees, and associates dealing with the Company, which helps them to identify and avoid situations that could potentially violate anti-bribery and anti-corruption laws or create any appearance of impropriety for directors, employees and stakeholders. For web-link of policy, please refer Q23 of 'Section-A' disclosures.

**5. Number of Directors/KMPs/employees/workers against whom, disciplinary action was taken by any law enforcement agency for the charges of bribery/corruption:**

Particulars	FY 2022-23	FY 2021-22
Directors	-	-
KMPs	-	-
Employees	-	-
Workers	-	-

**6. Details of complaints with regard to conflict of interest:**

Particulars	FY 2022-23		FY 2021-22	
	No.	Remark	No.	Remark
Complaints received in relation to issues of conflict of interest of the Directors	-	NA	-	NA
Complaints received in relation to issues of conflict of interest of the KMP/SMPs	-	NA	-	NA

**7. Provide details of any corrective action taken or underway on issues related to fines/penalties/action taken by regulators/law enforcement agencies/judicial institutions, on cases of corruption and conflicts of interest.**

Not applicable.



### Leadership Indicators

#### 1. Awareness programmes conducted for value chain partners on any of the Principles during the FY:

Total No. of awareness programmes held	Topics/principles covered under the training	% of value chain partners covered under the awareness programmes
4	a) Health & safety and material handling training	100%
	b) Grievance mechanism	
2	a) ESG awareness session (BRSR and principles therein)	2%

#### 2. Does the entity have processes in place to avoid/manage conflict of interests involving members of the Board? (Yes/No) If yes, provide details of the same.

Yes, the Company has adopted Code of Conduct for the Board of Directors and KMP/SMP's, which provides clear guidelines for avoiding and disclosing actual or potential conflict of interest with the Company. The Company receives an annual declaration from its Board of Directors and KMP/SMP's on the entities they are interested in, prior to entering transactions that ensures requisite approvals as required under the applicable laws with each entity. The Policy is available on the Company's website [https://www.tciexpress.in/images/pdf/388\\_Code\\_of\\_Conduct\\_for\\_Directors\\_and\\_KMPs.pdf](https://www.tciexpress.in/images/pdf/388_Code_of_Conduct_for_Directors_and_KMPs.pdf).

Regarding its employees, the Company has formulated and adopted the Code of Business Conduct and Work Ethics, which provides norms for conflict of interest for the employees. Every employee is expected to adhere to these principles and provide affirmation on the same.

### Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe

#### Essential Indicators

#### 1. Percentage of research and development (R&D) and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively:

Particulars	FY 2022-23 (In%)	FY 2021-22 (In%)	Details of improvements in environmental and social impacts
R&D	-	-	While the Company did not specifically allocate investments (R&D) due to its business nature, however internal efforts are underway to explore innovative practices within the logistics industry. Through this initiative, we are conducting research on areas such as automated logistics operations, route optimization, and new product development. As a result, we have introduced new offerings like rail express and cold chain pharma services. Despite not having a designated R&D budget, we are actively pursuing advancements and enhancements to deliver improved solutions to our customers.
Capex	0.42 %	4.13%	The Company has made an investment of ₹ 3.05 crore in FY_2022 for the installation of solar panels. In addition, it has allocated ₹ 32.33 and ₹ 0.42 Crore towards automation initiatives in the FY_2022 and FY_2023, which aimed to reduce energy consumption and improve efficiency.  The Company's capital expenditures were also confined to investments in information technology and digital initiatives, which not only brings an increased efficiencies of operations, but also ensures substantially in near term. The Company continuously investing on energy efficient measures such as replacement of old vehicles, LED lighting, waterless urinals, sensor based taps etc.

#### 2. Does the entity have procedures in place for sustainable sourcing? (Yes/No) If yes, what % of inputs were sourced sustainably?

Yes. The Company takes reasonable efforts to ensure sustainability in its services by integrating various ESG considerations into its supply chain decision-making. This includes responsible supplier selection by conducting business with suppliers, which promotes the Company's commitment to sustainability. The Company has adopted policies and strategies to reduce or eliminate adverse impacts on a range of environmental, social and governance issues by deploying environment friendly technologies in the operations in a sustained manner. The Company upholds multiple criteria including business ethics, human rights, social impact, safety and other ESG practices in the highest accordance and encourages its value chain partners to adhere with the same ESG practices.

To meet its expectation on sustainable supply chain, the Company has established the Supplier's Code of Conduct, by integrating various ESG considerations in the promotion of lawful, professional, and fair business practices that integrates respect for human rights, business ethics, and the environment. This Code thus acts as a guiding principle for the suppliers and sets forth the Company's expectations for doing business with them. The suppliers must sign the Code as a part of

the contract documents. The Company endeavour to engage with suppliers who integrate ESG considerations into their products and services. Also, preference is always given to source from local suppliers, however due to the decentralized nature of our procurement process, assessment of supplier is not made. This year the Company has conducted two (2) ESG awareness programmes for the suppliers. In the future, the Company also intends to conduct ESG awareness programmes and ESG due diligence to the extent possible for its key suppliers in a phased approach.

**3. Describe the processes in place to safely reclaim your products for reusing, recycling, and disposing at the end of life.**

Considering nature of business, the Company does not have any product to reclaim. However, we have the following practices for the waste categories:

- a) **Plastics (including packaging)**-In order to manage plastic waste in a responsible manner, we have implemented effective processes throughout all our facilities. We prioritize the use of 100% biodegradable plastic garbage bags for the collection and disposal of both dry and wet waste. At our corporate office, we have established a partnership with a vendor, who specializes in the composting and recycling of our wet and dry waste, ensuring an environmentally friendly approach. Most of the waste is handed over to authorized recyclers, ensuring that the waste is disposed of in a safe and responsible manner.
- b) **E-waste**-We have implemented processes to safely manage e-waste. We aim to reuse, recycle, and dispose of e-waste responsibly. A pan-India-based agency authorised by the Pollution Control Board (PCB) is selected for ensuring safe disposal of e-waste with minimal environmental impact. This will also reduce waste to landfill.
- c) **Hazardous waste**-We also handle other types of hazardous waste, such as used oil, although the quantity generated is relatively small. For the proper management and recycling of this waste, we collaborate with PCB's approved recyclers, ensuring compliance with environmental regulations
- d) **Other waste**-The paper waste is disposed of in a structured manner only through authorised dealers and recyclers. Further, at every Corporate and Regional Offices, we have a proper mechanism for segregating the organic and inorganic waste, which permits more efficient processing of waste.

**4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes/No). If yes, whether the waste collection plan is in line with the EPR plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

The provisions contained under EPR regime are currently not applicable to the Company, being part of the services sector. However, the Company's waste management plan takes changing requirements into account from the perspectives of waste minimization and recycling/reuse.

**Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains**
**Essential Indicators**
**1. (a) Details of measures for the well-being of employees:**

% of employees covered by											
Category	Total	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day care facilities	
	(A)	No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	%(D/A)	No. (E)	%(E/A)	No. (F)	%(F/A)
<b>Permanent employees</b>											
Male	2684	2684	100%	2684	100%	NA	NA	NA	NA	-	-
Female	388	388	100%	388	100%	388	100%	NA	NA	-	-
<b>Total</b>	<b>3072</b>	<b>3072</b>	<b>100%</b>	<b>3072</b>	<b>100%</b>	<b>388</b>	<b>100%</b>	<b>NA</b>	<b>NA</b>	<b>-</b>	<b>-</b>
<b>Other than permanent employees</b>											
Male	184	184	100%	184	100%	NA	NA	NA	NA	-	-
Female	40	40	100%	40	100%	40	100%	NA	NA	-	-
<b>Total</b>	<b>224</b>	<b>224</b>	<b>100%</b>	<b>224</b>	<b>100%</b>	<b>40</b>	<b>100%</b>	<b>NA</b>	<b>NA</b>	<b>-</b>	<b>-</b>

**(b) Details of measures for the well-being of workers:**

% of workers covered by											
Category	Total	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day care facilities	
	(A)	No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	%(D/A)	No. (E)	%(E/A)	No. (F)	%(F/A)
<b>Permanent workers</b>											
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
<b>Total</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>
<b>Other than permanent workers</b>											
Male	52	52	100%	52	100%	NA	NA	NA	NA	-	-
Female	1	1	100%	1	100%	1	100%	NA	NA	-	-
<b>Total</b>	<b>53</b>	<b>53</b>	<b>100%</b>	<b>53</b>	<b>100%</b>	<b>1</b>	<b>100%</b>	<b>NA</b>	<b>NA</b>	<b>-</b>	<b>-</b>

**2. Details of retirement benefits for current and previous FY:**

Benefits	FY 2022-23			FY 2021-22		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/NA)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/NA)
PF	100%	100%	Y	100%	100%	Y
Gratuity	100%	100%	Y	100%	100%	Y
ESI	67.38%	100%	Y	71.39%	100%	Y

**3. Accessibility of workplaces-Are the premises/offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.**

Yes, as per the requirements of the Rights of Persons with Disabilities Act, 2016, differently abled employees, workers located at Company's office have access to required infrastructure. These infrastructure arrangements include, but are not limited to, conveniently accessible locations and building entrances, easily operated doors, grab rails, wash basin fittings with a push or lever, raised toilet seats, well-lit wide hallways, and necessary signage. Moreover, the Company helps them by procuring artificial limbs or machinery which would ease their day-to-day activities and improve mobility. The Company ensures that the jobs offered to persons with disabilities are matching to their abilities and skills.

**4. Does the entity have an Equal Opportunity Policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the Policy.**

Yes, the Company has an Equal Opportunity Policy as per the Rights of Persons with Disabilities Act, 2016, and provides equal employment opportunities by creating an inclusive workplace for individuals with disabilities. The Policy covers various aspects, including recruitment, training, transfer and posting, provision of facilities and amenities, grievance redressal, and more. The Policy ensures non-discrimination and aims to create a conducive environment for employees with disabilities to excel in their roles. The Policy is monitored by different departments within the Company, and amendments are made as necessary under the authority of the Company.

**5. Return to work and retention rates of permanent employees and workers that took parental leave:**

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male (%)	NA	NA	NA	NA
Female (%)	100	100	NA	NA
<b>Total (%)</b>	<b>100</b>	<b>100</b>	<b>NA</b>	<b>NA</b>

**6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers?**

Yes, there is a grievance procedure in place for all employees and workers. Through various communication and reporting methods, they can raise complaints:

Method	Grievance procedure mechanism in brief	Category of employees and workers covered
Online grievance module	The Company has an online grievance module ('HRMS helpdesk'), wherein the employees can register their complaint, which has definite time bound resolution mechanism and manner of escalation, if not resolved. The employees are encouraged to raise their concerns or issues through HRMS helpdesk. The grievances are investigated, and solutions are provided to the employee by the concerned department, within the stipulated time ranging from 1 to 3 days.	All employees
Open door policy	All the employees/workers have access to the e-mail addresses of senior management, including the Managing Director. Usually, matters are resolved at the first hierarchy level itself. However, if the employees/workers do not get an answer to their satisfaction, they have the liberty to reach the senior management via mail, phone, or a face-to-face meeting. The field employees are also encouraged to speak and express their grievances/issues, if any.	All employees and workers
Accessibility	The top management is always accessible to all employees/workers. TCI Express's ethos of being a family leads the Company to have an open channel of communication with all human asset. The Company has a process wherein the entire leadership team meets up with the employees and workers of various branches to understand and have a direct connection with them. This helps the leadership team in understanding the human capital, wherein they openly share their challenges, grievances and thought processes/feedback, that strengthen the element of agility in the Company's process.	All employees and workers

**7. Membership of employees and workers in association(s) or unions recognised by the Company.**

None.

**8. Details of training given to employees and workers:**

Particulars	% of employees covered by									
	FY2022- 2023					FY2021- 2022				
	Total	Health and safety measures		Skill upgradation		Total (D)	Health and safety measures		Skill upgradation	
	(A)	No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Employees</b>										
Male	2868	1536	53.56%	2241	78.14%	2774	1003	36.16%	2485	89.58%
Female	428	197	46.03%	353	82.48%	334	13	3.89%	281	84.13%
<b>Total</b>	<b>3296</b>	<b>1733</b>	<b>52.58%</b>	<b>2594</b>	<b>78.70%</b>	<b>3108</b>	<b>1016</b>	<b>32.69%</b>	<b>2766</b>	<b>88.99%</b>
<b>Workers</b>										
Male	52	52	100%	52	100%	52	52	100%	52	100%
Female	1	1	100%	1	100%	1	1	100%	1	100%
<b>Total</b>	<b>53</b>	<b>53</b>	<b>100%</b>	<b>53</b>	<b>100%</b>	<b>53</b>	<b>53</b>	<b>100%</b>	<b>53</b>	<b>100%</b>

**9. Details of performance and career development reviews of employees and workers:**

Particulars	FY2022- 2023			FY2022- 2022		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
<b>Employees</b>						
Male	2684	2684	100%	2454	2454	100%
Female	388	388	100%	320	320	100%
<b>Total</b>	<b>3072</b>	<b>3072</b>	<b>100%</b>	<b>2774</b>	<b>2774</b>	<b>100%</b>
<b>Workers</b>						
Male	-	-	-	-	-	-
Female	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Note: The figure presented above does not include employees who are on probationary period or undergoing training.

**10. Health and safety management system:**
**a) Whether an occupational health and safety management system has been implemented by the Company? (Yes/No). If yes, the coverage of such system.**

The Company is committed to meeting or exceeding all applicable safety regulations, continuously improving safety of the work environments by investing in the people and facilities by creating and maintaining a safety culture to achieve an accident-free work environment. The Company also endeavours to cover entire value chain including the vendors (truck drivers), business associates and delivery business associates, and all the entities of Company, including regional offices, branch offices, and sorting centers.

These include fire safety policies that specify requirements for fire extinguishers, emergency exits, floor marshals for each office, fire drills, and other safety standards for maintaining offices, as well as a procedure for routine certification on all standards for each office. Respective regional/branch/office heads ensure compliance with the health, safety and environment rules on periodic basis, and it is frequently evaluated internally. An outside agency conducts recurring inspections of the electrical and fire safety standards, and any issues found are immediately fixed.

The Company has employee perks such as group term insurance and personal accident insurance to protect employees' health and well-being. The Company encourages employees to enroll in voluntary health insurance, which enables them to add supplementary parental and in-law health care. Based on age and tenure requirements, employees and their immediate families are eligible for yearly health checks and hospitalization coverage. The Company through its Benevolent Fund offers comprehensive coverage for employees in the event of their demise, encompassing both natural and accidental deaths. In case of any unfortunate incidents, the designated nominee will receive the coverage amount from the Company.

**b) What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**

The occupational health and safety management system has been implemented by the Company. Due to the Company's nature of business (logistics service provider), there is limited scope for work-related hazards, however, we abide to maintain a safety culture to achieve an accident-free work environment. Detailed processes established to identify work-related hazards and assess risks on a routine and non-routine basis are enlisted below:

- 1) For the drivers of vehicles on the road every day, accident prevention is a focus, a goal supported by defensive driving training that teaches drivers the principles of avoiding unsafe situations;
- 2) As a part of its continuous efforts to spread awareness of safety, various HSE posters have been created and circulated across its offices;
- 3) The Company is continuing its campaign 'TCI Safe Safar' which primarily focuses on creating awareness with respect to health and safety amongst drivers and associates. TCI Safe Safar is a groundbreaking effort in driver education, guided by the principle of 'By the driver, for the driver';
- 4) The Company conducts safety events, which focus on road and human safety;
- 5) The Company conducts fire safety drills on a regular basis and celebrates safety day across its offices;
- 6) The Company provides regular training to its BA and DBA on material handling, which ensures hazard risk;
- 7) Manual material handling SOP is used to identify hazards during material handling activities;



- 8) Safety improvement teams of the Company identify potential gaps and propose improvements to safety procedures on a timely basis;
- 9) Internal audit on regular basis is made for identification of work-related hazards and takes mitigations steps thereon.
- 10) The staff members are enrolled in a thorough health and safety training programme that covers safe driving, safe loading and unloading, safe use of automation equipment, health, and safety training.

**c) Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks? (Y/N)**

Yes, the Company has processes for employees and workers to report work-related hazards and to remove themselves from such risks.

**d) Do the employees/worker of the entity have access to non-occupational medical and healthcare services?**

Yes, employees of TCI Express have access to non-occupational medical and healthcare services. The Company actively promotes voluntary health insurance enrollment, offering the option to include supplementary parental and in-law healthcare coverage. The employees and their immediate families are eligible for annual health check-ups and hospitalization coverage, based on age and tenure criteria. Additionally, TCI Express demonstrates its commitment to community welfare by organizing annual blood camps on PAN India basis, and conducting health check-ups. To support mental health, the Company has imparted employee assistance programmes, time to time.

The Company has implemented a comprehensive employee welfare program that includes group term insurance and personal accident insurance to safeguard the health and well-being of its workforce. Medical benefits provided by TCI Express include a Mediclaim Policy (GMC) that covers hospitalization expenses, a Group Personal Accident (GPA) Policy that offers financial support in case of unexpected accidents, an Employees Deposit Linked Insurance Scheme (EDLI) that provides a lump sum payment in case of a member's death, and coverage under the Employees State Insurance Scheme (ESIC) for protection against sickness, maternity, disablement, and employment-related injuries. Furthermore, TCI Express extends its support through the Benevolent Fund, ensuring coverage for any type of death and unfortunate incident. The object of the Fund is to provide financial grant as a social security measure to the employee and/or dependent nominated family members of deceased employees.

TCI Express recognizes the importance of its workers and provides them with essential welfare benefits, covered under ESIC and EDLI Schemes. These comprehensive initiatives reflect Company's commitment to the well-being and protection of its workers.

**11. Details of safety related incidents, in the following format:**

Category	Safety incident/No. for the FY 2021-22 and 2022-23			
	Lost time injury frequency rate (LTIFR) (per one million-person hours worked)	Total recordable work-related injuries	No. of fatalities	High consequence work-related injury or ill-health (excluding fatalities)
Employees	-	-	-	-
Workers	-	-	-	-

**12. Describe the measures taken by the entity to ensure a safe and healthy workplace.**

Employee health and safety are extremely important since the Company views its staff as its most valuable asset. In order to protect everyone's safety in the workplace and to guarantee a safe working environment, the Company has established broad complaint procedures at all touchpoints through the following measures:

- 1) **Health, safety & environment (HSE) Policy:** A HSE Policy has been implemented and communicated to all employees. The Company has implemented Policies that adhere to all legal mandates for preventative healthcare and safe workplace. In doing so, the Company works to develop, implement, and maintain a process for anticipating hazards and identifying the risks and opportunities that are pertinent to the goals of the HSE management system.
- 2) **Training:** Safety training is conducted during a shift change at the sorting centers, imparting safety awareness amongst employees, contractors, and vendors to ensure that there are no safety-related incidents, injuries, etc. The Company provides material handling training to all the business delivery associates (BDA) on a daily basis. The Company provides periodic training in fire safety and evacuation drills. The Company places a strong emphasis on educating new hires about safety procedures.

- 3) **Awareness programmes:** TCI group is running campaign 'TCI Safe Safar' which primarily focuses on creating awareness with respect to health and safety of truck drivers. Internal awareness campaigns on health and safety were held related to aspects such as always wearing a helmet, eating healthy, drinking enough water, staying on the move, choosing to use the stairs, etc.
- 4) **Safety improvement:** To help and collaborate with management in attaining the goals mentioned in the HSE Policy, safety improvement teams are formed to identify potential gaps and propose improvements to safety procedures on a timely basis. They also encourage workers to be aware of safety issues and engage in educational, training, and promotional initiatives.

The Company prioritizes employee healthcare by maintaining high standards of hygiene, lighting, ventilation, and effective control of dust and noise in its offices and hubs. The Company organizes executive medical check-ups annually, free of charge for specific categories of employees, and promote healthy lifestyles among its employees. Yoga and exercises are integrated into meetings and conferences, reflecting the company's cultural emphasis. Further, medical benefits provided by the Company are precisely explained under Q 10 of essential indicators above.

**13. Number of complaints on the following made by employees and workers:**

No. of complaints on the following made by employees and workers	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working conditions	-	-	-	-	-	-
Health & safety	-	-	-	-	-	-

**14. Assessments for the year**

Assessments <sup>^</sup>	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working conditions	100%

<sup>^</sup>Through our internal assessment, the Company ensures health and safety of its workforce. However, during the reporting period, no external audits were carried out.

**15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/concerns arising from assessments of health & safety practices and working conditions.**

Significant corrective action has been taken to address safety-related incidents, including the implementation of TCI Safe Safar, a unique program aimed at promoting road safety awareness. This program has successfully reached over 57,263 people and engaged more than 23,257 drivers through engaging street plays conducted in the local language. Additionally, a remarkable number of 35,381 pledges have been taken by participants to prioritize safety. The program has covered a substantial distance of 42,317 kilometers, making a significant impact on improving health, safety, and environmental aspects.

**Leadership Indicators**

**1. Does the entity extend any life insurance or any compensatory package in the event of death of employees and workers?(Y/N).**

Yes, the Company has implemented innumerable comprehensive employee welfare programs to safeguard the health and well-being of its workforce. These programs are briefly described in Q 10 and 12 of essential indicators above.

**2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**

The contract with the value chain partners includes adherence to the applicable statutory provisions, including payment and deduction of various statutory dues. The Company ensures that all parties validate and uphold all pertinent terms pertaining to statutory compliance, which has also been outlined in the Supplier's Code of Conduct.

**3. Provide the number of employees/workers having suffered high consequence work related injury/ill-health/fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment.**

None.

**4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/No).**

In order to support employees in maintaining employability and navigating the transition into retirement, the Company proposed to offer comprehensive transition assistance programs. These programs will aim to facilitate the management of career endings and promote continued employability. Moreover, the Company exemplifies its dedication to employees by providing post-retirement employment opportunities or extensions, as well as offering ex-gratia benefits and employee-specific perks, commonly known as ESOP's.

**5. Details on assessment of value chain partners:**

Assessments^	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	Nil
Working conditions	Nil

**6. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

No corrective action plan has been necessitated regarding the above-mentioned parameters. Moreover, TCI group's 'TCI Safe Safar' campaign exemplifies its commitment to promoting road and human safety throughout its value chain, with a special focus on truck drivers. By organizing safety events, the Company aims to create awareness, share knowledge, and drive positive changes to ensure safer journeys for everyone involved in the logistics industry. The main attraction of the programme is a specially fabricated environmentally friendly vehicle that will make stops at transport terminals and industrial parks to engage with its key audiences.

In addition, all present drivers, workers and invitees took Safe Safar pledge on HSE while driving, with 'Making India's road safer and greener' being the main motto. More than 34,000 participants took safety pledge.

**Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders**

**Essential Indicators**

**1. Describe the processes for identifying key stakeholder groups of the entity.**

The Company believes that its relationship with stakeholders is one of the key enablers of value creation and shared growth. Stakeholder engagement is an important tool to understand the key challenges and concerns of stakeholders associated with an organization. In addition, these engagements also help in understanding the influence of stakeholders on strategic objectives and continuous business developments. To achieve these objectives, the Company has established a stakeholder engagement process, to develop an insight into key issues (risks and opportunities) across the economic, social, governance, and environmental spheres. The stakeholder groups have been prioritized based on the SEMA (Stakeholder Engagement and Materiality Assessment) process. Below is the detailed process followed by the Company for stakeholder prioritization:

- Identify-** The first step of the stakeholder prioritization process is to identify all the stakeholders associated with TCI Express. During this process, a bucket list of stakeholders relevant to the Company was identified based on departments dealing with different stakeholder groups and peer research.
- Prioritize-** The second step is to prioritize the most influential stakeholder groups for TCI Express through the inputs from different departments, that engage with these stakeholder groups regularly. In this process, we mapped the business activities of the Company to the relevant stakeholders, in alignment with the potential list of material topics. In the prioritization process, the Company also analyzed key stakeholder groups based on the following categories as an additional input to the SEMA process -
  - Those who are impacted;
  - Those who have a major influence on business decisions;
  - Those that we foresee to be reasonably impacted.

As an outcome of engagement mechanism, following key groups were found to be most significant and relevant, which are bifurcated into two categories:

- Internal:** Employees, workers, senior leadership;
- External:** Investors/shareholders, regulators, suppliers/vendors/business associates, non-governmental organizations (NGOs), regulators, community, and customers.

## 2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

The below table consists of the various categories of stakeholders, the mode of interaction for each group, the level of interactions undertaken, and the key issues discussed.

Stakeholder group	Whether identified as vulnerable & marginalized group	Channels of communication	Frequency of engagement	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees, workers, senior leadership	No	Direct, e-mail, meetings, training	Frequent and need based	Through multiple physical and digital channels of communication, we aim to provide our internal stakeholders, a safe inclusive and empowering workplace that encourages transparent engagement and the freedom to act, innovate and grow as professionals and individuals. The Company's ongoing effort is to maintain two-way engagement with them including those in corporate offices, regional offices, branch offices, sorting centers and in the field (business associates and delivery business associates). Our engagement ranges from providing the latest and updated information on Company and industry developments, avenues for employee's voice to capability building, recognition and celebrations and aligning the workforce with the common goals of the Company's vision, values, and business strategy.
Investors and Shareholders	No	Quarterly earnings calls, e-mails, SMS, newspaper, advertisement, notices, website, AGM, intimation to stock exchanges, annual/ quarterly financials and investor meetings/conferences, investor presentation, press release, annual reports, audio recording of earnings call, transcripts etc.	Quarterly and need based	The Company engages with them so that they can make an informed decision regarding their investment in the Company. The key area of engagement includes an update on the business and financial performance, the Company's strategy and growth levers, potential opportunities and risks, ESG goals/actions, and material event, that may have a positive or negative impact on the performance of the Company. The crux is to make them understand about the Company's results, major events and future direction. Another important aspect is addressing their grievances.
Communities and NGOs	Yes	E-mails, physical meetings, website and other digital platforms.	Regular	The purpose and scope of engagement with communities and NGOs involve fostering meaningful relationships, addressing key topics, and addressing concerns raised by these stakeholders. The engagement aims to collaborate with communities and NGOs to promote sustainable development, social responsibility, and mutually beneficial outcomes. Key topics of engagement may include environmental impact, social impact, community development, labor practices, human rights, and local economic development. Concerns raised during such engagement can range from specific environmental issues, social inequality, access to resources, cultural preservation, and transparency in operations. Through open and constructive dialogue, the Company seeks to understand and address these concerns, while working towards building long-term partnerships and positive social impact.
Customers	No	Branch assistance, e-mails, website, advertisements, newspaper and other digital platforms, customer helplines and toll-free numbers, AI chat box, customer satisfaction surveys	Frequent and need based	The Company engages with customers to attract new clients, resolve grievances/complaints, take feedback, provide services for current ones.
Regulators	No	E-mails, one-on-one meetings, conference calls, video conferencing, websites	Need based	With regulatory authorities, the engagement is aimed at policy regulations, modifications, and approvals in keeping with the latest and highest standards of compliance. With policymakers, the engagement also aims to understand and discuss matters pertaining to the industry.

Stakeholder group	Whether identified as vulnerable & marginalized group	Channels of communication	Frequency of engagement	Purpose and scope of engagement including key topics and concerns raised during such engagement
Suppliers, vendors and business associates	Business associates can be categorized as marginalized/ vulnerable	E-mails, physical meetings, website, and other digital platforms	Frequent and need based	Owing to the Company's operations, the value chain is the backbone of the business. The Company emphasizes fair, transparent, and ethical practices and seek partners, who share the same commitment towards compliance with laws, regulations, published standards and ESG practices. Grievance resolution, receiving feedback and supplier education through training is an important aspect of the process.

### Leadership Indicators

#### 1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

The Company believes that effective engagement with its stakeholders helps to translate their needs into organizational goals and creates the basis of effective strategy development. We bring value to the stakeholder's participation by implementing an active process of consultation and engagement and providing an open forum for providing views on ESG strategy. The stakeholder engagement and materiality assessment exercise was carried out during the FY 2022-23 and outcome of the same was presented to the Management and the Board for their feedback and guidance on strategizing the sustainable development of the Company.

The Company has set up statutory as well as internal Committees, where periodic reports on business development, community engagement, customer grievances, feedback and related matters are reviewed by these Committees and consolidated performance report and outcome were presented to the Board in their meetings. The CSR Committee also reviewed social responsibility commitment.

The Company has also reporting its ESG related factors, where feedback link is provided, which is open to all the stakeholders. It provides open forum to provide valuable feedback or suggestions on the matters related to ESG. The Company also provides status of report of stakeholder's feedback to the Board on periodic basis.

#### 2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes/No)? If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Yes, outcome of the materiality assessment and stakeholder engagement exercise were taken forward to identify material topic of concern on sustainability for the Company. Based on these material topics of significance to the Company, further strategy development, policy setting, if required, objectives and goal setting with monitoring mechanism are developed and implemented.

The Company's many functions systematically engage the stakeholders as described in essential indicator 1 in this principle. The Board of Directors along with its Committees solicits feedback regarding the state of various functions and, where necessary, provides recommendations for process or operational improvement. To identify and manage environmental and social issues, the Company also consults with its internal and external stakeholders on a regular basis. The Company has prioritized material topics on the basis of the positive and negative impacts analyzed in the materiality assessment and stakeholder engagement exercise as per the GRI 2021 standards, which form the foundation of our ESG Strategy. Based on these material topics, further strategy development, policy setting, if required, objectives and goal setting with monitoring mechanism are developed and implemented. The materiality as well as the initiatives, aimed to address the material topics (as identified during the materiality assessment) are communicated to the Board of Directors.

#### 3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/marginalized stakeholder groups.

The Company as a responsible corporation acknowledges its obligation towards its stakeholders, especially those who are disadvantaged, vulnerable and marginalized. We prefer to engage all stakeholders who are associated with us, whether minor or major, internal or external and have identified and engaged with them in a fair and transparent manner. As part of the Corporate Social Responsibility (CSR) initiatives, the Company undertakes need assessment to identify and prioritise the focus areas for community development. The Company through its social development arms, aims constantly to serve and improve the quality of lives of disadvantaged communities. Over the period, these development arms have developed projects in specific areas with special emphasis on marginalized, economically weak and disadvantaged sections of the society. The Company continued to carry out CSR activities as it has been carrying out over the years in the areas



of healthcare, education & skill development, rural development, environment conservation & safety, sanitation, sports, disaster relief program. For further details, please refer Company's Annual CSR Report, defining its commitment for the upliftment of unprivileged community.

### Principle 5: Businesses should respect and promote human rights

#### Essential Indicators

1. Employees and workers, who have been provided training on human rights issues and Policy(ies) of the entity in the following format:

Category	FY2022- 2023			FY2021- 2022		
	Total (A)	No. of employees/ workers covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
<b>Employees</b>						
Permanent	3072	1283	41.76%	2774	500	18.02%
Other than permanent	224	100	44.64%	334	100	29.94%
<b>Total Employees</b>	<b>3296</b>	<b>1383</b>	<b>41.96%</b>	<b>3108</b>	<b>600</b>	<b>19.31%</b>
<b>Workers</b>						
Permanent	-	-	-	-	-	-
Other than permanent	53	45	84.91%	53	30	56.60%
<b>Total Workers</b>	<b>53</b>	<b>45</b>	<b>84.91%</b>	<b>53</b>	<b>30</b>	<b>56.60%</b>

2. Details of minimum wages paid to employees and workers in the following format:

Category	FY2022-23					FY 2021-22			
	Total	Equal to minimum wage		More than minimum wage		Total (D)	Equal to minimum wage		More than minimum wage
	(A)	No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F) % (F/D)
<b>Employees-Permanent</b>									
Male	2684	-	-	2684	100%	2454	-	-	2454 100%
Female	388	-	-	388	100%	320	-	-	320 100%
<b>Total</b>	<b>3072</b>	<b>-</b>	<b>-</b>	<b>3072</b>	<b>100%</b>	<b>2774</b>	<b>-</b>	<b>-</b>	<b>2774 100%</b>
<b>Employees- Other than permanent</b>									
Male	184	-	-	184	100%	252	-	-	252 100%
Female	29	-	-	29	100%	82	-	-	82 100%
<b>Total</b>	<b>224</b>	<b>-</b>	<b>-</b>	<b>224</b>	<b>100%</b>	<b>334</b>	<b>-</b>	<b>-</b>	<b>334 100%</b>
<b>Workers-Other than permanent</b>									
Male	52	-	-	52	100%	52	-	-	52 100%
Female	1	-	-	1	100%	1	-	-	1 100%
<b>Total</b>	<b>53</b>	<b>-</b>	<b>-</b>	<b>53</b>	<b>100%</b>	<b>53</b>	<b>-</b>	<b>-</b>	<b>53 100%</b>

3. Details of remuneration/salary/wages in the following format:

Category	Male		Female	
	No.	Median remuneration/salary/ wages of respective category (₹ in Lakhs)	No.	Median remuneration/salary/ wages of respective category (₹ in Lakhs)
Board of Directors (BoD)^	7	6.00	1	6.00
Key Managerial Personnel (KMP)^	2	143.12	1	12.61
Employees other than BoD and KMP	2681	2.53	387	2.24
Workers^	52	1.76	1	1.54

^The Company has strength of one woman under respective category of BOD, KMP and workers. In absence of comparable No's, their individual remuneration only has been reported.

**4. Do you have a focal point (Individual/Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No).**

Yes, the Human Resources (HR) department of the Company acts as a focal point in addressing human rights impact or issues. As part of the Human Rights Policy, the Company expects from all its relevant stakeholders to respect and comply with the policy principles, applicable laws and regulations in all territories of its operation.

**5. Describe the internal mechanisms in place to redress grievances related to human rights issues.**

The Company has several board approved policies and internal guidelines to redress grievances related to human rights issues. With regard to our commitment to respect and protect human rights, the Company has formulated Policy on Human Rights, wherein redressal mechanism is available. The employees including workers and stakeholders can approach to the HR in case of violation of human rights. The manner of communication are more precisely described in Q 6-essential indicators of Principle 3.

For other redress grievances mechanism related to human rights issues, the Shareholders are requested to refer Company's Policies available on its website at [www.tciexpress.in](http://www.tciexpress.in).

**6. No. of complaints on the following made by employees and workers in the following format:**

Nature of complaints	FY 2022-23		FY 2021-22	
	Filed during the year	Pending resolution at the end of year	Filed during the year	Pending resolution at the end of year
Sexual harassment	-	-	-	-
Discrimination at workplace	-	-	-	-
Child labour	-	-	-	-
Forced labour/involuntary labour	-	-	-	-
Wages	-	-	-	-
Other human rights related issues	-	-	-	-

**7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

The Company recognizes the intrinsic value of human dignity and considers it an essential entitlement for all individuals. It has established comprehensive policies that underscores its commitment to protect and promote human rights. The Company's policy on Human Rights extends to all employees within the organization and expects compliance from business associates as well. To ensure an effective and robust grievance resolution system, TCI Express has implemented various measures. Employees are provided with multiple channels to address a wide range of concerns, including issues related to discrimination, wages, child labor, and human rights violations. These channels include an online grievance module and an open-door policy, allowing employees to escalate their concerns to senior management. In order to address these matters effectively, TCI Express conducts thorough investigations into reported grievances. Appropriate actions are taken based on the findings, and if required, the Company collaborates with regulatory authorities to ensure the appropriate measures are implemented. The Policy on human rights and grievance resolution applies across the organization, encompassing all employees and stakeholders associated with TCI Express's operations.

TCI Express upholds a zero-tolerance policy towards all forms of harassment, including sexual harassment, child labor, forced labor, and discriminatory employment practices. To address and prevent any form of prejudice, gender bias, and sexual harassment in the workplace, it has formulated a Policy on Prevention of Sexual Harassment at Workplace and established an Internal Complaint Committee (ICC) to oversee the implementation of anti-sexual harassment practices. The Policy on prevention of sexual harassment and the functioning of the ICC apply to all employees, ensuring a safe and respectful working environment for everyone. The ICC is responsible for receiving, investigating, and resolving complaints related to sexual harassment at the workplace. It ensures that appropriate actions are taken to address reported incidents and, if necessary, recommends disciplinary actions to the Company.

The Company through its 'Whistle Blower and Protection Mechanism Policy' condemns any kind of discrimination, harassment, victimization or any other unfair employment practice being adopted against stakeholder or complainant (Whistle Blower), who raised concern. Complete protection will, therefore, be given to him/her.

The Shareholders are requested to refer Company's Codes and Policies available on its website at [www.tciexpress.in](http://www.tciexpress.in), where detailed mechanism is provided to prevent any form of harassment.

**8. Do human rights requirements form part of your business agreements and contracts? (Yes/No).**

Yes, we are committed to developing an organizational culture that upholds universally recognized human rights. We also enforce social well-being and human rights culture through contractual obligations on Supplier's, by issuing Code of Conduct, with an expectation to respect human rights and avoid causing/contributing to human rights infringements through their business actions.

**9. Assessments for the year:**

Category	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labor	100%
Forced/involuntary labor	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%

Through our internal assessment, the Company ensures that it does not employ child labor, forced labor, involuntary labor, or any other sort of discriminatory hiring practices and complies with relevant legal requirements. However, during the reporting period, no external audits were carried out.

**10. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 9 above.**

During the reporting period, the Company was not involved in any instances of risks/concerns. Consequently, no corrective action was required.

**Leadership Indicators**

**1. Details of a business process being modified/introduced as a result of addressing human rights grievances/complaints.**

No business process was required to be modify as a result of addressing human rights complaints.

**2. Details of the scope and coverage of any human rights due diligence conducted.**

As part of Supplier's Code of Conduct, the value chain partners are expected to adhere with all applicable rules and regulations, however no formal diligence has been conducted on human rights, based on the UN guiding principles reporting framework.

**3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

Yes, the infrastructure facilities to differently abled work strength and visitors are explained in Q 3-essential indicators of Principle 3. Further, the Company is also revamping many of its other offices to make them accessible to differently abled employees/visitors, in accordance with the requirements of the Rights of Persons with Disabilities Act, 2016.

**4. Details on assessment of value chain partners:**

Nature of assessment <sup>^</sup>	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	-
Discrimination at workplace	-
Child labour	-
Forced/Involuntary labour	-
Wages	-

<sup>^</sup>The value chain partners are expected to adhere to all applicable rules and regulations. As part of Supplier's Code of Conduct, we are taking an undertaking from them, however no formal assessment has been made.

**Principle 6: Businesses should respect and make efforts to protect and restore the environment**
**Essential Indicators**
**1. Details of total energy consumption (in joules or multiples) and energy intensity in the following format:**

(Unit in giga joule-GJ)		
Parameter	FY 2022-23	FY 2021-22
Total electricity consumption (A)	11,934	8,640
Total fuel consumption (B)	4,401	4,418
Energy consumption through other sources (C)- renewable source	2,896	NA^
<b>Total energy consumption (A+B+C)</b>	<b>19,231</b>	<b>13,058</b>
Energy intensity per ₹ of turnover (Total energy consumption (GJ)/Turnover in million ₹)	1.55	1.20
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency	No independent assessment has been carried out by any external agency	

^The Company has installed the solar panels in year 2022 and hence data is not available/applicable for year 2022.

**2. Does the entity have any sites/facilities identified as designated consumers (DCs) under the performance, achieve and trade (PAT) scheme of the government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

The Company does not have any sites/offices identified as DCs under the PAT scheme of the government of India.

**3. Provide details of the following disclosures related to water, in the following format:**

(Unit in kiloliters-KL)		
Water withdrawal by source	FY 2022-23	FY 2021-22
Surface water (A)	-	-
Ground water (B)	-	-
Third party water (C)	20,602	17,831
Seawater/desalinated water (D)	-	-
Others (E)	-	-
<b>Total volume of water withdrawal (A+B+C+D+E)</b>	<b>20,602</b>	<b>17,831</b>
Total volume of water consumption	20,602	17,831
Water intensity per rupee of turnover (Water consumed (KL)/million ₹)	3.04	2.55
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency	No, the Company did not carry out any independent assurance for above disclosures in FY2023	

In spite of the fact that we are not a water intensive industry, we recognized the critical role of water in sustainable development and are actively working to expand its capabilities. Efforts have been made to ensure that water is utilized judiciously, as illustrated by our water-saving initiatives.

- Aerator taps installation;
- Sensor based taps;
- RO water reutilization;
- Rain harvesting;
- Reuse of water;
- Sewage treatment plant (STP) for treatment of wastewater to be reused for gardening, flushing etc.

**4. Has the entity implemented a mechanism for zero liquid discharge? If yes, provide details of its coverage and implementation.**

Owing to the Company's business operations, implementing a zero liquid discharge mechanism is not applicable. Nevertheless, in the pursuit of establishing the best environmental practices, we maintain a STP for the treatment of wastewater to be reused for gardening, flushing etc.

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

(Unit in milligrams-MG)

Air Emissions (Other than GHG Emissions)	FY 2022-23	FY 2021-22
NOx	NA	NA
Sox	NA	NA
Particulate matter (PM)	NA	NA
Persistent organic pollutants (POP)	NA	NA
Volatile organic compounds (VOC)	NA	NA
Hazardous air pollutants (HAP)	NA	NA
Others- please specify	NA	NA
Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency	NA	NA

6. Provide details of GHG (scope 1 and scope 2 emissions) and its intensity, in the following format:

Parameter	Please specify unit	FY 2022-23	FY- 2021-22
<b>Scope 1 emissions</b>			
CO <sub>2</sub>	Metric tonnes of CO <sub>2</sub> equivalent	312.96	312.64
CH <sub>4</sub>	Metric tonnes of CO <sub>2</sub> equivalent	1.23	1.23
N <sub>2</sub> O	Metric tonnes of CO <sub>2</sub> equivalent	0.72	0.72
HFC	Metric tonnes of CO <sub>2</sub> equivalent	NA	NA
PFC	Metric tonnes of CO <sub>2</sub> equivalent	NA	NA
SF <sub>6</sub>	Metric tonnes of CO <sub>2</sub> equivalent	NA	NA
NF <sub>3</sub>	Metric tonnes of CO <sub>2</sub> equivalent	NA	NA
<b>Total</b>	<b>Metric tonnes of CO<sub>2</sub> equivalent</b>	<b>314.91</b>	<b>314.60</b>
<b>Scope 2 emissions</b>			
CO <sub>2</sub>	Metric tonnes of CO <sub>2</sub> equivalent	2,234	1,896
CH <sub>4</sub>	Metric tonnes of CO <sub>2</sub> equivalent	NA	NA
N <sub>2</sub> O	Metric tonnes of CO <sub>2</sub> equivalent	NA	NA
HFC	Metric tonnes of CO <sub>2</sub> equivalent	NA	NA
PFC	Metric tonnes of CO <sub>2</sub> equivalent	NA	NA
SF <sub>6</sub>	Metric tonnes of CO <sub>2</sub> equivalent	NA	NA
NF <sub>3</sub>	Metric tonnes of CO <sub>2</sub> equivalent	NA	NA
<b>Total</b>	<b>Metric tonnes of CO<sub>2</sub> equivalent</b>	<b>2,354</b>	<b>1,896</b>
<b>Total scope 1 and scope 2 emissions</b>	<b>Metric tonnes of CO<sub>2</sub> equivalent/million ₹</b>	<b>0.22</b>	<b>0.20</b>

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

No, the Company did not carry out any independent assurance for above disclosures in FY2023

Note: The scope of emissions calculations includes Scope 1 emissions from Diesel consumption in DG Sets and petrol consumption in Company owned cars exclusively. However, the Company also engages third-party vehicles, such as trucks, for its goods movement. The fuel used in these third-party vehicles is not currently accounted for and will be included in the upcoming year's Scope 3 calculations. It is worth mentioning that the diesel consumption in third-party vehicles for FY 23 amounts to 14,89,348 GJ, while for FY 22, it was 1415106 GJ.

7. Does the entity have any project related to reducing GHG emission? If yes, then provide details.

Steps taken or impact on conservation of energy hence saving GHG emissions	<p>TCI Express recognizes the importance of promoting energy efficiency measures to reduce overall energy demand and mitigate resource depletion. The Company has implemented various technological solutions to conserve electricity and enhance efficiency. These initiatives include the installation of energy-efficient equipment, the replacement of conventional lighting with LED lighting, and the practice of shutting down air-conditioners beyond operational hours. Additionally, TCI Express actively promotes the use of CNG for its vehicles, with a significant utilization of CNG vehicles across the NCR. Beyond operational improvements, TCI Express is committed to investing in reducing its reliance on conventional energy resources. The Company focuses on incorporating energy-conserving roofing systems at its sorting centers, which reflect light and heat instead of absorbing them, resulting in energy savings. The Company has achieved a milestone with the commissioning of largest automated B2B sorting center located in Gurugram. This state-of-the-art facility enables the automatic loading and unloading of over 140 containerized trucks in a single run, reducing parcel handling and vehicle halting time by an impressive 40%. Moreover, the Company actively promotes the use of BS VI compliant vehicles to limit emissions and minimize carbon footprints.</p> <p>TCI Express actively prioritizes environmental responsibility by engaging in a variety of sustainable practices. The Company promotes employee education and supplier engagement to foster environmental awareness. Further measures like optimizing travel routes, embracing eco-friendly transportation, and investing in technology contribute to reduced travel emissions. The Company also demonstrates its commitment to sustainability through green building premises, including GEM-certified buildings, and initiatives such as plantation drives and eliminating single-use plastics. Additionally, the Company emphasizes digitalization efforts by transitioning to e-bills and e-PODs, reducing paper usage. These comprehensive actions exemplify TCI Express' dedication to environmental stewardship and its pursuit of a sustainable future.</p>
Steps taken by the Company for utilizing alternate sources of energy hence reducing emissions	<p>Transitioning to renewable: The Company has installed 600 kWp solar panels at the Gurgaon sorting center and 280 kWp at the Pune sorting center. In the current fiscal year 2022-2023, the Company has collectively generated 804,311 kWh of renewable electricity from these solar panels, resulting in reduced greenhouse gas (GHG) emissions. These sorting centers effectively utilize solar energy and optimize the Company's energy consumption, ensuring self-sufficiency in future energy requirements.</p>



**8. Provide details related to waste management by the entity:**

(Unit in metric tonnes-MT)

Category of waste	FY 2022-23	FY 2021-22
Plastic waste (A)	1.51	1.47
E-waste including battery waste (B)	3.00	2.70
Other Hazardous waste- Used oil (C)	0.08	0.07
<b>Total (A+B+C)</b>	<b>4.59</b>	<b>4.25</b>

For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations

Category of waste	FY 2022-23	FY 2021-22
Recycled (A)	3.59	3.23
Re-used(B)	-	-
Other recovery operations(C)	-	-
<b>Total (A+B+C)</b>	<b>3.59</b>	<b>3.23</b>

For each category of waste generated, total waste disposed by nature of disposal method

Category of waste	FY 2022-23	FY 2021-22
Incineration (A)	-	-
Landfilling (B)	-	-
Other disposal operations (C)	1.00	1.02
<b>Total (A+B+C)</b>	<b>1.00</b>	<b>1.02</b>

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

No, the Company did not carry out any independent assurance for above disclosures in FY2023

**9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

The Company is not into manufacturing hence it has limited scope to implement reduction and reuse of waste initiatives. The well-established system is supporting its operations to properly segregate the waste at source & adopt the 3R concept to reduce, reuse & recycle and follows legally prescribed procedures for disposing of hazardous waste and non-hazardous waste. The waste generated within its premises is recycled through authorized recyclers and remaining disposed of through State Pollution Control Board approved landfill areas.

The Company has E-waste collection bins at its offices/centers and branches pan India for employees and visitors to deposit their E-waste, disposal of which is conducted through certified E-waste handlers. In an endeavor to reduce plastics consumption, the Company, as a policy does not procure single-use plastic water bottles in its offices as plastics are not biodegradable and micro plastics release toxic chemicals into the environment. The Company has also system in place for separation of biodegradable garbage.

**10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.), where environmental approvals / clearances are required, please specify details in the following format.**

The Company does not have any offices near or in ecologically sensitive areas. All offices, however, have the necessary building legal permits and are in compliance with local municipal regulations.

**11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current FY.**

The operations of the Company are not covered by the 2006 notification on environmental impact assessment.

**12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format.**

Based on the nature of its business, the Company complies with applicable environmental norms.

### Leadership Indicators

1. Provide break-up of the total energy consumed (in joules or multiples) from renewable and non-renewable sources, in the following format:

(Unit in giga joule-GJ)

Parameter	FY 2022-23	FY 2021-22
<b>From renewable sources</b>		
Total electricity consumption (A)	2,896	^
Total fuel consumption (B)	NA	-
Energy consumption through other sources (C)	NA	-
<b>Total energy consumed from renewable sources (A+B+C)</b>	<b>2,896</b>	<b>^</b>
<b>From non-renewable sources</b>		
Total electricity consumption (D)	11,934	8,640
Total fuel consumption (E)	4,401	4,418
Energy consumption through other sources (F)	-	-
<b>Total energy consumed from non-renewable sources (D+E+F)</b>	<b>16,335</b>	<b>13,058</b>

^The Company has installed the solar panels in year 2022-23 and hence data is not available/applicable for year 2022.

2. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. no.	Initiative undertaken	Details of the initiative (web-link, if any, may be provided along-with summary)	Outcome of the initiative
1)	Established largest automated LEED-certified green B2B sorting center	The Company has successfully commissioned India's largest automated B2B sorting center named as 'GIGA', situated at Gurugram.	The LEED Gold certification for 'GIGA' sorting center signifies a sustainability milestone in the Company. The facility showcases efficient rainwater management, harnesses solar power, and employs green building principles. It sets a benchmark for sustainable practices, reducing environmental impact. Additionally, the automated sorting center improves parcel handling efficiency, decreasing vehicle halting time by 40%, and advancing operational productivity in the logistics process.
2)	Renewable energy transition	The Company has successfully installed 600 kWp solar panels at the Gurgaon sorting center and 280 kWp at the Pune sorting center. These advanced sorting centers are now energy self-sufficient, utilizing solar energy efficiently and optimizing the Company's overall energy consumption.	The renewable electricity generated by the Tajnagar Gurgaon sorting center amounts to 601,193.52 kWh, while the Pune sorting center has generated 203,118.07 kWh. In the current fiscal year 2022-2023, the Company has collectively generated 804,311 kWh of renewable electricity, resulting in reduced greenhouse gas (GHG) emissions. These sorting centers effectively utilize solar energy and optimize the Company's energy consumption, ensuring self-sufficiency in future energy requirements.
3)	GEM 5 certification	Two of sorting centre has been awarded with the prestigious GEM 5 certification, demonstrating our commitment to promoting environmentally sustainable green building design and construction practices.	GEM5 certification for Company's automated 'GIGA' sorting centre and Pune sorting center have yielded positive outcomes. It aligns with ESG expectations, showcases environmental innovations, strengthens net-zero goals, and facilitates international expansion. The certification demonstrates a commitment to sustainability, compliance, and leadership in the green sector. It fosters dialogue, collaboration, and shared responsibility, while opening doors for strict sustainability compliances.
4)	Replacement of old vehicles with vehicles certified to new standards	As part of the transition from BS-IV to BS-VI emission standards, we have replaced approximately 30% heavy capacity trucks, that are compliant with BS-VI standards. This initiative involves the replacement of older vehicles with ones that meet the new emission standards, ensuring a smoother transition and a reduction in harmful emissions.	The transition to BS-VI emission standards has yielded multiple positive outcomes, including reduced emissions, advanced emission control technologies, cleaner fuels, enhanced fuel efficiency, and technological advancements, while retiring vehicles older than 7 years for long hauls aligns with emission control practices, collectively contributing to a cleaner and more sustainable transportation system with improved air quality and reduced environmental pollution.

### 3. Does the entity have a business continuity and disaster management plan? Give details in 100 words/web-link.

A Business Continuity Management (BCM) Plan is a comprehensive approach to organizational resilience and helps organizations cope with incidents that affect their business-critical processes and activities. It provides a structure for organizations to update, control and deploy effective plans, taking into account organizational contingencies and capabilities, as well as business needs.

The Company has implemented the Business Continuity Management System (BCMS) to protect, prepare against, respond and recover from disruptions. This system is designed to outline the plan of action a Company and its members must take in a time of disruption or crisis. BCMS ensures that the Company can provide an acceptable service in the event of a disruption or crisis, helping them preserve their reputation and keep revenue coming in. This covers various scenarios as a part of risk management processes and provides for risk mitigation and management in case of uncertainties.

Our BCMS program plans and incident response procedures, tested periodically, help us further strengthen our risk framework. The Risk Management Committee and the Board of Members, oversees the functioning of BCMS program.

### 4. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

In logistics operations the single most important adverse effect on the environment is through transportation of materials from one place to another giving rise to air emissions.

TCI Express has implemented several technological solutions to conserve energy and enhance efficiency through its business partners. The Company promotes the use of CNG for running its vehicles at the greatest level throughout the NCR, to minimize carbon footprints. The Company ensures that all its vehicles go through PUC and maintenance checks to maintain minimum air pollution levels and that all vehicles are in order of the prescribed norms.

The Company also promotes conservation of exhaustive resources of nature and usage of energy efficient vehicles, it has also provided electric car charging facilities in the parking area. Apart from improving the energy efficiency in operations, the Company is also committed to investing on reduction in consumption of energy from conventional resources.

**Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent**

#### Essential Indicators

#### 1. Number of affiliations with trade and industry chambers/associations and list the top ten (10) trade and industry chambers/associations (determined based on the total members of such body) the entity is a member of/affiliated to

The Company is a member of six (6) trade and industry chamber/association, as provided herein below:

Sr. no.	Name of trade and industry chambers/associations	Reach of trade and industry chambers/ associations (State/National)
1.	Associated Chambers of Commerce and Industry	National
2.	Confederation of Indian Industries	National
3.	SME Chamber of India	National
4.	Express Industry Council of India	National
5.	International Air Transport	International
6.	Neutral Air Partner	International

#### 2. Provide details of corrective action taken or underway on any issues related to anticompetitive conduct by the entity, based on adverse orders from regulatory authorities.

During the reporting period, the Company was not involved in any instances of anti-competitive behaviour. Consequently, no corrective action was required.

#### Leadership Indicators

#### 1. Details of public policy positions advocated by the entity

Through membership with trade and industry associations, the Company shares its feedback on matters as mentioned in the table below. Also, as and when the government seeks input from industry/stakeholders, the Company provides feedback on these issues through its associations:

Sr. no.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of review by Board (Annually/Half yearly/Quarterly/ Others-please specify)	Web-link, if available
1.	The Company has provided knowledge and insights to address social and regulatory issues.	The Company provides insight/feedback, based on representations sought by the respective industry association/regulator.	This is part of the stakeholder consultation by the respective industry association/regulator, by different channels of communication. Therefore, information is generally not available in the public domain.	Periodic review	Section-A of Q-23 of 'Please refer disclosures.'
2.	SEBI consultation paper on various amendments to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 - Strengthening Corporate Governance, Strengthening Compliance, review of disclosure requirements for material events or information.				
3.	Plastic waste management through Extended Producer Responsibility				

## Principle 8: Businesses should promote inclusive growth and equitable development

### Essential Indicators

#### 1. Details of Social Impact Assessments of projects undertaken by the entity based on applicable laws, in the current FY.

In India, Social Impact Assessments (SIA) have been mandated since 2013 by the 'Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act' for projects which displace communities and disrupt livelihoods. The Company's offices and operations do not fall under the purview of or warrant the need for a SIA.

#### 2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement is being undertaken by the Company.

None of the Company's operations and units have caused displacement to local communities, due to which Rehabilitation and Resettlement (R&R) would need to be undertaken.

#### 3. Describe the mechanisms to receive and redress grievances of the community.

TCI Express strongly believes that for a business to prosper, it is essential to foster the prosperity of the communities, within which it operates and create opportunities for all. At TCI Express, our community development programmes are intended to provide a better quality of life and uplift the marginalized section of society. These initiatives are undertaken by a combination of independent CSR agencies and the Company's social development arms, namely TCI Foundation and TCI Charities. These foundations are also affiliated with the Ministry of Corporate Affairs, to implement CSR activities of the Company, in compliance with the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014. These foundations make an annual presentation to the CSR Committee/Board of the Company on the efficacy of the programmes in terms of delivery of the desired benefits to the beneficiaries. The CSR Committee evaluates the annual action plan and CSR initiatives, and it has put in place the necessary processes to maximize results and evaluate the effects of the CSR projects.

During the execution of CSR projects, the Company prominently connects with communities through TCI Foundation. It has a defined process to ensure all the complaints and feedback from all stakeholders including communities are received and addressed. This defined process includes:

##### a) There are various channels to receive complaints:

- A dedicated toll-free number;
- A dedicated contact page on the website <http://www.tcifindia.org/contact.html>;
- Complaints/feedback received through e-mail at [info@tcexpress.in](mailto:info@tcexpress.in);
- Complaints/feedback are also received directly by TCI Foundation's representative, personally and by e-mail at [info@tcifindia.org](mailto:info@tcifindia.org).

- b) During monthly or quarterly review meetings, community conflicts that impact the implementation or outcomes of the project are reviewed.
- c) During the quarterly review visit by TCI Foundation's representative, concerns and issues are reviewed with the community-based groups.
- d) TCI Foundation along with other stakeholders analyse the conflicts, discuss the alternatives, pros and cons and identify the probable strategies/solutions. Community groups are encouraged to resolve the issues by negotiating with the concerned persons or groups in the community.
- e) Community groups are empowered by disseminating relevant knowledge, information, conducting skills training, and encouraging them to assume leadership in conflict management.
- f) If the community themselves are unable to resolve a certain conflict, TCI Foundation representatives intervene and facilitate negotiations between different groups in the community and stakeholders.

Dedicated teams within the businesses manage all the complaints and feedback to ensure timely responses. The complaints are consolidated and shared with the Management Board or its Committees for redressal. All community complaints are handled properly and promptly remedied.

Regarding other independent CSR arms, respective NGO/Foundation provides channels of communication for registering any grievances or providing feedback, facilitate the receipt and redressal of grievances of the community.

#### 4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

Input material procured	FY 2022-23	FY 2021-22
Directly sourced from MSMEs/small producers (in %)	95%+	95%+
Sourced directly from within the district and neighboring districts	Due to the decentralized nature of our procurement process and reliance on local small service providers, it is not practical for us to provide specific data on procurement within the district and neighbouring district.	

#### Leadership Indicators

##### 1. Provide details of actions taken to mitigate any negative social impacts identified in the SIA (Reference: Question 1 of essential indicators above).

Not applicable as mentioned above.

##### 2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies.

The CSR projects undertaken by the Company are precisely explained under Annexure-V of Board's Report, titled as 'Annual Report on Corporate Social Responsibility'.

##### 3. Do you have a preferential procurement policy, where you give preference to purchase from suppliers comprising marginalized/vulnerable groups? (Yes/No). If yes, from which marginalized/vulnerable groups do you procure and what percentage of total procurement (by value) does it constitute?

The Company gives priority to suppliers in local community for sourcing of input material. For category and % of local procurement, please refer Q4-essential indicators of Principle 8 above.

##### 4. Details of beneficiaries of CSR Projects.

The Company's CSR programmes play an important role in the actualization of the Company's purpose. The Company is cognizant that complex social inequalities such as access to basic health care and affordable education in India are a barrier to building a sustainable and resilient society. Therefore, our CSR projects are focused on education, healthcare, sports, vocational skills, and rural development, that are aligned to your Company's purpose thereby contributing to communities at large.



Sr. no.	CSR project	No. of persons benefitted from CSR projects	% of beneficiaries from vulnerable and marginalized groups
1.	Shiksha-Promoting education	1500+	100%
2.	Kavach-Promoting preventive healthcare	25000+	88%
3.	Saksham-Empowering women, employment, enhancing vocational skills	5000+	100%
4.	Shorya-Promoting sports training for nationally recognized and olympic sports	1000+	100%
5.	Samantha-Rural development and related activities	2500+	100%

### Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner

#### Essential Indicators

#### 1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

The Company is firmly focused on offering the best services to its customers and constantly endeavors to identify and redress any grievance/complaint that may arise, on priority.

##### Communication Channels

The Company has various touch points to receive customer complaints, which are captured in the system by way of different channels of communication such as:

- A dedicated toll-free number-18002000977, is available for assistance from Monday to Saturday, between the hours of 09:30 A.M. and 06:00 P.M;
- Complaints/feedback are also received directly by Company's representative;
- The Company's website [www.tciexpress.in](http://www.tciexpress.in) features a dedicated 'Customer Service' section, with twenty-four hours a day, seven days a week (24/7) accessible 'service grievance' link. The customers can also register grievances or provide feedback, through a chatbot round the clock;
- The complaints are also received through different sources of social media platforms;
- The complaints are also received through designated e-mail at [info@tciexpress.in](mailto:info@tciexpress.in).

##### Complaint Records

The Company has a dedicated customer service team to address customer grievances from the stage of registering a complaint till the successful closure of it. All complaints and feedback are handled by our dedicated team to ensure swift handling and timely resolution. Complaints and feedback are recorded in an online application, where tickets are created based on category and process. The Company ensures to keep the customer informed throughout the entire process of complaint resolution and focuses on resolving customer complaints within a time bound framework.

Final resolution would be based on the customer initiation mode. It can be an e-mail, call or reply on the social media post. The Company has also provided an escalation procedure, in case they are not satisfied with the Company's response. The customers can go to the 'contact' link and escalate the matter, as per the details provided on the website. In case of escalation, a designated officer takes up the case and communicates with the customer till the closure of the complaint.

##### Training to Delivery Agents (BAs and DBAs)

The Company also provides regular training to its business associates, where they are sensitized with basic etiquette of handling customers, product handling, customer service skills, communication skills, etc. In the said training programmes, they are also provided with the complaint's status of consumers and their efforts on reducing/eliminating these complaints. This helps the Company to resolve complaints on a real-time basis.

### Customer Satisfaction

The Company interacts from time to time with its clients for consumer survey/consumer satisfaction trends. It is a continuous improvement process to understand and deliver maximum customer satisfaction. The Company has also started to provide a feedback link with every order. This provides valuable feedback for the Company and fosters its efforts to provide the best possible service to customers and continuously improves the Company's engagement with customers.

2. Turnover of products/services as a percentage of turnover from all products/services that carry information about environmental and social parameters relevant to the product, safe and responsible usage, recycling and/or safe disposal.

Not applicable

3. Number of consumer complaints in respect of the following:

Nature of complaints	FY 2022-23			FY2021- 2022		
	Received during year	Pending resolution at end of year	Remarks	Received during year	Pending resolution at end of year	Remarks
Employees						
Data privacy	-	-	NA	-	-	NA
Advertising	-	-	NA	-	-	NA
Cyber-security	-	-	NA	-	-	NA
Delivery of essential services	-	-	NA	-	-	NA
Restrictive trade practices	-	-	NA	-	-	NA
Unfair trade practices	-	-	NA	-	-	NA
Others	7520	0	NA	11060	0	NA

4. Details of instances of product recalls on account of safety issues:

Details of instances of product recalls on account of safety issues	No.	Reasons for recall
Voluntary recalls		
Forced recalls		Not applicable

5. Does the entity have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

TCI Express has a robust framework on cyber security and data privacy, in cognizance of the fact that the Company deals with the personal information of the customers and various other stakeholders.

#### - Data Privacy

The Company has implemented virtual private network (VPN) software to create a secure connection and data protection. The software encrypts the end user's data and routes it through private secure networks to servers. This makes it more difficult for third parties to track online activities and steal data. The Company has implemented the VPN for internal enterprise resource planning (ERP) to protect data in transit.

#### - Cyber Security

The Company has a policy on cyber security, which can be accessed by employees on the Company's intranet. The Company has conducted cyber security audits to assess compliance and identify vulnerabilities and other problem areas across digital infrastructures and applications. It also important for businesses to identify gaps in an organization's defenses and ensure that appropriate steps are taken to mitigate those risks.

6. Details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on safety of products/services.

There were no consumer complaints on issues relating to advertising, delivery of essential services, cyber security, and data privacy of customers. The complaints in the 'others' category under indicator three (3) of this principle pertain to service issues. The respective teams have resolved the complaints effectively.

The Company has rolled out corporate policies to ensure necessary compliance with respect to cyber security and data security governance structure.

### Leadership Indicators

**1. Channels/platforms where information on products and services of the entity can be accessed (provide web-link, if available).**

Information pertaining to our products and services is provided on the Company website at [www.tciexpress.in](http://www.tciexpress.in). We also have mobile apps available on the Apple store and Google play store. Additionally, we actively use social media and digital platforms to disseminate information on our offerings:

- LinkedIn: [www.linkedin.com/company/tciexpressltd](http://www.linkedin.com/company/tciexpressltd)
- Facebook: [www.facebook.com/TCIExpressLtd](http://www.facebook.com/TCIExpressLtd)
- Instagram: [www.instagram.com/tcixpress\\_official](http://www.instagram.com/tcixpress_official)
- Twitter: [www.twitter.com/TCIExpressLtd](http://www.twitter.com/TCIExpressLtd)

**2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

The Company is not into manufacturing products, hence the aspects of informing and educating consumers about safe and responsible usage of products and/or services are not applicable directly.

However, we engage with our customers through various platforms like emailers, SMS, media channels including print and online, social media, advertisements, and press releases.

**3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

The Company has a system in place for communicating with customers in advance, if there is a delay in the date specified for delivery of the consignment through emailers, SMS, and live tracking of the consignment through the website, and mobile app. In case of closure of a branch office, the information is displayed on the Company website. During the pandemic, numerous communications were sent out to inform the customers of the delay/disruption in the delivery.

**4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief.**

Not applicable.

**5. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products/services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No).**

The Company maintains regular communication with its stakeholders through consumer surveys and assessments to gauge consumer satisfaction trends. This serves as an ongoing improvement process, aimed at better understanding and delivering maximum customer satisfaction. As part of these efforts, the Company has implemented a feedback link accompanying with every order, enabling customers to provide valuable insights. This feedback plays a crucial role in enhancing the Company's services and strengthening its engagement with customers. Moreover, the Company's local employees personally interact with customers, seeking feedback on the level of service provided and actively seeking areas for improvement.

**6. Provide the following information relating to data breaches.**

- a) Number of instances of data breaches along-with impact; and
- b) Percentage of data breaches involving personally identifiable information of customers.

No incidents were reported in FY2022-23 related to data breaches.

# Independent Auditor's Report

## Independent Auditor's Report

To The Members of TCI Express Limited

## Report on the Audit of the Standalone Financial Statements

### Opinion

We have audited the accompanying standalone financial statements of TCI Express Limited (the 'Company'), which comprise the Balance Sheet as at **31<sup>st</sup> March, 2023**, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity, the Cash Flow Statement and notes to the standalone financial statements for the year then ended, and a summary of the significant accounting policies and other explanatory information.

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 the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS"), of the state of affairs (financial position) of the Company as at **31<sup>st</sup> March, 2023**, and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

### Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibilities under those standards 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 judgment, were of 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 matters described below to be the key audit matter to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
<b>Impairment testing of investments in Uketoru Co. Ltd, Japan</b>  Refer Note 6 to the accompanying standalone financial statements  As at <b>31<sup>st</sup> March 2023</b> , the carrying amount of investment in Uketoru Co. Ltd, Japan is ₹ <b>0.43 crores</b> (net of impairment loss of ₹ <b>0.62 lakhs</b> )  The net worth of Uketoru Co. Ltd, Japan as at <b>31<sup>st</sup> March, 2023</b> is fully eroded, as per unaudited accounts. No audited accounts for any years are available. The management has considered that there is possible impairment in the carrying value of the investment. Accordingly, the management has obtained valuation by an independent valuer who has, as per discounted free cash flow to Equity, arrived at total fair value/investment value with application of income approach (DCF Method) <b>INR 42,92,848.00</b> of 50 shares Investment.  Considering the materiality of the amounts involved, the significant management judgement required is being inherently subjective, this matter has been identified as a key audit matter for the current year audit.	<b>Our procedures included, but were not limited to the following:</b> <ul style="list-style-type: none"> <li>• Obtained an understanding of management's process and evaluation design and tested operating effectiveness of controls around identification of indicators of impairment under Ind AS;</li> <li>• Assessed the appropriateness of methodology and valuation model used by the valuers to estimate the recoverable value of investment in Uketoru Co. Ltd.</li> <li>• Assessed the professional competence of the valuation specialist, who are "Merchant Banker" registered with SEBI and "Registered valuer" registered with IBBI as engaged by the management;</li> <li>• Based on our procedures, we also considered the adequacy of disclosures in respect of investment in the said Uketoru Co. Ltd, in the notes to the standalone financial statements.</li> </ul>

### Information other than the Standalone Financial Statements and Auditor's Report thereon.

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the 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 such other information is materially inconsistent with the standalone 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.

### Responsibilities of Management and Those Charged with Governance 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 state of affairs (financial position), profit or loss (financial performance including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 statements 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.

The 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 Standards on Auditing 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 Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- 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.
- 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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.

- 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 misstatements 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 our 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 the key audit matters. We describe these matters in our auditor's report 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.

## Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020 (the 'Order') issued by the Central Government of India in terms of Section 143(11) 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. Further to our comments in Annexure A, as required by Section 143(3) of the Act, we report 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 purpose 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.
- c) the standalone financial statements dealt with by this report are in agreement with the books of account;
- d) in our opinion, the aforesaid standalone financial statements comply with Ind AS specified under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2014, as amended;
- e) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on **31<sup>st</sup> March, 2023** from being appointed as a director in terms of Section 164(2) of the Act.
- f) we have also audited the internal financial controls over financial reporting (IFCOFR) of the Company as on **31<sup>st</sup> March, 2023** in conjunction with our audit of the financial statements of the Company for the year ended on that date and our report as per "Annexure B" expressed an unmodified opinion.
- g) 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 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
  - i. the Company has disclosed the impact of pending litigations on its financial position in the standalone financial statements;
  - ii. the Company has made provision, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
  - iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended **31<sup>st</sup> March, 2023**;

iv. a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under subclause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

The interim dividend declared and paid by the Company during the year and until the date of this audit report is in accordance with Section 123 of the Act.

As stated in Note No. 37(b) to the Standalone Financial Statements, the Board of Directors of the Company, have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

vi. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the company only w.e.f. April 1, 2023, reporting under this clause is not applicable.

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 director 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 **R.S. Agarwala & Co.**  
 Chartered Accountants  
 Firm's Regn. No:-304045E

**Bimal Kumar Kedia**  
 Partner

Camp : Gurugram (Membership No. 055237)  
 Date : 26<sup>th</sup> May 2023 UDIN : 23055237BGQFIR9459

## Annexure "A" to Independent Auditors' Report of even date to the members of TCI Express Limited, on the Standalone Financial Statement for the year ended 31<sup>st</sup> March, 2023.

Referred to in paragraph 2 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date.

1. a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of Right to use and intangible 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 Property, Plant and Equipment and Right to Use assets is reasonable having regards to the size of the Company and nature of its assets.

- c) Most of the immovable properties as disclosed in the standalone financial statement have been transferred on demerger. Out of the total properties transferred on demerger thirty-one (31) numbers of properties have already been transferred in the name of the Company and title deeds of balance sixteen (16) immovable properties are in the process of transfer, the details of which are given below. Properties purchased during the financial year are held in the name of the Company.

### I. Detail of Immovable Properties on which the process for transfer has been initiated and status thereof.

Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promotor, director or relative of promotor/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the Company
Land & Building at Ahmedabad	0.29	Transport Corporation of India Ltd	No	1 <sup>st</sup> April 2016	Applications for transfer of titles pending with the Govt. Deptt.
Land & Building at Ranchi	0.20	ZTransport Corporation of India Ltd	No	1 <sup>st</sup> April 2016	Applications for transfer of titles pending with the Govt. Deptt.
Building at Madras	0.09	Transport Corporation of India Ltd	No	1 <sup>st</sup> April 2016	Applications for transfer of titles pending with the Govt. Deptt.
Land & Building at Kheda	15.70	Transport Corporation of India Ltd	No	1 <sup>st</sup> April 2016	Applications for transfer of titles pending with the Govt. Deptt.
Land & Building at Rajkot	0.70	Transport Corporation of India Ltd	No	1 <sup>st</sup> April 2016	Applications for transfer of titles pending with the Govt. Deptt.
Land & Building at Ankleshwar	0.15	Transport Corporation of India Ltd	No	1 <sup>st</sup> April 2016	Applications for transfer of titles pending with the Govt. Deptt.
Land & Building at Surat	0.15	Transport Corporation of India Ltd	No	1 <sup>st</sup> April 2016	Applications for transfer of titles pending with the Govt. Deptt.
Land & Building at Hazira	0.13	Transport Corporation of India Ltd	No	1 <sup>st</sup> April 2016	Applications for transfer of titles pending with the Govt. Deptt.
Land & Building at Bhopal	2.47	Transport Corporation of India Ltd	No	1 <sup>st</sup> April 2016	Applications for transfer of titles pending with the Govt. Deptt.
Land & Building at Jabalpur	0.38	Transport Corporation of India Ltd	No	1 <sup>st</sup> April 2016	Applications for transfer of titles pending with the Govt. Deptt.
Land & Building at Patna	1.24	Transport Corporation of India Ltd	No	1 <sup>st</sup> April 2016	Land and Building are in name of erstwhile company
Land & Building at Akola	0.17	Transport Corporation of India Ltd	No	1 <sup>st</sup> April 2016	Land and Building are in name of erstwhile company
Building at Saki Naka	0.35	Transport Corporation of India Ltd	No	1 <sup>st</sup> April 2016	Building are in name of erstwhile company
Building at Kandiveli	0.15	Transport Corporation of India Ltd	No	1 <sup>st</sup> April 2016	Building are in name of erstwhile company
Land at Bhiwandi	2.28	Transport Corporation of India Ltd	No	1 <sup>st</sup> April 2016	Land are in name of erstwhile company
Land at Bangalore	0.04	Transport Corporation of India Ltd	No	1 <sup>st</sup> April 2016	Land are in name of erstwhile company

- d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.
- e) As explained to us, there are no proceedings that have been initiated during the year or are pending against the Company as at **31<sup>st</sup> March, 2023** for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
2. a) The Company's business does not require maintenance of inventories and, accordingly, the requirement to report on clause 3(ii)(a) of the Order is not applicable to the Company.
- b) Yes, the Company has been sanctioned working capital limits in excess of ₹ 5 Crores, in aggregate, at any point of time of the year, from banks or financial institutions on the basis of security of current assets. The statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.
3. 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 section 189 of the Act. Therefore, the provisions of Clause 3(iii) of the said order are not applicable.
4. The Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under section 185 and 186 of the Companies Act, 2013. Therefore, the provision of clause 3(iv) of the said order are not applicable.
5. The Company has not accepted any deposits from the public.
6. The Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Act in respect of any activities of the Company.
7. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion the Company is regular in depositing undisputed statutory dues including goods and service tax, provident fund, employees' state insurance, professional tax, income tax, Cess and any other statutory dues to the appropriate authorities.
- (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 duty of excise or value added tax or cess or employees' state insurance or stamp duty as at **31<sup>st</sup> March, 2023** which have not been deposited on account of any dispute are as under:

Nature of the Statute	Nature of the dues	Amount (In Crores)	Period to which amount relates	Forum where dispute is pending
Entry Tax Act	Entry Tax	1.03	2011-12	Various Authorities
Sales Tax Act	Sales Tax	1.35	2014-15 to 2018-19	Various sales tax authorities
Stamp Duty Act	Stamp Duty	17.34	2020-21, 2021-22	Stamp Registrar Authority

8. According to the records of the Company examined by us and as per the information and explanation given to us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
9. a) According to the records of the Company examined by us and as per the information and explanations given to us, the Company has not defaulted in repayment of loans or other, borrowings or in the payment of interest thereon to any financial institution or banks or lender.
- b) According to the records of the Company examined by us and as per the information and explanations given to us, The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- c) According to the records of the Company examined by us and as per the information and explanations given to us, the term loans were applied for the purpose for which the loans were obtained.
- d) According to the records of the Company examined by us and as per the information and explanations given to us, on an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.
- e) According to the records of the Company examined by us and as per the information and explanations given to us, on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or associate companies.
- f) According to the records of the Company examined by us and as per the information and explanations given to us, the Company has not raised loans during the year on the pledge of securities held in its subsidiaries or associate companies. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.
10. a) 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 moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

11. a) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.  
b) According to the information and explanations given to us, during the year and up to the date of this audit report, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government..  
c) According to the information and explanations given to us, during the year there are no whistle blower complaints received by the Company during the year.
12. The Company is not a Nidhi Company.
13. The transactions with related parties are in compliance with the provisions of Section 177 and 188 of the Act. The details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standard.
14. a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.  
b) We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
15. In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. Hence the provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
16. a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi) (a), (b) and (c) of the Order is not applicable.  
b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not conducted any Non-Banking Financial or Housing Finance activities without obtaining a valid Certificate of Registration (COR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.  
c) According to the information and explanations given to us and based on our examination of the records of the Company, the Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) (c) of the Order is not applicable to the Company.  
d) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
17. In our opinion, there is no cash loss in the financial year and in the immediately preceding financial year.
18. There has been no resignation of the statutory auditors of the Company during the year.
19. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
20. a) According to the information and explanations given to us and based on our examination of the records of the Company, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII to the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act.  
b) In our opinion, there are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act.

For **R.S. Agarwala & Co.**  
 Chartered Accountants  
 Firm's Regn. No:-304045E

**Bimal Kumar Kedia**  
 Partner

Camp : Gurugram (Membership No. 055237)  
 Date : 26<sup>th</sup> May 2023 UDIN : 23055237BGQFIR9459



## Annexure B to The Independent Auditors' Report

Referred to in paragraph 2(f) of the Independent Auditors' Report of even date to the members of **TCI Express Limited** on the standalone financial statements for the year ended **31<sup>st</sup> March, 2023**.

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

We have audited the internal financial controls over financial reporting of TCI Express Limited ("the Company") as of **31<sup>st</sup> March, 2023** 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 management 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 controls 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, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records, and timely preparation of reliable financial information, as required under the Act.

#### **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 Companies Act, 2013, 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 Institute of Chartered Accountants of India. 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 judgment, 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 control 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 31st March, 2023, 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.

For **R.S. Agarwala & Co.**  
Chartered Accountants  
Firm's Regn. No:-304045E

**Bimal Kumar Kedia**  
Partner  
(Membership No. 055237)  
UDIN : 23055237BGQFIR9459

Camp : Gurugram  
Date : 26<sup>th</sup> May 2023

# Standalone Balance Sheet

 as at 31<sup>st</sup> March, 2023

(₹ in Crores)

Particulars	Notes	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	2	343.88	314.74
Right-of-use assets	3	27.18	2.02
Capital work-in-progress	4	61.14	6.09
Other intangible assets	5	3.01	3.04
Financial assets			
Investments	6	1.05	1.05
		<b>436.26</b>	<b>326.94</b>
<b>Current Assets</b>			
Financial assets			
Investments	7	32.11	87.00
Trade receivables	8	211.47	189.54
Cash and cash equivalents	9	13.49	15.74
Other bank balances	10	2.88	2.26
Other financial assets	11	9.89	9.54
Current tax assets (net)	12	4.93	4.09
Other current assets	13	23.91	21.92
		<b>298.68</b>	<b>330.09</b>
<b>Total Assets</b>		<b>734.94</b>	<b>657.03</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity share capital	14	7.66	7.70
Other equity	15	588.71	528.49
		<b>596.37</b>	<b>536.19</b>
<b>LIABILITIES</b>			
<b>Non-Current Liabilities</b>			
Financial liabilities			
Borrowings	16	-	0.21
Lease liabilities	17	3.84	0.12
Deferred tax liabilities (net)	18	10.49	7.86
		<b>14.33</b>	<b>8.19</b>
<b>Current Liabilities</b>			
Financial liabilities			
Borrowings	19	0.73	0.78
Lease liabilities	17	2.50	0.01
Trade payables	20		
Total outstanding dues of micro enterprises and small enterprises		1.50	1.00
Total outstanding dues of creditors other than micro small enterprises		86.91	72.72
Other financial liabilities	21	9.04	16.14
Other current liabilities	22	18.44	16.45
Provisions	23	5.12	5.55
		<b>124.24</b>	<b>112.65</b>
		<b>138.57</b>	<b>120.84</b>
<b>Total Equity and Liabilities</b>		<b>734.94</b>	<b>657.03</b>

Significant Accounting Policies

1

The accompanying notes 1 to 47 are an integral part of the standalone financial statements.

In terms of our Report of even date attached

 For **R S Agarwala & Co.**

Chartered Accountants

Firm Reg No. 304045E

For and on behalf of the Board of Directors of

**TCI Express Limited**
**D P Agarwal**

 Chairman  
(Gurugram)

**Chander Agarwal**

 Managing Director  
(Gurugram)

**Murali Krishna Chevuturi**

 Director  
(Hyderabad)

**Bimal Kumar Kedia**

 Partner  
(Membership No. 055237)

**Mukti Lal**

 VP & CFO  
(Gurugram)

**Priyanka**

 Company Secretary  
(Gurugram)

Camp : Gurugram

 Date : 26<sup>th</sup> May 2023

# Standalone Statement of Profit and Loss

 for the year ended 31<sup>st</sup> March, 2023

(₹ in Crores)

Particulars	Notes	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Revenue</b>			
Revenue from operations	24	1,241.01	1,081.47
Other income	25	7.17	8.17
<b>Total Income</b>		<b>1,248.18</b>	<b>1,089.64</b>
<b>Expenses</b>			
Operating expenses	26	849.70	732.97
Employee benefits expense	27	124.29	109.94
Finance costs	28	1.81	0.91
Depreciation and amortization expense	29	15.31	9.98
Other expenses	30	72.54	63.83
<b>Total</b>		<b>1,063.65</b>	<b>917.63</b>
<b>Profit Before Tax</b>		<b>184.53</b>	<b>172.01</b>
<b>Tax Expense</b>	32		
Current tax		42.14	40.33
Deferred tax		3.11	2.84
		<b>45.25</b>	<b>43.17</b>
<b>Profit for the Year</b>		<b>139.28</b>	<b>128.84</b>
<b>Other Comprehensive Income</b>			
Items that will not be reclassified subsequently to profit or loss			
Fair value of equity instruments through other comprehensive income		(1.18)	(0.05)
Re-measurement of defined benefit liability		(0.46)	(1.33)
Items that will be reclassified subsequently to profit or loss			
Fair value of debt instruments through other comprehensive income		(0.28)	0
Less : Tax on above items		0.48	0.35
		<b>(1.44)</b>	<b>(1.03)</b>
<b>Total Comprehensive Income for the Year</b>		<b>137.84</b>	<b>127.81</b>
<b>Earning Per Equity Share</b>			
--Basic	31	36.24	33.48
--Diluted		36.20	33.45

The accompanying notes 1 to 47 are an integral part of the standalone financial statements.

In terms of our Report of even date attached

 For **R S Agarwala & Co.**

Chartered Accountants

Firm Reg No. 304045E

For and on behalf of the Board of Directors of

**TCI Express Limited**
**D P Agarwal**

Chairman

(Gurugram)

**Chander Agarwal**

Managing Director

(Gurugram)

**Murali Krishna Chevuturi**

Director

(Hyderabad)

**Bimal Kumar Kedia**

Partner

(Membership No. 055237)

**Mukti Lal**

VP &amp; CFO

(Gurugram)

**Priyanka**

Company Secretary

(Gurugram)

Camp : Gurugram

 Date : 26<sup>th</sup> May 2023

# Standalone Statement of Changes in Equity

 as at 31<sup>st</sup> March, 2023

## A. Equity Share Capital

(₹ in Crores)

Particulars	Balance as at 31 <sup>st</sup> March, 2022	Changes in equity share capital due to prior period errors	Restated balance as at 31 <sup>st</sup> March, 2022	Change in Equity Share Capital During the Year	Balance as at 31 <sup>st</sup> March, 2023
Equity share capital	7.70	-	7.70	(0.04)	7.66
No of shares	38,495,125	-	38,495,125	(183,475)	38,311,650

Particulars	Balance as at 31 <sup>st</sup> March, 2021	Changes in equity share capital due to prior period errors	Restated balance as at 31 <sup>st</sup> March, 2021	Change in Equity Share Capital During the Year	Balance as at 31 <sup>st</sup> March, 2022
Equity share capital	7.69	-	7.69	0.01	7.70
No of shares	38,434,525	-	38,434,525	60,600	38,495,125

## B. Other Equity (refer note 15)

(₹ in Crores)

Particulars	Reserve and Surplus						Total
	Retained Earnings	Capital Redemption Reserve	Securities Premium	General Reserve	Share Options Outstanding Account	Other Comprehensive Income Reserve	
<b>Balance as at 1<sup>st</sup> April, 2022</b>	51.49	-	12.02	465.60	2.81	(3.43)	528.49
Profit for the year	139.28	-	-	-	-	-	139.28
Other comprehensive income (net of tax)	-	-	-	-	-	(1.44)	(1.44)
<b>Total comprehensive income for the year</b>	139.28	-	-	-	-	(1.44)	137.84
Exercise of stock options	-	-	4.79	-	-	-	4.79
Issue of equity shares, net off transaction cost	-	-	-	-	1.21	-	1.21
Expenses for Buy-back of equity shares	-	-	-	(0.53)	-	-	(0.53)
Buy-back of equity shares	-	0.05	(16.28)	(26.20)	-	-	(42.43)
Tax on Buy-back of equity shares	(9.90)	-	-	-	-	-	(9.90)
Transfer in/out general reserve	(95.00)	-	-	95.00	-	-	-
<b>Transaction with owners in their capacity as owners:</b>							
Dividends paid during the year	(30.76)	-	-	-	-	-	(30.76)
<b>Balance as at 31<sup>st</sup> March, 2023</b>	55.11	0.05	0.53	533.87	4.02	(4.87)	588.71

The accompanying notes 1 to 47 are an integral part of the standalone financial statements.

In terms of our Report of even date attached

 For **R S Agarwala & Co.**

 Chartered Accountants  
 Firm Reg No. 304045E

**D P Agarwal**  
 Chairman  
 (Gurugram)

**Bimal Kumar Kedia**  
 Partner  
 (Membership No. 055237)

 Camp : Gurugram  
 Date : 26<sup>th</sup> May 2023

For and on behalf of the Board of Directors of

**TCI Express Limited**
**Chander Agarwal**  
 Managing Director  
 (Gurugram)

**Mukti Lal**  
 VP & CFO  
 (Gurugram)

**Murali Krishna Chevuturi**  
 Director  
 (Hyderabad)

**Priyanka**  
 Company Secretary  
 (Gurugram)



# Standalone Statement of Cash Flow

 for the year ended 31<sup>st</sup> March, 2023

(₹ in Crores)

Particulars	Year Ended 31 <sup>st</sup> March 2023	Year Ended 31 <sup>st</sup> March, 2022
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net profit before tax	184.53	172.01
<b>Adjustments for:</b>		
Depreciation and amortisation	15.31	9.98
Loss on disposal of property, plant and equipment (net)	0.42	0.08
Amortisation of leasehold land	0.25	0.05
Reversal under expected credit loss model	(0.29)	(0.12)
Fair valuation of investments designated as FVTPL	(0.24)	(0.05)
Employee stock option compensation	3.50	3.29
Miscellaneous provisions written back	-	(0.16)
Finance costs	1.81	0.91
Interest/dividend income	(4.83)	(4.43)
<b>Adjustments for:</b>	15.93	8.22
<b>Operating profit before working capital changes</b>	<b>200.46</b>	<b>180.23</b>
<b>Changes in Operating Assets and Liabilities:</b>		
Trade receivable	(21.64)	(19.95)
Loans, other financial assets and other assets	(2.96)	2.65
Trade payables	14.69	(1.46)
Other financial liabilities and provisions	(0.76)	8.15
<b>Cash Generation From Operations</b>	<b>189.79</b>	<b>169.62</b>
Direct taxes paid	(42.98)	(42.08)
<b>Net Cash flow from Operating Activities (A)</b>	<b>146.81</b>	<b>127.56</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(106.26)	(80.46)
Acquisition of right to use assets	(19.48)	-
Proceeds on sale of property, plant and equipment	0.45	0.44
Purchase of investments	(16.20)	(14.68)
Sale proceeds of investments	71.34	-
Interest/ dividend received	4.83	4.43
<b>Net Cash flow from Investing Activities (B)</b>	<b>(65.32)</b>	<b>(90.27)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES *</b>		
Short term borrowings	0.52	(0.19)
Proceeds from issuance of share capital	2.00	1.99
Buyback of equity shares	(42.48)	-
Expense on buyback of equity shares	(0.54)	-
Repayment of term borrowings	(0.78)	(0.81)
Payment of dividends	(30.76)	(30.79)
Payment of tax on buyback	(9.90)	-
Finance cost paid	(1.80)	(0.91)
<b>Net Cash flow from Financing Activities (C)</b>	<b>(83.74)</b>	<b>(30.71)</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>(2.25)</b>	<b>6.58</b>
Cash and cash equivalents at 1 April	15.74	9.16
<b>Cash and Cash Equivalents as at 31<sup>st</sup> March</b>	<b>13.49</b>	<b>15.74</b>

\* Refer note 45 for net debt reconciliation

# Cash and Cash Equivalent at the end of the year include:

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Cash on hand	2.86	2.44
Cheques, draft on hand	10.62	11.25
Bank balance with current account	0.01	2.05
<b>Cash and cash equivalents</b>	<b>13.49</b>	<b>15.74</b>

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

The accompanying notes 1 to 47 are an integral part of the standalone financial statements.

In terms of our Report of even date attached

For **R S Agarwala & Co.**

Chartered Accountants  
Firm Reg No. 304045E

**D P Agarwal**  
Chairman  
(Gurugram)

**Bimal Kumar Kedia**  
Partner  
(Membership No. 055237)

Camp : Gurugram  
Date : 26<sup>th</sup> May 2023

For and on behalf of the Board of Directors of  
**TCI Express Limited**

**Chander Agarwal**  
Managing Director  
(Gurugram)

**Mukti Lal**  
VP & CFO  
(Gurugram)

**Murali Krishna Chevuturi**  
Director  
(Hyderabad)

**Priyanka**  
Company Secretary  
(Gurugram)

# Notes to the Standalone Financial Statements

for the year ended 31<sup>st</sup> March, 2023

## 1. Summary of Significant Accounting Policies

### I) Corporate Overview

TCI Express Limited ('TCIEXP' or 'the Company') is a Public Limited Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The main objective of the Company is to carry express cargo distribution through road, rail, air and water mode. The equity shares of the Company are listed with National Stock Exchange of India Limited and Bombay Stock Exchange of India Limited.

The registered office of TCI Express Ltd is situated at Flat Nos. 306 & 307, 1-8-271 to 273, 3rd Floor, Ashoka Bhoopal Chambers, S.P Road, Secunderabad- 500003 Telangana and the Corporate Office of the Company is situated at TCI House, 69, Institutional Area, Sector -32, Gurugram-122001 Haryana.

### II) Basis of preparation of Standalone financial statements

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

#### i) Compliance with Ind AS

These standalone financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs (MCA) pursuant to Section 133 of the Companies Act 2013, read with Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules 2016 as amended from time to time. The Company has consistently applied the accounting policies during the period presented in the standalone financial statements.

These standalone financial statements for the year ended 31<sup>st</sup> March, 2023 were approved and adopted by Board of Directors of the Company in their meeting held on 26<sup>th</sup> May, 2023.

#### ii) Historical cost convention

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

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments);
- Assets held for sale – measurement at fair value less cost to sell.

- Defined benefit plans – plan assets measured at fair value; and
- Share based payments which are measured at fair value of the options.

#### iii) Use of significant accounting estimates and judgements

The preparation of the standalone financial statements in conformity with Ind AS requires management to make the estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets, liabilities. It also affects the disclosures of contingent assets and liabilities at the date of the standalone financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these standalone financial statements have been disclosed in note v(u) below. Accounting estimates could change from period to period. Although these estimates are based on management's best knowledge of current event and action, actual results could differ from those estimates. Changes in estimates are reflected in the standalone financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the standalone financial statements.

- iv) All amounts disclosed in the standalone financial statements and notes have been rounded off to the nearest crores as per the requirement of Schedule III, unless otherwise stated.

#### v) Significant accounting policies

##### a) Current versus non-current classification

All the assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Division II the Schedule III to the Act. An asset is treated as current when it is:

- Expected to be realised or intended to be sold in normal operating cycle\*
- Held primarily for purpose of trading
- Asset is intended for sale or consumption
- Expected to be realised within twelve months after the reporting period,
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle\*
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period,
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

\*Operating cycle is the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

## b) Property, plant and equipment

### *Recognition and initial measurement*

Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, duties, freight charges, initial insurance charges, borrowing cost if capitalization criteria are met and any other directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits attributable to such subsequent cost associated with the item will flow to the Company. All other repair and maintenance costs are recognized in standalone statement of profit or loss as incurred.

Freehold land is carried at cost. All other items of property, plant and equipment are stated at cost less depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

In case an item of property, plant and equipment is acquired on deferred payment basis, interest expenses included in deferred payment is recognized as interest expense and not included in cost of asset.

### **Depreciation methods, estimated useful lives and residual value.**

Depreciation on property, plant and equipment is provided on the straight line method arrived

on the basis of the useful life prescribed under Schedule II of the Companies Act, 2013. The following useful life of assets has been taken by the Company. Management believes that useful life of assets are same as those prescribed in Schedule II to the Act.

Tangible Assets	Useful Life
Building	60 Years
Building Leasehold improvements	Lease Term
Plant and machinery	15 Years
Furniture and fittings	10 Years
Vehicles	8 Years
Office equipment	5 Years
Computer equipment	3 Years
Leasehold land	Over the period of lease

The residual values are not more than 5% of the original cost of the asset. The asset's residual values, useful lives and method of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

Where, during any financial year, any addition has been made to any asset, or where any asset has been sold, discarded, demolished or destroyed, or significant components replaced; depreciation on such assets is calculated on a pro rata basis as individual assets with specific useful life from the month of such addition or, as the case may be, up to the month on which such asset has been sold, discarded, demolished or destroyed or replaced.

Advance paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advance under other non-current assets and cost of assets not ready to use before such date are disclosed under 'Capital work in progress'

### *De-recognition*

An item of property, plant and equipment and any significant part initially recognized is de-recognized 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 (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the standalone statement of profit and loss when the asset is derecognized.

## c) Intangible Assets

### *Recognition and initial measurement*

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried

at cost less accumulated amortization and accumulated impairment losses, if any.

***Subsequent measurement (amortisation and useful lives)***

All finite-lived intangible assets are accounted for using the cost model whereby capitalized costs are amortized on a straight-line basis over their estimated useful lives. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Residual values and useful lives are reviewed at each reporting date and any change in the same is accounted for prospectively.

The following useful lives are applied:

Intangible Assets	Useful life (in years)
Software	Amortized over a period of 6 years

***De-recognition***

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the standalone statement of profit or loss when the asset is de-recognised.

**d) Impairment of non-financial Assets**

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount 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. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses of continuing operations are recognised in the standalone statement of Profit and Loss and after impairment, depreciation 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 recognised 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 recognised 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 recognised. 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 recognised for the asset in prior years. Such reversal is recognised in the standalone statement of profit and loss.

**e) Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the standalone statement of profit and loss as incurred.

**f) Functional and presentation currency**

The standalone financial statements are presented in Indian Rupees (INR), which is also the Company's functional and presentation currency of the Company.

**Foreign Currencies**

**Transactions and balances**

***Initial recognition***

Transactions in foreign currencies are initially recorded by the Company at its functional currency spot rates at the date the transaction first qualifies for recognition.

***Subsequent measurement***

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

***Exchange differences***

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the standalone statement of profit and loss in the year in which they arise.



## g) 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 the inception of the contract. The contract is, or contains, a lease if fulfillment of the contract is dependent on the use of a specific asset or assets and the contract conveys a right to use the asset or assets, even if that right is not explicitly specified in a contract.

The Company lease asset classes primarily consist of leases for land and buildings. The company assesses whether a contract 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 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 the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense in the standalone statement of profit and loss on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

### Initial Measurement

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives (if any).

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases.

### Subsequent Measurement

Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment loss, (if any). ROU is depreciated from the commencement date on a straight-line basis over the shorter of the lease term and 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.

Lease liability are re-measured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet.

### The 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 the standalone 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.

## h) Fair Value Measurement

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs

and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is Unobservable

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.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

#### i) Revenue Recognition

The Company derives revenues primarily from business of freight.

Revenue is recognized either at a point in time or over time, when (or as) the Company satisfies performance obligations by transferring the promised goods or services to its customers. The Company has concluded that it is the principal

in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and are custodian of goods and is also exposed to credit risks.

The Company recognizes revenue from contracts with customers based on a five steps model (refer note 35). The Company recognizes contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as other liabilities in the standalone statement of financial position. Similarly, if the Company satisfies a performance obligation before it receives the consideration, the Company recognizes either a contract asset or a receivable in its standalone statement of financial position.

The Company applies the revenue recognition criteria to each separately identifiable component of the sales transaction as set out below:

Express cargo delivery services:

Revenue from services rendered is recognised, using percentage-of-completion-method, in proportion to the stage of completion of the transaction at the reporting date when the outcome of the transaction can be estimated reliably.

Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on services such as Goods and service tax.

#### j) Other Income

##### Rental Income:

Income from rent is recognized over the period of the contract on straight line basis. Initial direct cost is expensed off when incurred.

##### Interest Income:

Interest income on fixed deposits is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

For all Financial Assets measured at amortised cost or at fair value through other comprehensive income (refer 'k' below), interest income is recorded using the effective interest rate (EIR) i.e the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial assets. The future cash flows include all other transaction costs paid or received, premiums or discounts if any, etc. Interest income

recognised in the standalone statement of profit and loss.

#### **Dividends:**

Dividends are recognised in the standalone statement of profit and loss only when the right to receive payment is established.

#### **Profit on sale of Investments:**

Profit on sale of financial instruments (measured at amortised cost or FVTOCI or through profit and loss) recognized in the standalone statement of profit and loss.

### **k) Financial Instruments**

#### **1) Financial assets**

##### **Initial recognition**

Financial instruments are recognised when the company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities initially measured at Fair value. Transaction cost that are directly attributable to the acquisition and issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) or added to or deducted from fair value measured on initial recognition of financial assets and financial liabilities.

##### **Subsequent measurement**

##### **Classification and subsequent measurement**

For the purpose of subsequent measurement, financial assets are classified into the following categories upon initial recognition:

**i) Financial assets at amortised cost – a** financial instrument is measured at amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest method.

**ii) 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 recognised in other comprehensive income. Cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'other income' in the standalone statement of profit and loss.

**iii) 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 amortised cost or at fair value through other comprehensive income. All fair value changes, including interest and dividend if any, recognized as 'other income' in the standalone statement of profit and loss.

**a. Equity Instruments-** All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are generally classified at fair value through profit and loss (FVTPL). For all other equity instruments, the Company has to classify the same either at fair value through other comprehensive income (FVOCI) or fair value through profit and loss (FVTPL). The Company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

**b. Debt instruments-** These are measured at FVOCI have contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on principal outstanding and that are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets. These instruments largely comprise long term investments made by the Company.

**c. Trade Receivable-** An impairment analysis performed at each reporting date. It requires expected lifetime losses to be recognized from initial recognition of the receivables. As a practical expedient, the Company uses a provision matrix to determine the impairment loss allowance

on its portfolio of its trade receivable. The provision matrix is based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis observed default rates over the expected life of the trade receivable. At every reporting date, the historical observed default rates are updated.

- d. **Other Financial assets-** For recognition of impairment loss on other financial asset and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition and if credit risk has been increased significantly, impairment loss is provided.

#### De-recognition of financial assets

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset expires or when it transfers the financial assets and all the risk and reward of ownership of the assets to another entity

## 2) Financial liabilities

#### Initial recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss. In case of trade payables, they are initially recognised at fair value and subsequently, these liabilities are held at amortised cost, using the effective interest rate method.

#### Subsequent measurement

After initial recognition, the financial liabilities are subsequently measured at amortised cost using the effective interest rate method ('EIR').

Amortised cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The effect of EIR amortisation is included as finance costs in the standalone statement of profit and loss.

#### De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another liability 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 the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the standalone statement of 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 recognised amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

## I) Retirement and other employee benefits

#### Defined Contribution plan

Defined Contribution plan such as provident fund, employee state insurance scheme, labour welfare fund and benevolent fund are charged to the standalone statement of profit and loss as incurred. The Company has no obligation, other than the contribution payable to these funds/schemes. The Company recognizes contribution payable to these funds/schemes as an expense, when an employee renders the related service for that period. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

#### Defined benefit plans

The Company provides for gratuity, a defined benefit plan covering eligible employees. The gratuity plans provides lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount base on the respective employees base salary and the tenure of employment. Gratuity is funded through investments with an insurance service provider & the Company administered trust (TCI Express Gratuity Fund Trust). A provision for gratuity liability to the employee is made on the basis of actuarial valuation determined using the projected unit credit method. The benefits are discounted using the discount rates for Government Securities at the end of the reporting period that have terms approximating to the terms of the related obligation.

Remeasurements, comprising of actuarial gains and losses, excluding amounts included in net interest on the net defined benefit liability are recognized immediately in the standalone balance sheet with a corresponding debit or credit to

retained earnings through Other Comprehensive Income in the period in which they occur.

### Other Employee Benefits

#### *Compensated absences*

Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognised on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees. Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method.

#### **Other short term benefits**

Expense in respect of other short-term benefits is recognized on the basis of amount paid or payable for the period during which services are rendered by the employees.

#### **m) Employee stock option plan (Share based payments)**

The fair value of options granted under Employee Stock Option Plan is recognised as an employee benefits expense 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 recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognizes the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

#### **n) Provisions**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the standalone statement of profit and loss net of any reimbursement.

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. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

#### **o) Earnings per share**

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events, if any.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

Potential ordinary shares shall be treated as dilutive when, and only when, their conversion to ordinary shares would decrease earnings per share or increase loss per share from continuing operations.

#### **p) Taxes**

##### **Current income tax**

Current income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically



evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

#### Deferred tax

Deferred tax is recognized using the liability method in respect of temporary differences between the carrying amount of assets and liabilities in the standalone financial statements and the corresponding amounts used in the computation of taxable profit.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax liability is recognised based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, by the end of the reporting period.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits (Minimum alternate tax credit entitlement) and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

#### q) Segment reporting

As the Company's main business activity falls within a single primary Business segment viz. "Express Cargo", provisions of Segment Reporting as per Ind AS 108 are not applicable.

#### r) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and cash/cheques on hand and short-term deposits with an original maturity of twelve months or less, which are subject to an insignificant risk of changes in value.

#### s) Dividend distribution to equity holders

The Company recognizes a liability to make dividend distributions to equity holders when the distribution is authorized and is no longer left to the discretion of the Company. As per the corporate laws in India, a distribution of final dividend is authorized when it is approved by the shareholders; and a distribution of interim dividend is authorized by the board of directors. The amount of dividend so authorized is adjusted directly in other equity.

#### t) Contingent liabilities and assets

A contingent liability is a possible obligation that arises 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 or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the standalone financial statements.

Contingent assets are not recognized but disclosed in the standalone financial statements when an inflow of economic benefits is probable.

#### u) Significant management judgement in applying accounting policies and estimation uncertainty

The following are the critical judgments and the key estimates concerning the future that management has made in the process of applying the Company's accounting policies and that may have the most significant effect on the amounts recognized in the standalone financial Statements or that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year..

- i. **Revenue** - The Company recognises revenue from contracts with customers based on a five-step model as per Ind AS 115 (Refe Note 'i') 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 recognised 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.
- ii. **Allowance for doubtful debts** - The allowance for doubtful debts reflects management's estimate of losses inherent in its credit portfolio. This allowance is based on Company's estimate of the losses to be incurred, which derives from past experience with similar receivables, current and historical past due amounts, write-offs and collections, the careful monitoring of portfolio credit quality and current and projected future economic conditions. if the present economic and financial situation of the Company's debtors with which the Company contracted were to deteriorate, resulting in an impairment of their ability to make payment, additional expected credit loss may be required.
- iii. **Useful lives 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, IT equipment and other plant and equipment.
- iv. **Defined benefit obligation (DBO)** - Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.
- v. **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.
- vi. **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 and economic limits or uncertainties in various tax jurisdictions.
- vii. **Contingent liabilities** - The Company is the subject of legal proceedings and tax issues which are pending in various jurisdictions. Due to the uncertainty inherent in such matters, it is difficult to predict the final outcome of such matters. In the normal course of business, management consults with legal counsel and certain other experts on matters related to litigation and taxes. The Company accrues a liability when it is determined that an adverse outcome is probable and the amount of the loss can be reasonably estimated.
- viii. **Provisions** - At the end of each reporting period on the basis of the management judgement, changes in facts and legal aspects, the Company assess the requirement of the provisions. However, the actual future outcome may different from this judgement.

#### Recent Accounting Pronouncement

Ministry of Corporate Affairs (MCA), vide notification dated 31 March 2023, has made the following amendments to IND AS which are effective 1st April 2023.

Ind AS 1 - Presentation of Financial Statements - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates.

Ind AS 12 - Income Taxes - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences.

## 2 Property, Plant and Equipment

(₹ in Crores)

Particulars	Freehold Land	Building (a)	Vehicle	Office Equipments	Plant & Machinery	Furniture & Fixture	Computer	Total
<b>Gross carrying value</b>								
Opening balance at 1 <sup>st</sup> April, 2022	102.94	149.98	11.85	10.66	48.47	15.94	17.86	357.69
Additions	26.06	7.02	3.01	0.93	4.95	1.00	1.48	44.45
Disposals	-	2.07	1.63	1.13	0.91	0.87	1.55	8.16
Closing balance at 31 <sup>st</sup> March, 2023	129.00	154.93	13.23	10.46	52.51	16.07	17.79	393.98
<b>Accumulated depreciation</b>								
Opening balance at 1 <sup>st</sup> April, 2022	-	9.10	4.26	7.19	6.91	6.60	8.89	42.95
Charge for the year		1.84	1.33	1.10	3.49	1.09	3.52	12.37
Deductions		-	0.95	1.13	0.79	0.87	1.48	5.22
Closing balance at 31 <sup>st</sup> March, 2023	-	10.94	4.64	7.16	9.61	6.82	10.93	50.10
Net Block as at 31 <sup>st</sup> March, 2022	102.94	140.88	7.59	3.47	41.56	9.34	8.97	314.74
Net Block as at 31 <sup>st</sup> March, 2023	129.00	143.99	8.59	3.30	42.90	9.25	6.86	343.88

- a) Buildings includes those on leasehold land (cost ₹ 11.48 crores, accumulated depreciation ₹ 1.79 crores and written down value ₹ 9.70 crores) as on 31<sup>st</sup> March, 2023, (cost ₹ 8.96 crores, accumulated depreciation ₹ 1.74 crores and written down value ₹ 7.22 crores) as on 31<sup>st</sup> March, 2022.
- b) Pursuant to Scheme of arrangement between Transport Corporation of India Limited (TCIL) and TCI Express Limited (TCIEXPRESS) and their respective shareholders, 47 immovable properties are required to be transferred in the name of TCIEXPRESS. Out of 47 immovable properties, 31 immovable properties has been transferred in the name of TCIEXPRESS and rest of the immovable properties are in process of transfer. (refer note 46 and 47).
- c) Addition to freehold land includes ₹ 2.07 crores which was inadvertently debited to buildings during the previous year, has now been reversed.

### Capitalised Borrowing Cost

The Company has not capitalised any borrowing costs during the year ended 31<sup>st</sup> March, 2023 and 31<sup>st</sup> March, 2022

## 3 Right of Use Assets

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Leasehold land	21.22	2.01
Building	5.96	0.01
<b>Total</b>	<b>27.18</b>	<b>2.02</b>

Following are the changes in the carrying value of Right of Use assets:

(₹ in Crores)

Particulars	Leasehold Land	Leasehold Building	Total
Opening balance as at 1 <sup>st</sup> April, 2022	2.01	0.01	2.02
Addition	19.47	8.42	27.90
Deletion	(0.26)	0.00	(0.26)
Depreciation	0.00	(2.47)	(2.47)
<b>Closing balance as at 31<sup>st</sup> March, 2023</b>	<b>21.22</b>	<b>5.96</b>	<b>27.18</b>

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the statement of profit and loss

#### 4 Capital Work-In-Progress

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Capital work-in-progress	61.14	6.09

##### Movement in Capital Work in Progress:

(₹ in Crores)

Particulars	Amount
Opening balance as at 1 <sup>st</sup> April, 2022	6.09
Add: Additions during the year	65.79
Less: Capitalisation during the year	10.74
Closing balance as at 31 <sup>st</sup> March, 2023	61.14

##### Capital Work in Progress ageing schedule for the year 31<sup>st</sup> March, 2023

(₹ in Crores)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 year	2-3 year	More than 3 years	
Project in progress	60.08	0.41	0.27	0.38	61.14
Total	60.08	0.41	0.27	0.38	61.14

##### Capital Work in Progress ageing schedule for the year 31<sup>st</sup> March, 2022

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 year	2-3 year	More than 3 years	
Project in progress	3.50	0.96	0.91	0.72	6.09
Total	3.50	0.96	0.91	0.72	6.09

#### 5 Other Intangible Assets

(₹ in Crores)

Description	Amount
<b>Gross carrying value</b>	
Opening balance as at 1 <sup>st</sup> April, 2022	6.04
Additions	0.44
Disposals	-
Closing balance as at 31 <sup>st</sup> March, 2023	6.48
<b>Accumulated amortisation</b>	
Opening balance as at 1 <sup>st</sup> April, 2022	3.00
Amortisation	0.47
Deductions	-
Closing balance as at 31 <sup>st</sup> March, 2023	3.47
Net Block as at 31 <sup>st</sup> March, 2022	3.04
Net Block as at 31 <sup>st</sup> March, 2023	3.01

The Company has capitalized software and disclosed under the head "Other Intangible Assets".

#### 6 Investments

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
	Number of Shares	Amount	Number of Shares	Amount
<b>Unquoted</b>				
<b>In Equity Instruments</b>				
<b>In other Companies (At FVTOCI)</b>				
Fully paid up Shares of Rs 85857 each of Uketoru Co. Ltd	50	0.43	50	1.05
<b>In Subsidiary (At Cost)</b>				
Application Money of TCI Express PTE Ltd	10,000	0.62	-	-
Total	10,050	1.05	50	1.05

 Uketoru Co Ltd is a start up entity in which the company has made investments. Considering the nature of start up entity, the value of investment as on 31<sup>st</sup> March, 2023 is reasonable and fair.

## Detail of amounts recorded in Other Comprehensive Income:

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2023			As at 31 <sup>st</sup> March, 2022		
	Gross	Tax	Net	Gross	Tax	Net
Net gain/(loss) on : Equity securities	(0.63)	0.16	(0.47)	0.03	0.01	0.02

## 7 Investments - Current

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Quoted : at fair value through profit or loss</b>		
Mutual fund units	2.47	12.02
Commercial papers	-	57.50
<b>Quoted : at amortised cost</b>		
Corporate bonds	2.17	4.34
<b>Quoted : at fair value through OCI</b>		
Corporate bonds	26.76	13.14
Shares in LIC	0.71	
<b>Total</b>	<b>32.11</b>	<b>87.00</b>

## Aggregate and Market of Quoted and Unquoted Investment is as follows:

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Aggregate value of quoted investments	32.11	87.00
Aggregate value of unquoted investments ( non current)	1.05	1.05
Market value of quoted investments (current)	32.11	87.00

## 8 Trade Receivables

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Unsecured :</b>		
Considered good	211.47	189.54
Considered doubtful	0.78	1.07
	<b>212.25</b>	<b>190.61</b>
Less: provision for expected credit losses	0.78	1.07
<b>Total</b>	<b>211.47</b>	<b>189.54</b>

Ageing for trade receivables as at 31<sup>st</sup> March, 2023

(₹ in Crores)

Particulars	Outstanding for following periods from due date of payment					Total
	less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed trade receivable- considered good	208.39	2.62	0.45	-	-	211.46
(ii) Undisputed trade receivables- which have significant increase in credit risk	0.14	0.16	0.02	-	-	0.32
(iii) Undisputed trade receivable- credit impaired	-	-	-	-	-	-
(iv) Disputed trade receivable- considered good	0.15	0.22	0.10	-	-	0.47
(v) Disputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed trade receivable- credit impaired	208.68	3.00	0.57	-	-	212.25
Less Provision for expected credit loss						0.78
<b>Total</b>						<b>211.47</b>



**Ageing for trade receivables as at 31<sup>st</sup> March, 2022**

(₹ in Crores)

Particulars	Outstanding for following periods from due date of payment					Total
	less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed trade receivable- considered good	187.07	2.51	0.50			190.08
(ii) Undisputed trade receivables- which have significant increase in credit risk						
(iii) Undisputed trade receivable- credit impaired						
(iv) Disputed trade receivable- considered good						
(v) Disputed trade receivables- which have significant increase in credit risk	0.10	0.32	0.11			0.53
(vi) Disputed trade receivable- credit impaired						
	187.17	2.83	0.61	-	-	190.61
Less Provision for expected credit loss						1.07
<b>Total</b>						<b>189.54</b>

**9 Cash and Cash Equivalents**

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Cash on hand	2.86	2.44
Cheques on hand	10.62	11.25
Balance with banks in current accounts	0.01	2.05
<b>Total</b>	<b>13.49</b>	<b>15.74</b>

**10 Other Bank Balances**

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Earmarked bank balances :</b>		
Unclaimed dividend accounts	2.61	2.01
Investment in term deposit	0.00	0.01
Fractional shares	0.05	0.05
Margin money deposits	0.22	0.19
<b>Total</b>	<b>2.88</b>	<b>2.26</b>

Refer note 34 on Financial instruments for disclosure of fair values in respect of financial assets measured at amortised cost and assessment of expected credit losses.

**11 Other Financial Assets**

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Security deposits		
with related parties	1.67	2.17
with customers	0.92	0.69
with others	7.30	6.68
<b>Total</b>	<b>9.89</b>	<b>9.54</b>

**12 Current Tax Assets (Liabilities)**

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Advance tax (net of provisions)	4.93	4.09
<b>Total</b>	<b>4.93</b>	<b>4.09</b>

## 13 Other Current Assets

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Prepaid expenses	1.56	1.62
Input tax credit receivable	6.81	7.56
Deferred expense (POCM)	1.20	1.55
Deferred expense	1.82	-
Deferred income (POCM)	10.33	10.47
Advances to employees	0.30	0.21
Operational advances considered good	1.89	0.51
considered doubtful	0.71	0.71
Less: Provision for doubtful advances & deposits	(0.71)	(0.71)
<b>Total</b>	<b>23.91</b>	<b>21.92</b>

## 14 Equity Share Capital

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>(a) Authorised :</b>		
5,00,00,000 Equity shares of ₹ 2 each	10.00	10.00
<b>Issued, Subscribed &amp; Paid up :</b>		
38,311,650 Equity shares of ₹ 2 each (31 <sup>st</sup> March, 2022 : 38,495,125 Equity shares of ₹ 2 each)	7.66	7.70
<b>Total</b>	<b>7.66</b>	<b>7.70</b>

**(b) Reconciliation of Number of Shares**

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
	Number of Shares	Amount	Number of Shares	Amount
Equity shares at the beginning of the year	38,495,125	7.70	38,434,525	7.69
Add: Alloted under Employee Stock Option Scheme	50,800	0.01	60,600	0.01
Less: Shares extinguished on buy-back	234,275	0.05	-	-
<b>Equity shares at the end of the year :</b>	<b>38,311,650</b>	<b>7.66</b>	<b>38,495,125</b>	<b>7.70</b>

**(c) Rights/Preferences/Restrictions Attached to Equity Shares**

The Company has only one class of Equity share having a par value of ₹ 2/- per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by Board of Directors is subject to the approval of the shareholders in the Annual General Meeting, except in case of interim dividend(s).

In the event of liquidation, the equity shareholders are eligible to receive remaining assets of the Company after distribution of all preferential amounts, in proportion of their shareholding.

As on 31<sup>st</sup> March, 2023, 3,57,631 Equity shares (31<sup>st</sup> March, 2022, 3,60,310 Equity shares) are lying in Demat Suspense Account of the Company. Dividend on these shares transferred into bank account linked with demat suspense account. The voting and beneficial rights of these shares are

frozen till the rightful owner of such shares claims such unclaimed shares.

**(d) Shares held by promoters at the end of the year**

Shares held by promoters at the end of the year				% Change during the year
S No.	Promotor Name	Number of Shares	% of total shares	
	Promoters :			
1	Vineet Agarwal	2008979	5.24	2.66
2	Dharmpal Agarwal	419314	1.09	0.00
3	Chander Agarwal	917131	2.39	0.01
	Promoters Group :			
4	Dharmpal Agarwal - HUF	1019878	2.66	0.01
5	Vineet And Sons - HUF	10382	0.03	0.00
6	Priyanka Agarwal	972604	2.54	0.01
7	Urmila Agarwal	925295	2.42	0.02
8	Chandrima Agarwal	370528	0.97	0.00
9	Vihaan Agarwal	172166	0.45	0.00
10	Nav Agarwal	169083	0.44	0.00
11	TCI Exim Private Limited	156572	0.41	0.00
12	Bhoruka Express Consolidated Limited	17058233	44.52	0.21
13	Dharmpal Agarwal - TCI Trading	2487497	6.49	0.03
Total		26687662	69.66	2.97

\* Though no. of shares are same but in percentage terms increased to 69.66% from previous year of 66.69% due to buyback of equity shares.

**(e) Details of Shareholders holding more than 5% shares in the company**

Particulars	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
	Number of Shares	% holding	Number of Shares	% holding
Bhoruka Express Consolidated Limited	17,058,233	44.52%	17,058,233	44.31%
Dharmpal Agarwal - TCI Trading	2,487,497	6.49%	2,487,497	6.46%
Vineet Agarwal	2,008,979	5.24%	-	-
	<b>21,554,709</b>	<b>56.25%</b>	<b>19,545,730</b>	<b>50.77%</b>

**(f) Share Reserved under Employee Stock Option Plan**

The Shareholders in their meeting held on November 1, 2016 have approved the resolution to create, grant, issue and offer 9,57,218 options representing 2.5% of the paid up share capital on that date of shareholders approval in form of options, in one or more tranches under ESOP Scheme 2016.

During the year, in respect of Option granted under the Employees Stock Option Scheme 2016 and in accordance with the guidelines issued by Securities and Exchange Board of India the accounting value of Option (based on fair value of share on the date of grant of option minus option price) is accounted as a deferred employee compensation, which is amortised on straight line basis over the vesting period. Amortisation of deferred employee compensation are detailed as below:

31<sup>st</sup> March, 2023 : ₹ 3.50 crores

31<sup>st</sup> March, 2022 ₹ 3.29 crores

**(g) Equity shares movement in the period of five years immediately preceeding March 31 2023.**

As per the Scheme of Arrangement, 3,80,36,800 equity shares issued to shareholders of Transport Corporation of India Limited on August 31, 2016.

251,925 shares allotted to erstwhile employees of Transport Corporation of India Limited against Employees Stock Option exercised by them during the financial year 2016-17.

21,900 Equity shares allotted to eligible employees during the financial year 2018-19

44,775 Equity shares allotted to the eligible employees during the financial year 2019-20

79,125 Equity shares allotted to the eligible employees during the financial year 2020-21

60,600 Equity shares allotted to the eligible employees during the financial year 2021-22

During the year, the Company has allotted 50,800 Equity shares to the eligible employees pursuant to ESOP-2016

**Equity shares extinguished on buy-back**

The Board, at its meeting held on May 27, 2022, approved the buyback of equity shares, from the open market route through the Indian Stock Exchanges, amounting to ₹ 75 crore (Maximum Buyback Size, excluding buyback tax) at a price not exceeding ₹ 2,050 per share (Maximum Buyback Price), subject to shareholder's approval in the ensuing Annual General Meeting (AGM).

The shareholders approved the proposal of buyback of equity shares recommended by its Board of Directors in the AGM held on 3<sup>rd</sup> Aug, 2022.

The buyback was offered to all eligible equity shareholders of the Company (other than the Promoters, the Promoter Group and Persons in Control of the Company) under the Open market route through the stock exchanges (NSE and BSE). The buyback of equity shares through the stock exchange. The buyback of equity shares commenced on Aug 18, 2022 and was completed on Feb 13, 2023. During this buyback period, the Company had purchased and extinguished a total of 234275 equity shares from the stock exchanges at a volume weighted average buyback price of ₹ 1813.58 per equity share comprising 0.61% of the pre-buyback paid-up equity share capital of the Company. The buyback resulted in a cash outflow of ₹ 42.49 crores (excluding transaction cost and tax on buyback).

The Company funded the buyback from its free reserves, including Securities Premium, as explained in Section 68 of the Companies Act, 2013.

In accordance with section 69 of the Companies Act 2013, as at March 2022, the Company has created a Capital Redemption Reserve of ₹.05 crore equal to nominal value of the above shares bought back as an appropriation from the general reserve.

## 15 Other Equity

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>(i) Retained earnings</b>		
Opening balance	51.49	53.44
Add: Net profit for the current year	139.28	128.84
Less: Dividends paid on equity shares during the year	(30.76)	(30.79)
less : Tax on buyback of Equity Share	(9.90)	-
<b>Profit available for appropriation</b>	<b>150.11</b>	<b>151.49</b>
Transferred to general reserve during the year	(95.00)	(100.00)
<b>Closing balance</b>	<b>55.11</b>	<b>51.49</b>
<b>(ii) Securities Premium</b>		
Opening balance	12.02	7.97
Addition on issuance of equity shares on exercise of employee stock options	4.79	4.05
Less Buy-back of equity shares	(16.28)	-
	<b>0.53</b>	<b>12.02</b>
<b>(iii) General Reserve</b>		
Opening balance	465.60	365.34
Addition during the year	95.00	100.26
Less Expenses for buy-back of equity shares	(0.53)	-
Less Buy-back of equity shares	(26.15)	-
Less Transfer to Capital Redemption Reserves	(0.05)	-
	<b>533.87</b>	<b>465.60</b>
<b>(iv) Other Reserves:</b>		
<b>Share Options Outstanding Account :</b>		
Opening balance	2.81	1.83
Add : Created against stock options granted during the year	4.03	3.29
Less : Exercise of stock options during the year	2.82	2.05
Less : Transferred to general reserve during the year	-	0.26
	<b>4.02</b>	<b>2.81</b>
<b>(v) Other Comprehensive Income Reserve</b>		
<b>Remeasurements of the Net Defined Benefit Plans :</b>		
Opening balance	(3.43)	(2.40)
Changes during the year	(1.44)	(1.03)
	<b>(4.87)</b>	<b>(3.43)</b>
<b>(vi) Capital Redemption Reserve</b>		
Transfer from General Reserve	0.05	-
	<b>0.05</b>	<b>-</b>
<b>Total Other Equity</b>	<b>588.71</b>	<b>528.49</b>

### Nature and purpose of other reserves

#### Securities premium

Securities premium represents premium received on issue of shares under ESOP scheme 2016. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

#### Employee's stock options outstanding account

The account is used to recognise the grant date value of options issued to employees under Employee stock option plan 2016 and adjusted as and when such options are exercised and/or otherwise expired.

**General reserve**

The Company has transferred a portion of the net profit of the company before declaring dividend to general reserve pursuant to the earlier provision of Companies Act 1956. Though under the Companies Act, 2013 transfer of profit to general reserve is not required.

**16 Borrowings**

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Secured</b>		
Term loans :		
From banks	0.20	0.98
Amount disclosed under short term borrowings (refer note 19)	(0.20)	(0.77)
<b>Total</b>	<b>-</b>	<b>0.21</b>

There is no default as on balance sheet date in repayment of borrowing and interest thereon.

No loans have been guaranteed by the directors and others

**Other Information Pertaining to Nature of Security and terms of repayment**

(₹ in Crores)

Particulars of Nature of Security	Type of loan	Terms of Repayment	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Term loans from bank :</b>			0.20	0.10
Vehicle Loans secured by respective vehicles	<b>Vehicle loan</b>	Repayable in 36 monthly instalments at an average rate of 8.70%	-	0.31
		Repayable in 48 monthly instalments at an average rate of 9.16%	-	0.57
		Repayable in 60 monthly instalments at an average rate of 8.47%	-	

**17 Lease Liabilities**

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Non Current</b>		
Lease obligations	3.84	0.12
	<b>3.84</b>	<b>0.12</b>
<b>Current</b>		
Lease obligations	2.50	0.01
<b>Total</b>	<b>2.50</b>	<b>0.01</b>

The Company has made disclosures relating to recognition of leases. Please refer note 39 for necessary disclosures.

**18 Deferred Tax Liabilities/(Assets)(Net)**

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Deferred Tax Liabilities/(Assets) arising on account of :</b>		
Property, plant and equipment- depreciation	12.45	9.28
Receivables, financial assets and liabilities at amortised cost	(0.06)	(0.14)
Provision for employee and other liabilities deductible on actual payments	(1.90)	(1.28)
<b>Deferred Tax Liabilities/(Assets) (Net)</b>	<b>10.49</b>	<b>7.86</b>

**Movement in Deferred Tax Liabilities/(Assets) (Net) in F Y 2022-23**

(₹ in Crores)

Particulars	As at April 1, 2022	Recognised in Statement of Profit And Loss	Recognised in Other Comprehensive Income	As at 31 <sup>st</sup> March, 2023
<b>Deferred Tax Liabilities/(Assets) in relation to :</b>				
Property, plant and equipment - depreciation	9.28	3.17	-	12.45
Receivables, financial assets and liabilities at amortised cost	(0.14)	0.08	-	(0.06)
Provision for employee and other liabilities deductible on actual payments	(1.28)	(0.14)	(0.48)	(1.90)
<b>Deferred Tax Liabilities/(Assets) (Net)</b>	<b>7.86</b>	<b>3.11</b>	<b>(0.48)</b>	<b>10.49</b>

Deferred tax assets and deferred tax liabilities have been offset wherever the Company has a legally enforceable right to set off current tax assets against current tax liabilities and where the deferred tax assets and deferred tax liabilities relates to Income taxes levied by the same taxation authority.



**19 Borrowings**

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Secured</b>		
Working Capital Loans from banks (a)	0.53	0.01
Current Maturities of long term borrowings from bank (refer note 16)	0.20	0.77
<b>Total</b>	<b>0.73</b>	<b>0.78</b>

**(a) Security Details**
**Particulars of Nature of Security :**

Working Capital Loans are secured by hypothecation of entire current assets, book debts as primary security alongwith equitable mortgage of certain land and building as collateral security situated at Sanjay Gandhi Transport Nagar New Delhi, Transport Nagar Lucknow, Transport Nagar Allahabad.

**20 Trade Payables**

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Total outstanding dues of Micro, Small and Medium Enterprises	1.50	1.00
Total outstanding dues of creditors other than Micro, Small and Medium Enterprises	86.91	72.72
	<b>88.41</b>	<b>73.72</b>

Refer note 36 for information about liquidity risk and market risk of trade payables.

**Trade payable ageing schedule for the year ended 31<sup>st</sup> March, 2023**

(₹ in Crores)

Particulars	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
(i) MSME	1.50	-	-	-	1.50
(ii) Others	86.91	-	-	-	86.91
(iii) Disputed Dues- MSME					
(iii) Disputed Dues- Others					

**Trade payable ageing schedule for the year ended 31<sup>st</sup> March, 2022**

(₹ in Crores)

Particulars	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
(i) MSME	1.00	-	-	-	1.00
(ii) Others	72.72	-	-	-	72.72
(iii) Disputed Dues- MSME					
(iii) Disputed Dues- Others					

Company has certain dues to suppliers registered under Micro, Medium and small Enterprises Development Act, 2006 (MSMED ACT). The disclosures pursuant to the said MSMED Act are as follows :

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
The principal amount remaining unpaid to any supplier at the end of the year	1.50	1.00
Interest due remaining unpaid to any supplier at the end of the year	-	-
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with amount of the payment made to the supplier beyond the appointed day during the year.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
The amount of further interest remaining due and payable even in the succeeding years, untill such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006	-	-

Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprises development Act, 2006" is based on the information available with company regarding the status of registration of such vendors under the said act, as per the intimation received from them on requests made by the Company. There are no overdue principal amounts/interest payable amounts for delayed payments to such vendors at the Balance Sheet date.

**21 Other Financial Liabilities**

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Interest accrued but not due on borrowings	0.00	0.01
Unclaimed dividends	2.61	2.01
Unearned income	-	1.41
Fractional shares entitlements payable	0.05	0.05
Trade / security deposits	0.77	0.72
Retention monies	2.39	3.19
Creditors against fixed assets	3.22	8.75
<b>Total</b>	<b>9.04</b>	<b>16.14</b>

**22 Other Current Liabilities**

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Statutory remittances	12.10	10.43
Employee related payables	6.34	6.02
<b>Total</b>	<b>18.44</b>	<b>16.45</b>

**23 Provisions**

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Provision for Employee Benefits :</b>		
Provision for gratuity (refer note 38)	2.47	3.04
Provision for leave encashment (refer note 38)	2.65	2.51
<b>Total</b>	<b>5.12</b>	<b>5.55</b>

**24 Revenue From Operations**

(₹ in Crores)

Particulars	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
<b>Operating Revenue :</b>		
Express cargo delivery, demurrage and miscellaneous charges	1,241.01	1,081.47
<b>Total</b>	<b>1,241.01</b>	<b>1,081.47</b>

**25 Other Income**

(₹ in Crores)

Particulars	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
Interest earned on bank deposits, CPs and other investments	4.83	5.37
Dividend Income	0.00	-
Unspent liabilities/excess provisions written back	-	0.16
Profit on sale of Investments (Net)	0.24	0.02
Rental income	2.00	2.61
Written back of w/o balances	0.06	0.01
Miscellaneous income	0.04	-
<b>Total</b>	<b>7.17</b>	<b>8.17</b>

**26 Operating Expenses**

(₹ in Crores)

Particulars	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
Network freight charges	776.58	664.24
GPS communication charges	1.37	1.31
Crane operating expenses	2.65	2.25
Payments to labour boards	15.33	13.56
Air freight charges	37.32	39.08
Ship freight charges	2.21	1.45
Rail freight charges	8.74	6.11
Other transportation expenses	5.30	4.82
Claims for loss & damages (net)	0.20	0.15
<b>Total</b>	<b>849.70</b>	<b>732.97</b>

## 27 Employee Benefits Expense

(₹ in Crores)

Particulars	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
Salaries, bonus & compensated absences	100.63	90.26
Contribution to provident & other funds	8.36	7.20
Contribution to employees' state insurance	1.04	1.03
Amortiation of employees stock option plan	3.50	3.29
Staff welfare & development expenses	10.76	8.16
<b>Total</b>	<b>124.29</b>	<b>109.94</b>

## 28 Finance Costs

(₹ in Crores)

Particulars	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
Interest expenses :		
On term loans	0.05	0.13
On working capital loans	0.80	0.34
On leases	0.68	0.02
Bank charges	0.28	0.42
<b>Total</b>	<b>1.81</b>	<b>0.91</b>

## 29 Depreciation &amp; Amortization Expenses

(₹ in Crores)

Particulars	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
Depreciation on property, plant and equipment	12.37	9.46
Depreciation on right-of-use assets	2.47	0.15
Amortization of intangible assets	0.47	0.37
<b>Total</b>	<b>15.31</b>	<b>9.98</b>

## 30 Other Expenses

(₹ in Crores)

Particulars	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
Rent expense	30.67	32.32
Rates and taxes	0.58	0.43
Insurance expense	0.69	0.58
Telephone/communication expenses	2.23	2.15
Printing and stationery	3.62	2.56
Travelling expenses	6.27	3.95
Legal expenses	0.05	0.05
Electricity expenses	3.74	3.25
Advertisement expenses	1.03	0.02
Office maintenance & security expenses	7.70	6.91
Consultancy expenses	1.20	1.14
Conference & seminar expenses	0.92	0.31
Commission & fees to directors	0.62	0.57
<b>Remuneration to auditors :</b>		
Audit fees	0.06	0.06
Tax audit fees	0.04	0.04
Bad debts and irrecoverable balances written off	0.18	0.29
Corporate social responsibility expenditure	2.80	2.40
Loss on disposals of property, plant and equipment	0.42	0.08
Miscellaneous expenses	2.66	2.40
<b>Repair &amp; maintenance :</b>		
Motor cars	2.45	1.90
Plant & equipment	0.65	0.38
Computers	0.87	0.78
Buildings	3.09	1.26
<b>Total</b>	<b>72.54</b>	<b>63.83</b>

### Corporate Social Responsibility

As per Section 135 of the Companies Act 2013, a Corporate Social Responsibility Committee has been formed by the company. The funds were primarily allocated to a corpus and utilized through the year on the activities which are specified in Schedule VII of the Companies Act, 2013.

(₹ in Crores)

Particulars	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
Amount required to be spent as per section 135 of the Companies Act, 2013	2.80	2.40
Contribution made during the year	2.80	2.40

(₹ in Crores)

Particulars	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
(a) Amount required to be spent by the Company	2.80	2.40
(b) Amount spent during the year (in cash)	2.80	2.40
(i) Construction or acquisition of any asset		
(ii) On purposes other than (i) above		
(c) Shortfall at the end of the year	Nil	Nil
(d) Total of the previous year shortfall	Nil	Nil
(e) Reason for the shortfall	NA	NA
(f) Nature of CSR activities	Education, Healthcare, Women Empowerment, Skilling, Employment, Poverty Eradication, Rural development	
(g) Details of related party transactions in relation to CSR expenditure as per relevant accounting standard Contribution to TCI Foundation in relation to CSR Expenditure	1.80	1.12

### 31 Earnings Per Share

(₹ in Crores)

Particulars	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
Net profit attributable to equity shareholders for calculation of earnings per share	<b>139.28</b>	<b>128.84</b>
Weighted average number of equity shares used for computing earnings per share for basic EPS	38,429,163	38,476,375
Weighted average number of equity shares used for computing earnings per share for diluted EPS	38,477,304	38,513,323
Nominal value per share	2.00	2.00
<b>Earnings per equity share</b>		
Basic	36.24	33.48
Diluted	36.20	33.45

### 32 Income Tax

(₹ in Crores)

Particulars	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
<b>The income tax expense consists of the following :</b>		
Current tax expense for the current year	42.14	40.33
Deferred tax expense/(benefit)	3.11	2.84
	<b>45.25</b>	<b>43.17</b>

The reconciliation of the estimated tax expense at statutory income tax rate to income tax expense reported in the statement of profit and loss is as follows:

(₹ in Crores)

Particulars	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
Profit before income taxes	184.53	172.01
At domestic statutory income tax rate 25.17%	46.45	43.29
<b>Adjustments in respect of current income tax</b>		
Permanent disallowances	0.70	0.61
Tax on income at different Rate	0.04	0.10
Others	(1.94)	(0.83)
<b>Tax expense in the statement of profit and loss</b>	<b>45.25</b>	<b>43.17</b>

## 33 Contingencies and Commitments

(₹ in Crores)

Particulars	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
<b>(A) Contingent liabilities</b>		
I Stamp duty/ octroi/ duty and other demands under dispute	19.72	21.42
II Guarantees excluding financial guarantees	1.44	1.00
<b>(B) Commitments</b>		
Estimated amount of contracts remaining to be executed on capital account and not provided for ( net of advance) on tangible assets.	<b>10.00</b>	<b>15.00</b>

## 34 Financial Instruments

## A. Fair values hierarchy

The different levels of fair value have been defined below:

The fair value of financial instruments has been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities [Level 1 measurements] and lowest priority to unobservable inputs [Level 3 measurements].

The categories used are as follows:

Level 1: Quoted prices for identical instruments in an active market;

Level 2: Directly (i.e. as prices) or indirectly (i.e. derived from prices) observable market inputs, other than Level 1 inputs; and

Level 3: Inputs which are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a net asset value or valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor they are based on available market data.

The carrying amounts and fair values of financial instruments by category are as follows:

## Financial assets and liabilities which are measured at amortised cost:

(₹ in Crores)

Particulars	Note	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Financial assets</b>			
(i) Trade receivables	8	211.47	189.54
(ii) Cash and cash equivalents	9	13.49	15.74
(iii) Other bank balances	10	2.88	2.26
(iv) Other financial assets	11	9.89	9.54
<b>Total Financial Assets</b>		<b>237.73</b>	<b>217.08</b>
<b>Financial liabilities</b>			
(i) Borrowings (including current maturities)	19	0.73	0.98
(ii) Lease Liabilities	17	6.34	0.13
(iii) Trade payables	20	88.41	73.72
(iv) Other financial liabilities	21	9.04	16.14
<b>Total Financial Liabilities</b>		<b>104.52</b>	<b>90.98</b>

(i) The management assessed that fair values of cash and cash equivalents, trade receivables, other receivables, short term borrowings, trade payables and other current financial liabilities are approximate of their respective carrying amounts, largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is included in the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

(ii) The fair values of loans, security deposits, borrowings and other financial assets and liabilities are considered to be the same as their carrying values, as there is no material change in the lending rates.

## B. Financial assets and liabilities measured at fair value - recurring fair value measurements

(₹ in Crores)

As at 31 <sup>st</sup> March, 2023	Level 1	Level 2	Level 3	Total
Assets at fair value				
Investments measured at				
Fair value through other comprehensive income	27.47	-	1.05	28.51
Fair value at Amortised Cost	2.17	-	-	2.17
Fair value through profit and loss	2.47	-	-	2.47



(₹ in Crores)

As at 31 <sup>st</sup> March, 2022	Level 1	Level 2	Level 3	Total
Assets at fair value				
Investments measured at				
Fair value through other comprehensive income	13.14	-	1.04	14.19
Fair value at Amortised Cost	4.34	-	-	4.34
Fair value through profit and loss	69.52	-	-	69.52

**a. Valuation process and technique used to determine fair value**

(i) In order to arrive at the fair value of unquoted investments, the Company obtains independent valuations. The techniques used by the valuer are as follows:

- Asset approach - Net assets value method
- Income approach - Discounted cash flow ("DCF") method
- Market approach - Enterprise value/sales multiple method

b. Significant unobservable inputs used in Level 3 fair values and sensitivity of the closing values as at end of reporting period to such inputs is as below :

**Unquoted equity shares**

(₹ in Crores)

Description	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Impact on fair value if change in earnings growth rate</b>		
- Impact due to increase of 0.50 %	0.01	0.01
- Impact due to decrease of 0.50 %	(0.01)	(0.01)
<b>Impact on fair value if change in risk adjusted discount rate</b>		
- Impact due to increase of 0.50 %	0.01	0.01
- Impact due to decrease of 0.50 %	(0.01)	(0.01)

c. The following table presents the changes in level 3 items for the periods ended 31<sup>st</sup> March, 2023 and 31<sup>st</sup> March, 2022:

(₹ in Crores)

Description	Unquoted equity shares
<b>As at 31<sup>st</sup> March, 2022</b>	1.05
Acquisitions	0.62
(Loss)/gain recognised in other comprehensive income	(0.62)
<b>As at 31<sup>st</sup> March, 2023</b>	1.05

**35 Revenue From Contracts With Customers**

Indian Accounting Standard 115 Revenue from Contracts with Customers ("Ind AS 115"), establishes a framework for determining whether, how much and when revenue is recognised and requires disclosures about the nature, amount, timing and uncertainty of revenues and cash flows arising from customer contracts. Under Ind AS 115, revenue is recognised through a 5-step approach:

- Identify the contract (s) with customer;
- Identify separate performance obligations in the contract;
- Determine the transaction price;
- Allocate the transaction price to the performance obligations; and
- Recognise revenue when a performance obligation is satisfied.

The standard is applied only to contracts that are not completed as at March 31 2023.

**Significant changes in contract assets and liabilities**

Changes in balance of contract liabilities during the year:

(₹ in Crores)

Description	As at 31 <sup>st</sup> March, 2023
<b>Opening balance of contract liabilities</b>	10.47
Less: Amount of revenue recognised against opening contract liabilities	(10.47)
Add: Addition in balance of contract liabilities for current year	10.33
<b>Closing balance of contract liabilities</b>	<b>10.33</b>

There has been no significant changes in contract assets/liabilities during the year.

### Disaggregation of revenue

The Company has performed a disaggregated analysis of revenues considering the nature, amount, timing and uncertainty of revenues. This includes disclosure of below:

(₹ in Crores)

Revenue	Amount
<b>Revenue from contract with customer</b>	
Domestic	1240.62
Overseas	0.39
<b>Other revenue</b>	
Domestic	-
<b>Total</b>	<b>1241.01</b>

Revenue by time	Amount
Revenue recognised over time	1,241.01
Revenue recognised at point in time	-
<b>Total</b>	<b>1,241.01</b>

### Assets and liabilities related to contracts with customers

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Current</b>		
Contract assets related to sale of service	-	-
Contract liabilities related to sale of service		
Deferred income Assets ( liability)	10.33	10.47
Trade receivable	211.47	189.54

### Performance obligation of the Company

In case of freight service there is only one performance obligation of the Company i.e. to carry express cargo distribution. The Company recognizes revenue over time during which the services are being delivered.

Revenue from services rendered is recognised in proportion to the stage of completion of the transaction at the reporting date when the outcome of the transaction can be estimated reliably.

## 36 Risk Management

The Company's financial risk management is an integral part of how to plan and execute its business strategies.

The Company's risk management is carried out by a central team at the Corporate Office comprising of chief financial officer, credit controller and other members of the finance/credit control function under policies approved by the Board of Directors. All receipts and payments are maintained at centralised bank account, thus resulting in mitigating the credit risk and liquidity risk.

### A. CREDIT RISK

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. The Company's exposure to credit risk is influenced mainly by short term investments, trade receivables, cash and cash equivalents and other financial assets measured at amortised cost. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

#### Credit risk rating

The Company assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets.

A : No Risk

B: Low credit risk

C: Moderate credit risk

D: High credit risk

Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on past credit loss experience with customers and considering differences between current and historical economic conditions.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company or debtor declaring bankruptcy or customer closing down the business. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment to attempt to recover the receivable due. Where recoveries are made, these are recognised as income in statement of profit and loss.

Financial Assets that exposes the entity to credit risk:

(₹ in Crores)

Credit rating	Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
A: No Risk	Cash and cash equivalents	13.49	15.74
	Other bank balances	2.88	2.26
	Investments	32.11	87.00
B: Low credit risk on financial reporting date	Trade receivables	210.91	188.92
C: Moderate credit risk	Trade receivables	0.56	0.62

#### Cash and cash equivalents and bank term deposits

Credit risk related to cash and cash equivalents and bank term deposits is managed by only accepting highly rated banks being assigned by credit rating agencies.

#### Investments

Majority of the Company's investments are fair valued based on Level 1 inputs. These investment primarily include investment in liquid mutual fund units, Commercial papers, quoted bonds issued by quasi-government organisations. The Company invest after considering counterparty risks based on multiple criteria including Credit rating, profitability and deposit base of banks and financial institutions.

#### Trade receivables

The Company closely monitors the credit-worthiness of the debtors through IT driven internal systems that are configured to define credit limits of customers, thereby, limiting the credit risk to pre-calculated amounts and stipulated days. Moreover, given the diverse nature of the Company's businesses trade receivables are spread over a number of customers with no significant concentration of credit risk. No single customer accounted for 3% or more of the trade receivables in any of the years presented. The Company assesses increase in credit risk on an ongoing basis for amounts receivable that become past due and default is considered to have occurred when amounts receivable become one year past due.

#### Other financial assets measured at amortised cost

Other financial assets measured at amortised cost includes security deposits and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously.

Financial assets are considered to be of good quality and there is no significant increase in credit risk.

#### Credit risk exposure

##### Provision for expected credit losses

The Company provides for 12 month expected credit losses for following financial assets –

 As at 31<sup>st</sup> March, 2023

(₹ in Crores)

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of provision for expected credit losses
Trade Receivables	212.25	(0.78)	211.47

 As at 31<sup>st</sup> March, 2022

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of provision for expected credit losses
Trade Receivables	190.61	(1.07)	189.54

#### Movement in provisions of doubtful debts

(₹ in Crores)

Particulars	Amount
Loss allowance on 31 <sup>st</sup> March, 2022	1.07
Add : Additional provision made	-
Less Provision write off	0.29
Loss allowance on 31 <sup>st</sup> March, 2023	0.78

**Expected credit loss for trade receivables under simplified approach :**
**As at 31<sup>st</sup> March, 2023**

(₹ in Crores)

Ageing	Not Due (0-30)	31-60 days	61-90 days	91-180 days	More than 180 days	Total
Gross carrying amount	104.27	58.64	28.75	17.59	3.00	212.25
Expected loss rate		0.31%	0.31%	1.08%	10.57%	
Expected credit loss (Loss allowance provision)	-	(0.18)	(0.09)	(0.19)	(0.32)	(0.78)
Net carrying amount of trade receivables (net of provision)	104.27	58.46	28.66	17.40	2.68	211.47

**As at 31<sup>st</sup> March, 2022**

(₹ in Crores)

Ageing	Not Due (0-30)	31-60 days	61-90 days	91-180 days	More than 180 days	Total
Gross carrying amount	87.79	55.94	25.00	18.44	3.44	190.61
Expected loss rate		0.42%	0.41%	1.46%	13.46%	
Expected credit loss (Loss allowance provision)		(0.24)	(0.10)	(0.27)	(0.46)	(1.07)
Carrying amount of trade receivables (net of provision)	87.79	55.70	24.90	18.17	2.98	189.54

**B. LIQUIDITY RISK**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows.

**(i) Financing arrangements**

The Company principal source of liquidity are cash and cash equivalent, short term investments and the cash flow that is generating from operations. The company believes that the following short term financial assets and unused working capital limits of ₹ 45.00 crores with consortium bankers are sufficient to meet its financial liabilities within the maturity period.

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Cash and cash equivalents	13.49	15.74
Short Term Investment	32.11	87.00
<b>Total</b>	<b>45.60</b>	<b>102.74</b>

**(ii) Contractual Maturities of financial liabilities**

The tables below analyse the financial liabilities into relevant maturity groupings based on their contractual maturities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

**As at 31<sup>st</sup> March, 2023**

(₹ in Crores)

Particulars	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Borrowings (Including Interest accrued but not due)	0.53				0.53
Term Loan	0.19	-	-	-	0.19
Trade payables	88.41				88.41
Other financial liabilities	9.04				9.04
<b>Total</b>	<b>98.18</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>98.18</b>

**As at 31<sup>st</sup> March, 2022**

(₹ in Crores)

Particulars	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Borrowings (Including Interest accrued but not due)	0.02				0.02
Term Loan	0.81	0.19	-	-	1.00
Trade payables	73.72				73.72
Other financial liabilities	16.14				16.14
<b>Total</b>	<b>90.69</b>	<b>0.19</b>	<b>-</b>	<b>-</b>	<b>90.88</b>

### C. MARKET RISK

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loans and borrowings.

#### a) Interest rate risk

##### i) Liabilities

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. In order to optimize the company's position with regards to interest income and interest expenses and to manage the interest rate risk, management performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

The Company's policy is to minimise interest rate cash flow risk exposures on long-term and short term financing. At 31<sup>st</sup> March, 2023, the Company is exposed to changes in market interest rates through bank borrowings at variable interest rates.

#### Interest rate risk exposure

Below is the overall exposure of the Company to interest rate risk:

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Variable rate borrowing	0.53	-
Fixed rate borrowings	0.20	0.98
<b>Total borrowings</b>	<b>0.73</b>	<b>0.98</b>
Amount disclosed under short term borrowing	(0.73)	(0.77)
<b>Amount disclosed under borrowings</b>	<b>-</b>	<b>0.21</b>

#### Sensitivity

The following table illustrates the sensitivity of profit and equity to a possible change in interest rates of +/- 1% (31<sup>st</sup> March, 2023: +/- 1%; 31<sup>st</sup> March, 2022). These changes are considered to be reasonably possible based on observation of current market conditions. The calculations are based on a change in the average market interest rate for each period, and the financial instruments held at each reporting date that are sensitive to changes in interest rates. All other variables are held constant.

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Interest sensitivity</b>		
Interest rates – increase by 100 basis points (100 bps)	(0.004)	-
Interest rates – decrease by 100 basis points (100 bps)	0.004	-

\* Holding all other variables constant

### 37 Capital Management

The Company aims to manage its capital efficiently

- to ensure the Company's ability to continue as a going concern
- to optimise returns to its shareholders

The Company manages the capital structure through efficient allocation of capital towards expansion of business, optimization of working capital requirements and deployment of surplus funds into various investment options. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, issue new shares or return capital to shareholders.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

#### a) Debt-Equity Ratio

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Borrowings	0.73	0.98
<b>Net Debt</b>	<b>0.73</b>	<b>0.98</b>
Total equity	596.37	536.19
<b>Net Debt to Equity Ratio (in times)</b>	<b>0.001</b>	<b>0.002</b>



## b) Dividends

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>i) Interim Dividend</b>		
For the year ended 31 <sup>st</sup> March, 2023 ₹ 6 per equity share and for the year ended 31 <sup>st</sup> March, 2022 ₹ 6 per equity share	23.05	23.09
<b>(ii) Final Dividend</b>		
For the year ended 31 <sup>st</sup> March, 2022 of ₹ 2.00 per equity share and for the year ended 31 <sup>st</sup> March 2021 ₹ 2 per equity share	7.7	7.70

## 38 A. Employee Benefit Obligations ( on the basis of Actuarial Valuation)

(₹ in Crores)

## 1) Gratuity

The Company provides for gratuity for employees in India as per the 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. For the funded plan the company makes contributions to recognised funds in India. The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

The weighted average duration of the defined benefit obligation as at 31<sup>st</sup> March, 2023 is 13 years (31<sup>st</sup> March, 2022: 14 years)

The amounts recognised in the statement of financial position and the movements in the net defined benefit obligation over the year are as follows:

## a. Reconciliation of present value of Defined Benefit Obligation and the fair value of plan assets

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Present value obligation as at the end of the year	19.22	17.11
Fair value of plan assets as at the end of the year	16.75	14.07
<b>Net (liability)/ asset recognised in Balance Sheet (refer note 27)</b>	<b>(2.47)</b>	<b>(3.04)</b>

## b. Changes in Defined Benefit Obligations

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Present value of obligations as at the start of the year	17.11	14.22
Interest cost	1.24	0.97
Service cost	1.80	1.58
Benefits paid	(1.32)	(1.00)
Actuarial (gain)/loss on total liabilities	0.39	1.34
<b>Present value of obligations as at the end of the year</b>	<b>19.22</b>	<b>17.11</b>

## c. Amount Recognized in the Statement of Profit and Loss

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Service cost	1.80	1.58
Net interest cost	0.22	0.14
<b>Amount recognised in the statement of profit and loss</b>	<b>2.02</b>	<b>1.72</b>

## d. Change in the Fair Value of Plan Asset :

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Fair value of plan assets as at the start of the year	14.07	12.22
Return on plan assets	0.95	0.85
Contribution	3.04	2.00
Benefits paid	(1.32)	(1.00)
<b>Fair value of plan assets as at the end of the year</b>	<b>16.74</b>	<b>14.07</b>

**e. Actuarial Gain/(Loss) on Plan Asset**

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Expected interest income	1.02	0.83
Actual income on plan asset	0.95	0.85
Actuarial gain/(loss) on Assets	(0.07)	0.02

**f. Other Comprehensive Income**

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Actuarial gain/(loss) on liabilities	(0.39)	(1.35)
Actuarial gain/(loss) on assets	(0.07)	0.02
Unrecognised actuarial gain/(loss) at the end of the year	(0.46)	(1.33)

**g. Actuarial Assumption**

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Discount rate	7.52%	7.27%
Future salary increase	6.50% p.a	6.00% p.a
Average future service ( in years)	28.26 years	27.99 years

The discount rate indicated above reflects the estimated and currency of benefit payments. It is based on the yields/ rates available on applicable bonds as on the current valuation date.

**h. Demographic Assumption**

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Retirement age (years)	58	58
Mortality rates inclusive of provision for disability Ages	100% of IALM (2012-14) ultimate Withdrawal Rate(%)	
Up to 30 years	4.00%	4.00%
From 31 to 40 years	3.00%	3.00%
From 41 to 50 years	3.00%	3.00%
Above 50 years	3.00%	3.00%

**i. Sensitivity Analysis for Gratuity Liability**

(₹ in Crores)

Particulars	Year Ended 31 <sup>st</sup> March, 2023	Year Ended 31 <sup>st</sup> March, 2022
<b>Impact of the change in discount rate</b>		
Present value of obligation at the end of the year	19.22	17.11
a) Impact due to increase of 0.50%	(1.07)	(0.96)
b) Impact due to decrease of 0.50%	1.17	1.05

**j. Sensitivity Analysis for Gratuity Liability**

(₹ in Crores)

Particulars	Year Ended 31 <sup>st</sup> March, 2023	Year Ended 31 <sup>st</sup> March, 2022
<b>Impact of the change in salary increase</b>		
Present value of obligation at the end of the year	19.22	17.11
a) Impact due to increase of 1.00%	2.39	2.16
b) Impact due to decrease of 1.00%	(2.05)	(1.83)

**k. Sensitivity Analysis for Gratuity Liability**

(₹ in Crores)

Particulars	Year Ended 31 <sup>st</sup> March, 2023	Year Ended 31 <sup>st</sup> March, 2022
<b>Impact of the change in Attrition rate</b>		
Present value of obligation at the end of the year	19.22	17.11
a) Impact due to increase of 1.00%	0.22	0.25
b) Impact due to decrease of 1.00%	(0.25)	(0.29)

**I. Maturity Profile of Defined Benefit Obligation**

(₹ in Crores)

Particulars	Year Ended 31 <sup>st</sup> March, 2023	Year Ended 31 <sup>st</sup> March, 2022
Year 1	1.04	1.00
Year 2	0.73	0.66
Year 3	1.04	0.88
Year 4	1.05	0.96
Year 5	1.28	0.96
After 5 <sup>th</sup> Year	52.84	45.34

**Defined Contribution Plans**

The Company make contribution to state governed provident fund scheme, employee state insurance scheme and labour welfare fund scheme, and are considered as defined contribution plans. The contribution under the schemes are recognised as an expense in the statement of profit and loss, when an employee renders the related service. There are no other obligations other than the contribution payable to the respective funds.

**2) Leave Obligations**

The leave obligations cover the Company liability for earned leaves, since the Company does not have an unconditional right to defer settlement for any of these obligations. However based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months. Therefore based on the independent actuarial report, only a certain amount of provision has been presented as current and remaining as non-current leave obligation. The following amounts reflect leave that is not expected to be taken or paid within the next 12 months.

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Current leave obligations expected to be settled within the next 12 months	0.12	0.12
Non-current leave obligations expected to be settled in future	2.53	2.39

**Movement in the liability recognised in the Balance Sheet**

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Present value of defined benefit obligation as at the start of the year	2.51	2.27
Current service cost	0.47	0.42
Interest cost	0.18	0.15
Actuarial (gain)/loss on total liabilities	(0.24)	(0.07)
Benefits paid	(0.27)	(0.26)
Present value of defined benefit obligation as at the end of the year (refer note 27)	2.65	2.51

**Amount recognised in the Statement of Profit and Loss**

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Current service cost	0.47	0.42
Interest cost	0.18	0.15
Net actuarial (gain)/loss	(0.24)	(0.07)
Amount recognized in the statement of profit and loss (refer note 27)	0.41	0.50

**Amount recognised in the Statement of Profit and Loss**

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Discount rate (per annum)	7.52%	7.27%
Salary growth rate (per annum)	6.50%	6.00%

**B. Employees Stock Option Plan**

The Company during the year has granted 42,250 Stock Options to its eligible employees. The Company in accordance with the Employee Stock Option Plan-2016, vesting period being 1, 2 & 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 ₹ 800 per share, the exercise price. The fair value of option determined on the date of grant is ₹ 967.53 based on Black Scholes methodology. The impact of above for the years are ₹ 4.09 crores. Accordingly, the provision and disclosure have been considered in the financial statements.

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Outstanding options at the beginning of year	92,200	119,900
Face value of share (₹)	2.00	2.00
No. of options granted during the year	42,250	39,000
Vesting period of options granted during the year (graded)	1, 2 & 3 years	1, 2 & 3 years
Exercise price of options granted during the year (₹)	800.00	698.00
Fair value of the options (₹)	967.53	922.56
No. of options exercised during the year	50,800	60,600
No. of options cancelled during the year	6,100	6,100
Outstanding options at the end of year	77,550	92,200

**39 Leases**

Lease liability is initially measured at the present value of future lease payments. Lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. Lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability and reducing the carrying amount to reflect the lease payment made. Right of use assets for leases previously classified as operating leases were recognised and measured at an amount equal to lease liability (adjusted for any related prepayments/accruals).

The following is the break-up of current and non-current lease liabilities

(₹ in Crores)

Particulars	Balance as at 31 <sup>st</sup> March, 2023	Balance as at 31 <sup>st</sup> March, 2022
Current lease liabilities (refer note 17)	2.50	0.01
Non current lease liabilities (refer note 17)	3.84	0.12
<b>Total</b>	<b>6.34</b>	<b>0.13</b>

The following is the movement in lease liabilities

(₹ in Crores)

Particulars	Amount
Opening balance as at 1 <sup>st</sup> April, 2022	0.13
Addition during the year	8.42
Finance cost accrued during the year	0.68
Deletion during the year	(2.20)
Payment of lease liabilities	(0.69)
<b>Closing balance as at 31<sup>st</sup> March, 2023</b>	<b>6.34</b>

**40 Disclosures pursuant to Ind AS 24 "Related Party Disclosures"**
**I. List of Related Parties**
**ii) Key managerial personnel:**

Particulars	Designation
Mr. Chander Agarwal	Managing Director
Mr Phool Chand Sharma	Non Executive Director
Mr. D.P. Agarwal	Non Executive Non Independent
Mr. Vineet Agarwal	Non Executive Non Independent
Mr. Murali Krishna Chevuturi	Independent Director
Mr. Prashant Jain	Independent Director
Mr. Ashok Kumar Ladha	Independent Director
Mrs Taruna Singhi	Independent Director
Mr. Mukti Lal	Chief Financial Officer
Mr. Pabitra Mohan Panda	Chief Operational Officer
Ms. Priyanka	Company Secretary

**iii) Subsidiary:**

TCI Express Pte Ltd

**iii) Enterprises over which KMPs/ relatives of KMPs exercise significant influence**

Particulars	Designation
TCI Properties (Guj) – Partnership firm	TCI India Ltd
TCI Properties (Delhi) – Partnership firm	TCI Warehousing (MH) – Partnership firm
TCI Developers Ltd	Transport Corporation of India Ltd
TCI Properties (West) Ltd.	Transsystem Logistics International Pvt. Ltd
XPS Cargo Services Ltd	Bhoruka Charitable Trust
Chander Asset Management Welfare Trust	TCI Foundation (Trust)
Dharmal & Sons (HUF)	TCI Distribution Centres Ltd
Bhoruka Express Consolidated Ltd	Bhoruka Finance Corporation of India Ltd
Bhoruka International (P) Ltd	TCI Exim Pvt Ltd
TCI Charities (Trust)	TCI Express Foundation (Trust)

**II. Transactions during the year with related parties:**
**A Enterprises over which KMPs/ relatives of KMPs exercise significant influence**

(₹ in Crores)

Nature of transaction	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
<b>Income :</b>		
Freight income	1.81	2.67
Rental income	1.69	2.48
<b>Expenditure :</b>		
Rent payment	10.78	11.41
Shipping expenses	2.06	1.32
Business support service	4.42	4.35
Dividend paid	20.54	20.54
Charity and donation (including CSR expenditure)	1.80	1.12
Project management fees	0.21	0.24

**B Key Managerial Personnel Compensation**

(₹ in Crores)

Particulars	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
Short employee benefits	11.06	10.04
Post employment benefits	0.32	0.22
Employee stock option	4.02	4.35
Sitting fees and commission to independent directors	0.62	0.57

**C Investments**

(₹ in Crores)

Particulars	Nature of relation	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
Investments made	Subsidiary	0.62	-

**III. Balance as at the year end :**

(₹ in Crores)

Nature of transaction	Nature of relation	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Assets:</b>			
Advances/ deposits given		2.36	2.17
Rent receivable		0.01	0.17
<b>Liabilities:</b>			
Remuneration payable :	Managing Director	4.00	3.75
	Non Executive Directors	0.42	-
	Rent	0.95	0.42
Others Payable	Business Support Service	4.81	1.26



#### 41 SEGMENT REPORTING

As the Company's main business activity falls within a single primary business segment viz. "Express Cargo" the disclosure requirements of Segment Reporting as per Indian Accounting Standard - 108 are not applicable.

42 Various parties accounts are subject to confirmation and reconciliation, wherever required.

43 Previous year figures have been regrouped/rearranged wherever considered necessary.

#### 44 ADDITIONAL INFORMATION

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Remittance in foreign currency :</b>		
Plant and machinery	8.10	20.86
Investment in Subsidiary	0.65	-
Subscription	0.04	0.07
Business promotion	-	0.08
Air freight payments	1.78	2.12
Dividend payment	0.83	1.15
<b>Total</b>	<b>11.40</b>	<b>24.28</b>
Earning in foreign currency :		
Freight income	0.39	0.04
<b>Total</b>	<b>0.39</b>	<b>0.04</b>

#### 45 (Net Debt)/Surplus Cash Reconciliation

(₹ in Crores)

Nature of transaction	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Cash and cash equivalents	16.37	18.00
Less: non current borrowings	-	(0.21)
Less: current borrowings	(0.73)	(0.78)
<b>(Net debt)/surplus cash</b>	<b>15.64</b>	<b>17.02</b>

#### Reconciliation of liabilities arising from financing activities

The changes in the Company's liabilities arising from financing activities can be classified as follows:

(₹ in Crores)

Particulars	Long Term Borrowings	Short Term Borrowings	Cash and Cash Equivalents	Total
(Net Debt)/Surplus Cash as at 1 <sup>st</sup> April, 2022	(0.21)	(0.78)	18.00	17.02
Cash Flows:				
Repayment during the year	0.21	(0.72)	-	(0.51)
Finance cost recognised	(0.05)	(1.77)	-	(1.81)
Finance cost paid	0.05	1.77	-	1.80
Net cash flow	-	-	(1.58)	(1.58)
<b>(Net debt)/surplus cash as at 31<sup>st</sup> March, 2023</b>	<b>0.00</b>	<b>(1.50)</b>	<b>16.42</b>	<b>14.92</b>

#### 46 Immovable Properties Involved in Scheme of Arrangement:

Pursuant to Scheme of Arrangement between Transport Corporation of India Limited (TCIL) and TCI Express Limited (TCIEXPRESS) and their respective shareholders, 47 immovable properties are required to be transferred in the name of TCIEXPRESS from TCIL. Out of 47 immovable properties, 31 properties has been transferred in the name of TCIEXPRESS and rest of the immovable properties are in process of transfer.

**47 OTHER STATUTORY INFORMATION**
**(a) Immovable properties in respect of which title deed are pending to change in the name of Company (refer note 2)**

(₹ in Crores)

S.No	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promotor, director or relative of promotor/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the Company
1	Land & Building at Ahemdabad	0.29	Transport Corporation of India Ltd	No	1 <sup>st</sup> April 2016	Applications for transfer of titles pending with the Govt. Deptt.
2	Land & Building at Ranchi	0.20	Transport Corporation of India Ltd	No	1 <sup>st</sup> April 2016	Applications for transfer of titles pending with the Govt. Deptt.
3	Building at Madras	0.09	Transport Corporation of India Ltd	No	1 <sup>st</sup> April 2016	Applications for transfer of titles pending with the Govt. Deptt.
4	Land & Building at Kheda	15.70	Transport Corporation of India Ltd	No	1 <sup>st</sup> April 2016	Applications for transfer of titles pending with the Govt. Deptt.
5	Land & Building at Rajkot	0.70	Transport Corporation of India Ltd	No	1 <sup>st</sup> April 2016	Applications for transfer of titles pending with the Govt. Deptt.
6	Land & Building at Ankleshwar	0.15	Transport Corporation of India Ltd	No	1 <sup>st</sup> April 2016	Applications for transfer of titles pending with the Govt. Deptt.
7	Land & Building at Surat	0.15	Transport Corporation of India Ltd	No	1 <sup>st</sup> April 2016	Applications for transfer of titles pending with the Govt. Deptt.
8	Land & Building at Hazira	0.13	Transport Corporation of India Ltd	No	1 <sup>st</sup> April 2016	Applications for transfer of titles pending with the Govt. Deptt.
9	Land & Building at Bhopal	2.47	Transport Corporation of India Ltd	No	1 <sup>st</sup> April 2016	Applications for transfer of titles pending with the Govt. Deptt.
10	Land & Building at Jabalpur	0.38	Transport Corporation of India Ltd	No	1 <sup>st</sup> April 2016	Applications for transfer of titles pending with the Govt. Deptt.
11	Land & Building at Patna	1.24	Transport Corporation of India Ltd	No	1 <sup>st</sup> April 2016	Land and Building are in name of erstwhile company
12	Land & Building at Akola	0.17	Transport Corporation of India Ltd	No	1 <sup>st</sup> April 2016	Land and Building are in name of erstwhile company
13	Building at Saki Naka	0.35	Transport Corporation of India Ltd	No	1 <sup>st</sup> April 2016	Building are in name of erstwhile company
14	Building at Kandiveli	0.15	Transport Corporation of India Ltd	No	1 <sup>st</sup> April 2016	Building are in name of erstwhile company
15	Land at Bhiwandi	2.28	Transport Corporation of India Ltd	No	1 <sup>st</sup> April 2016	Land are in name of erstwhile company
16	Land at Bangalore	0.04	Transport Corporation of India Ltd	No	1 <sup>st</sup> April 2016	Land are in name of erstwhile company

**(b) Ratios)**

 The following are the analytical ratios for the year ended 31<sup>st</sup> March, 2023 and 31<sup>st</sup> March, 2022

S.No	Particulars	Numerator	Denominator	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022	% Variance
1	Current ratio (in times)	Current assets	Current liabilities	2.41	2.93	-17.75%
2	Debt- equity ratio (in times)	Total debts	Shareholder's equity	0.001	0.002	-33.08%#
3	Debt service coverage ratio (in times)	Earning available for debt service	Debt service	158.72	169.67	-6.46%
4	Return on equity (in %)	Net profit after taxes	Average shareholder's equity	24.59%	26.56%	-7.40%
5	Trade receivable turnover ratio (in times)	Revenue with taxes	Average trade receivable	7.30	7.11	2.72%
6	Trade payable turnover ratio (in times)	Purchases of services and other expense	Average trade payable	10.49	12.18	-13.89%
7	Net capital turnover ratio (in times)	Revenue with taxes	Working capital	8.39	5.91	41.96*
8	Net profit ratio (in times)	Net profit	Revenue	11.16	11.82	-5.60%
9	Return on capital employed (ROCE) (in %)	Earning before interest and taxes	Average capital employed	32.26%	35.11%	-8.11%
10	Return on investment (ROI) (in %)	Income generated from investment	Time weighted average investments	8.09%	7.22%	12.00%

\* The increase is mainly on account of sale of investment

# Due to decrease of debt and buyback of shares.

**(c) Transactions with struck off companies**

(₹ in Crores)

Name of Struck off	Nature of transactions with struck off company	As at 1 <sup>st</sup> April 2022	Transaction	As at 31 <sup>st</sup> March 2023	Relationship with the struck off company
Pyrotech Electronics Private Limited	Freight Income	0.05	0.25	0.30	Customer
Bhaskar Industries Private Limited	Freight Income	-	0.03	0.03	Customer
M D Pharmaceuticals Private Limited	Freight Income	-	0.02	0.02	Customer
Vital Care Private Limited	Freight Income	0.09	0.35	0.44	Customer
Advance Valves Private Limited	Freight Income	0.19	1.32	1.51	Customer
The West Bengal Power Development Corporation Limited	Freight Income	-	0.01	0.01	Customer
Vinni Chemicals Pvt. Ltd.	Freight Income	0.17	0.46	0.63	Customer
Anand Water Meter Mfg. Co . (P) Ltd.	Freight Income	-	0.07	0.07	Customer
Welspun India Limited	Freight Income	-	0.02	0.02	Customer
Jindal India Limited	Freight Income	-	0.01	0.01	Customer
Technico (India) Pvt Ltd	Freight Income	-	0.07	0.07	Customer
D. G. T. Engineers Private Limited	Freight Income	-	0.01	0.01	Customer
Cas Weighing India Private Limited	Freight Income	0.02	0.09	0.11	Customer
Apm Industries Ltd	Freight Income	0.00	0.01	0.01	Customer
G G Tronics India Private Limited	Freight Income	-	0.02	0.02	Customer
Repco Mines And Minerals Private Limited	Freight Income	-	0.01	0.01	Customer
Medirize Pharmaceuticals Private Limited	Freight Income	-	0.01	0.01	Customer
Vani Private Limited	Freight Income	-	0.01	0.01	Customer
Rungamattee Tea & Industries Limited	Freight Income	-	0.04	0.04	Customer

Name of Struck off	Nature of transactions with struck off company	As at 1 <sup>st</sup> April 2022	Transaction	As at 31 <sup>st</sup> March 2023	Relationship with the struck off company
Pyrotek India Private Limited	Freight Income	0.00	0.06	0.06	Customer
Prime Graphite Private Limited	Freight Income	0.00	0.03	0.03	Customer
Quality Pharma Products Private Limited	Freight Income	-	0.03	0.03	Customer
Mayfair Hotels And Resorts Limited	Freight Income	-	0.04	0.04	Customer
Protectron Electromech Private Limited	Freight Income	0.01	0.21	0.22	Customer
Win Medicare Private Limited	Freight Income	0.14	1.23	1.37	Customer
Houston Pharmaceuticals Private Limited	Freight Income	-	0.01	0.01	Customer
Sew Eurodrive India Private Limited	Freight Income	0.13	1.05	1.18	Customer
Fuji Electric Consul Neowatt Private Limited	Freight Income	0.34	0.01	0.35	Customer

**(d) Benami property**

The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

**(e) Registration of charges or satisfaction with Registrar of Companies**

The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

**(f) Details of crypto currency or virtual currency**

The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

**(g) Utilisation of borrowed funds and share premium**

The Company have not received any fund from any person(s) or entity (ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries..

**(h) Compliance with number of layers of companies**

The Company is in compliance with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017 (as amended).

**(i) Revaluation of PPE**

The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible asset.

**(j) Undisclosed income**

There were no previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

The accompanying notes 1 to 47 are an integral part of the standalone financial statements.

In terms of our Report of even date attached

For **R S Agarwala & Co.**

Chartered Accountants  
Firm Reg No. 304045E

**D P Agarwal**  
Chairman  
(Gurugram)

For and on behalf of the Board of Directors of  
**TCI Express Limited**

**Chander Agarwal**  
Managing Director  
(Gurugram)

**Murali Krishna Chevuturi**  
Director  
(Hyderabad)

**Bimal Kumar Kedia**  
Partner  
(Membership No. 055237)

**Mukti Lal**  
VP & CFO  
(Gurugram)

**Priyanka**  
Company Secretary  
(Gurugram)

Camp : Gurugram  
Date : 26<sup>th</sup> May 2023

# Independent Auditor's Report

## Independent Auditor's Report To The Members of TCI Express Limited

### Report on the Audit of the Consolidated Financial Statements

#### Opinion

We have audited the accompanying Consolidated financial statements of TCI Express Limited (the 'Holding Company'), its subsidiary Company (the Holding Company and the Subsidiary Company together referred to as 'the Group') which comprise the Consolidated Balance Sheet as at **31<sup>st</sup> March, 2023**, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity, the Consolidated Cash Flow Statement and notes to the Consolidated financial statements for the year then ended, and 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 the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS"), of the Consolidated state of affairs (financial position) of the Group as at **31<sup>st</sup> March, 2023**, and its Consolidated profit (financial performance including other comprehensive income), its

Consolidated cash flows and the Consolidated changes in equity for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the Consolidated financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibilities under those standards 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 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 Consolidated 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 judgment, were of 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 the matters described below to be the key audit matter to be communicated in our report

Key audit matter	How our audit addressed the key audit matter
<b>Impairment testing of investments in Uketoru Co. Ltd, Japan</b>  Refer Note 6 to the accompanying Consolidated financial statements  As at <b>31<sup>st</sup> March 2023</b> , the carrying amount of investment in Uketoru Co. Ltd, Japan is <b>₹ 0.43 crores</b> (net of impairment loss of <b>₹ 0.62 lakhs</b> )  The net worth of Uketoru Co. Ltd, Japan as at <b>31<sup>st</sup> March, 2023</b> is fully eroded, as per unaudited accounts. No audited accounts for any years are available. The management has considered that there is possible impairment in the carrying value of the investment. Accordingly, the management has obtained valuation by an independent valuer who has, as per discounted free cash flow to Equity, arrived at total fair value/investment value with application of income approach (DCF Method) <b>INR 42,92,848.00</b> of 50 shares Investment.  Considering the materiality of the amounts involved, the significant management judgement required is being inherently subjective, this matter has been identified as a key audit matter for the current year audit.	<b>Our procedures included, but were not limited to the following:</b> <ul style="list-style-type: none"> <li>• Obtained an understanding of management's process and evaluation design and tested operating effectiveness of controls around identification of indicators of impairment under Ind AS;</li> <li>• Assessed the appropriateness of methodology and valuation model used by the valuers to estimate the recoverable value of investment in Uketoru Co. Ltd</li> <li>• Assessed the professional competence of the valuation specialist, who are "Merchant Banker" registered with SEBI and "Registered valuer" registered with IBBI as engaged by the management;</li> <li>• Based on our procedures, we also considered the adequacy of disclosures in respect of investment in the said Uketoru Co. Ltd, in the notes to the Consolidated financial statements.</li> </ul>



### Information other than the Consolidated Financial Statements and Auditor's Report thereon.

The Holding Company's Board of Directors is responsible for 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 auditor's 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 such 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.

### Responsibilities of Management and Those Charged with Governance 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 of these Consolidated financial statements that give a true and fair view of the Consolidated state of affairs (financial position), Consolidated profit or loss (financial performance including other comprehensive income), Consolidated changes in equity and the Consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group 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 Consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated financial statements, management is responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

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

### 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 Standards on Auditing 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 Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- 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.
- 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 has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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 Group'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 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 to cease to continue as a going concern.

- 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group 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. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements 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 our 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 significance in the audit of the Consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report 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

We did not audit the financial statements of the subsidiary Company included in the Consolidated financial statements whose financial statements reflects total assets of ₹ 0.62 Crores as at **31<sup>st</sup> March, 2023**, as considered in the Consolidated financial statements.

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 financial statements certified by the Management.

### Report on Other Legal and Regulatory Requirements

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 purpose of our audit;
- 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.
- c) the Consolidated financial statements dealt with by this report are in agreement with the books of accounts maintained for the purpose of preparation of Consolidated Financial Statements.
- d) in our opinion, the aforesaid Consolidated financial statements comply with Ind AS specified under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2014, as amended;
- e) on the basis of the written representations received from the directors of the Holding Company and taken on record by the Board of Directors, none of the directors of the Group is disqualified as on **31<sup>st</sup> March, 2023** from being appointed as a director in terms of Section 164(2) of the Act.
- f) we have also audited the internal financial controls over financial reporting (IFCOFR) of the Group as on **31<sup>st</sup> March, 2023** in conjunction with our audit of the financial statements of the Company for the year ended on that date and our report as per "Annexure A" expressed an unmodified opinion.
- g) 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 (as

amended), in our opinion and to the best of our information and according to the explanations given to us:

- i. the Group has disclosed the impact of pending litigations on its financial position in the Consolidated financial statements;
- ii. the Group has made provision, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
- iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group during the year ended **31<sup>st</sup> March, 2023**;
- iv. a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Group from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under subclause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v. The final dividend paid by the Holding Company during the year in respect of the same declared for the previous year is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

The interim dividend declared and paid by the Holding Company during the year and until the date of this audit report is in accordance with Section 123 of the Act.

As stated in Note No. 37(b) to the Consolidated Financial Statements, the Board of Directors of the Holding Company, have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

- vi. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the company only w.e.f. April 1, 2023, reporting under this clause is not applicable.

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 Holding Company to its director 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 **R.S. Agarwala & Co.**  
 Chartered Accountants  
 Firm's Regn. No:-304045E

**Bimal Kumar Kedia**  
 Partner

Camp : Gurugram (Membership No. 055237)  
 Date : 26<sup>th</sup> May 2023 UDIN : 23055237BGQFIT6950

## Annexure A to The Independent Auditors' Report

**Referred to in paragraph 2(f) of the Independent Auditors' Report of even date to the members of TCI Express Limited on the Consolidated financial statements for the year ended 31<sup>st</sup> March, 2023.**

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

We have audited the internal financial controls over financial reporting of TCI Express Limited ("the Holding Company"), its Subsidiary Company (the holding company and its subsidiary company together referred as 'the Group') as of **31<sup>st</sup> March, 2023** in conjunction with our audit of the Consolidated financial statements of the Group for the year ended on that date.

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

The Holding Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Group considering the essential components of internal controls 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, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records, and timely preparation of reliable financial information, as required under the Act.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Holding Company's and its Subsidiary 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 Companies Act, 2013, 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 Institute of Chartered Accountants of India. 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 judgment, including the assessment of the risks of material misstatement of the Consolidated 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 Holding Company's and its Subsidiary 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 Consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control 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 Consolidated 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 Consolidated 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 Holding Company and its Subsidiary 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, 2023**, 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.

For **R.S. Agarwala & Co.**  
Chartered Accountants  
Firm's Regn. No:-304045E

**Bimal Kumar Kedia**  
Partner

Camp : Gurugram (Membership No. 055237)  
Date : 26<sup>th</sup> May 2023 UDIN : 23055237BGQFIT6950



# Consolidated Balance Sheet

 as at 31<sup>st</sup> March, 2023

(₹ in Crores)

Particulars	Notes	As at 31 <sup>st</sup> March, 2023
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, plant and equipment	2	343.88
Right-of-use assets	3	27.18
Capital work-in-progress	4	61.14
Other intangible assets	5	3.01
Financial assets, Investments	6	0.43
		<b>435.64</b>
<b>Current Assets</b>		
Financial assets		
Investments	7	32.11
Trade receivables	8	211.47
Cash and cash equivalents	9	13.80
Other bank balances	10	2.88
Other financial assets	11	9.89
Current tax assets (net)	12	4.93
Other current assets	13	24.22
		<b>299.30</b>
<b>Total Assets</b>		<b>734.94</b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Equity share capital	14	7.66
Other equity	15	588.71
		<b>596.37</b>
<b>LIABILITIES</b>		
<b>Non-Current Liabilities</b>		
Financial liabilities		
Borrowings	16	-
Lease liabilities	17	3.84
Deferred tax liabilities (net)	18	10.49
		<b>14.33</b>
<b>Current Liabilities</b>		
Financial liabilities		
Borrowings	19	0.73
Lease liabilities	17	2.50
Trade payables	20	
Total outstanding dues of micro enterprises and small enterprises		1.50
Total outstanding dues of creditors other than micro small enterprises		86.91
Other financial liabilities	21	9.04
Other current liabilities	22	18.44
Provisions	23	5.12
		<b>124.24</b>
		<b>138.57</b>
<b>Total Equity and Liabilities</b>		<b>734.94</b>
Significant Accounting Policies	1	

The accompanying notes 1 to 48 are an integral part of the consolidated financial statements.

In terms of our Report of even date attached

 For **R S Agarwala & Co.**

 Chartered Accountants  
 Firm Reg No. 304045E

**D P Agarwal**  
 Chairman  
 (Gurugram)

**Bimal Kumar Kedia**  
 Partner  
 (Membership No. 055237)

 Camp : Gurugram  
 Date : 26<sup>th</sup> May 2023

 For and on behalf of the Board of Directors of  
**TCI Express Limited**
**Chander Agarwal**  
 Managing Director  
 (Gurugram)

**Mukti Lal**  
 VP & CFO  
 (Gurugram)

**Murali Krishna Chevuturi**  
 Director  
 (Hyderabad)

**Priyanka**  
 Company Secretary  
 (Gurugram)

# Consolidated Statement of Profit and Loss

 for the year ended 31<sup>st</sup> March, 2023

(₹ in Crores)

Particulars	Notes	As at 31 <sup>st</sup> March, 2023
<b>Revenue</b>		
Revenue from operations	24	1,241.01
Other income	25	7.17
<b>Total Income</b>		<b>1,248.18</b>
<b>Expenses</b>		
Operating expenses	26	849.70
Employee benefits expense	27	124.29
Finance costs	28	1.81
Depreciation and amortization expense	29	15.31
Other expenses	30	72.54
<b>Total</b>		<b>1,063.65</b>
<b>Profit Before Tax</b>		<b>184.53</b>
<b>Tax Expense</b>	32	
Current tax		42.14
Deferred tax		3.11
		<b>45.25</b>
<b>Profit for the Year</b>		<b>139.28</b>
<b>Other Comprehensive Income</b>		
Items that will not be reclassified subsequently to profit or loss		
Fair value of equity instruments through other comprehensive income		(1.18)
Re-measurement of defined benefit liability		(0.46)
Items that will be reclassified subsequently to profit or loss		
Fair value of debt instruments through other comprehensive income		(0.28)
Less : Tax on above items		0.48
		<b>(1.44)</b>
<b>Total Comprehensive Income for the Year</b>		<b>137.84</b>
<b>Earning Per Equity Share</b>		
--Basic	31	36.24
--Diluted		36.20

The accompanying notes 1 to 48 are an integral part of the consolidated financial statements.

In terms of our Report of even date attached

 For **R S Agarwala & Co.**

 Chartered Accountants  
 Firm Reg No. 304045E

**D P Agarwal**  
 Chairman  
 (Gurugram)

**Bimal Kumar Kedia**  
 Partner  
 (Membership No. 055237)

 Camp : Gurugram  
 Date : 26<sup>th</sup> May 2023

For and on behalf of the Board of Directors of

**TCI Express Limited**
**Chander Agarwal**  
 Managing Director  
 (Gurugram)

**Mukti Lal**  
 VP & CFO  
 (Gurugram)

**Murali Krishna Chevuturi**  
 Director  
 (Hyderabad)

**Priyanka**  
 Company Secretary  
 (Gurugram)

# Consolidated Statement of Changes in Equity

 as at 31<sup>st</sup> March, 2023

## A. Equity Share Capital

(₹ in Crores)

Particulars	Balance as at 31 <sup>st</sup> March, 2022	Changes in equity share capital due to prior period errors	Restated balance as at 31 <sup>st</sup> March, 2022	Change in Equity Share Capital During the Year	Balance as at 31 <sup>st</sup> March, 2023
Equity share capital	7.70	-	7.70	(0.04)	7.66
No of shares	38,495,125	-	38,495,125	(183,475)	38,311,650

## B. Other Equity (refer note 15)

(₹ in Crores)

Particulars	Reserve and Surplus						Total
	Retained Earnings	Capital Redemption Reserve	Securities Premium	General Reserve	Share Options Outstanding Account	Other Comprehensive Income Reserve	
<b>Balance as at 1<sup>st</sup> April, 2022</b>	<b>51.49</b>	<b>-</b>	<b>12.02</b>	<b>465.60</b>	<b>2.81</b>	<b>(3.43)</b>	<b>528.49</b>
Profit for the year	139.28	-	-	-	-	-	139.28
Other comprehensive income (net of tax)	-	-	-	-	-	(1.44)	(1.44)
<b>Total comprehensive income for the year</b>	<b>139.28</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1.44)</b>	<b>137.84</b>
Exercise of stock options	-	-	4.79	-	-	-	4.79
Issue of equity shares, net off transaction cost	-	-	-	-	1.21	-	1.21
Expenses for buy-back of equity shares	-	-	-	(0.53)	-	-	(0.53)
Buy-back of equity shares	-	0.05	(16.28)	(26.20)	-	-	(42.43)
Tax on Buy-back of equity shares	(9.90)	-	-	-	-	-	(9.90)
Transfer in/out general reserve	(95.00)	-	-	95.00	-	-	-
<b>Transaction with owners in their capacity as owners:</b>							
Dividends paid during the year	(30.76)	-	-	-	-	-	(30.76)
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>55.11</b>	<b>0.05</b>	<b>0.53</b>	<b>533.87</b>	<b>4.02</b>	<b>(4.87)</b>	<b>588.71</b>

The accompanying notes 1 to 48 are an integral part of the consolidated financial statements.

In terms of our Report of even date attached

 For **R S Agarwala & Co.**

Chartered Accountants

Firm Reg No. 304045E

For and on behalf of the Board of Directors of

**TCI Express Limited**
**D P Agarwal**

Chairman

(Gurugram)

**Chander Agarwal**

Managing Director

(Gurugram)

**Murali Krishna Chevuturi**

Director

(Hyderabad)

**Bimal Kumar Kedia**

Partner

(Membership No. 055237)

**Mukti Lal**

VP &amp; CFO

(Gurugram)

**Priyanka**

Company Secretary

(Gurugram)

Camp : Gurugram

 Date : 26<sup>th</sup> May 2023

# Consolidated Statement of Cash Flow

 for the year ended 31<sup>st</sup> March, 2023

(₹ in Crores)

Particulars	Year Ended 31 <sup>st</sup> March 2023
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>	
Net profit before tax	184.53
<b>Adjustments for:</b>	
Depreciation and amortisation	15.31
Loss on disposal of property, plant and equipment (net)	0.42
Amortisation of leasehold land	0.25
Reversal under expected credit loss model	(0.29)
Fair valuation of investments designated as FVTPL	(0.24)
Employee stock option compensation	3.50
Miscellaneous provisions written back	-
Finance costs	1.81
Interest/dividend income	(4.83)
	15.93
<b>Operating profit before working capital changes</b>	200.46
<b>Changes in Operating Assets and Liabilities:</b>	
Trade receivable	(21.64)
Loans, other financial assets and other assets	(3.26)
Trade payables	14.69
Other financial liabilities and provisions	(0.76)
	189.49
<b>Cash Generation From Operations</b>	(42.98)
Direct taxes paid	
<b>Net Cash flow from Operating Activities (A)</b>	<b>146.51</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>	
Purchase of property, plant and equipment	(106.27)
Acquisition of Right to use assets	(19.48)
Proceeds on sale of property, plant and equipment	0.45
Purchase of investments	(16.20)
Sale proceeds of investments	71.96
Interest/dividend received	4.83
<b>Net Cash flow from Investing Activities (B)</b>	<b>(64.71)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES *</b>	
Short term borrowings	0.52
Proceeds from issuance of share capital	2.00
Buyback of equity shares	(42.48)
Expenses on buyback of equity shares	(0.54)
Repayment of term borrowings	(0.78)
Payment of dividends	(30.76)
Payment of tax on buyback	(9.90)
Finance cost paid	(1.80)
<b>Net Cash flow from Financing Activities (C)</b>	<b>(83.74)</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>(1.94)</b>
Cash and cash equivalents at 1 <sup>st</sup> April	15.74
<b>Cash and Cash Equivalents as at 31<sup>st</sup> March</b>	<b>13.80</b>

\* Refer note 45 for net debt reconciliation

# Cash and Cash Equivalent at the end of the year include:

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2023
Cash on hand	2.86
Cheques on hand	10.62
Bank balance with current account	0.32
<b>Cash and cash equivalents</b>	<b>13.80</b>

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

The accompanying notes 1 to 48 are an integral part of the consolidated financial statements.

In terms of our Report of even date attached

 For **R S Agarwala & Co.**

 Chartered Accountants  
 Firm Reg No. 304045E

**D P Agarwal**  
*Chairman*  
 (Gurugram)

**Bimal Kumar Kedia**  
*Partner*  
 (Membership No. 055237)

Camp : Gurugram  
 Date : 26<sup>th</sup> May 2023

 For and on behalf of the Board of Directors of  
**TCI Express Limited**

**Chander Agarwal**  
*Managing Director*  
 (Gurugram)

**Mukti Lal**  
*VP & CFO*  
 (Gurugram)

**Murali Krishna Chevuturi**  
*Director*  
 (Hyderabad)

**Priyanka**  
*Company Secretary*  
 (Gurugram)



# Notes to the Consolidated Financial Statements

for the year ended 31<sup>st</sup> March, 2023

## 1. Summary of Significant Accounting Policies

### I) Corporate Overview

The Consolidated Financial Statements comprise financial statements of "TCI Express Ltd" (the Holding Company) or "The Company") and TCI Express Pte Ltd, its subsidiary, (collectively referred to as "the Group") for the year ended 31<sup>st</sup> March, 2023.

TCI Express Ltd is a Public Limited Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The main objective of the Group is to carry express cargo distribution through road, rail, air and water mode. The equity shares of the TCI Express Ltd are listed with National Stock Exchange of India Limited and Bombay Stock Exchange of India Limited

The registered office of TCI Express Ltd is situated at Flat Nos. 306 & 307, 1-8-271 to 273, 3<sup>rd</sup> Floor, Ashoka Bhoopal Chambers, S.P Road, Secunderabad- 500003 Telangana and the Corporate Office of the Company is situated at TCI House, 69, Institutional Area, Sector -32, Gurugram-122001 Haryana.

The registered office of TCI Express PTE Ltd is situated at 8 Scotts Road #22-10, Scotts Square, Singapore-228238

### II) Basis of preparation of Consolidated financial statements

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

#### i) Compliance with Ind AS

These Consolidated financial statements of the Group have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs (MCA) pursuant to Section 133 of the Companies Act 2013, read with Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules 2016 as amended from time to time. The Group has consistently applied the accounting policies during the period presented in the consolidated financial statements.

The Group's consolidated financial statements for the year ended 31<sup>st</sup> March, 2023 are approved and adopted by the Board of Directors on 26<sup>th</sup> May, 2023.

#### ii) Historical cost convention

The Consolidated financial statements have been

prepared on going concern basis under the historical cost basis, except for the following:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments);
- 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 which are measured at fair value of the options.

#### iii) Use of significant accounting estimates and assumptions

The preparation of the consolidated financial statements in conformity with Ind AS requires management to make the estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets, liabilities. It also affects the disclosures of contingent assets and liabilities at the date of the consolidated financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these consolidated financial statements have been disclosed in note v(v) below. Accounting estimates could change from period to period. Although these estimates are based on management's best knowledge of current event and action, actual results could differ from those estimates. Changes in estimates are reflected in the consolidated financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the consolidated financial statements.

- iv) All amounts disclosed in the consolidated financial statements and notes have been rounded off to the nearest crores as per the requirement of Schedule III, unless otherwise stated.

#### v) Significant accounting policies

##### a) Basis of Consolidation

##### Subsidiary Company

The Group consolidates the entity which is controlled by it.

The Company establishes control when; it has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect the entity's returns by using its power over relevant activities of the entity.

Entities controlled by the Company are consolidated from the date control commences until the date control ceases. The results of subsidiary acquired during the year are consolidated from the effective date of acquisition as appropriate.

The financial statements of the Group are consolidated on a line-by-line basis and all inter-company transactions, balances, income and expenses are eliminated in full on consolidation.

Assets and liabilities of entities with functional currency other than the functional currency of the Company have been translated using exchange rates prevailing on the balance sheet date.

#### b) Current versus non-current classification

All the assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Division II the Schedule III to the Act. An asset is treated as current when it is:

- Expected to be realised or intended to be sold in normal operating cycle\*
- Held primarily for purpose of trading
- Asset is intended for sale or consumption
- Expected to be realised within twelve months after the reporting period,
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

\*Operating cycle is the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

#### c) Property, plant and equipment

##### *Recognition and initial measurement*

Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, duties, freight charges, initial insurance charges, borrowing cost if capitalization criteria are met and any other directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits attributable to such subsequent cost associated with the item will flow to the Group. All other repair and maintenance costs are recognized in consolidated statement of profit or loss as incurred.

Freehold land is carried at cost. All other items of property, plant and equipment are stated at cost less depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

In case an item of property, plant and equipment is acquired on deferred payment basis, interest expenses included in deferred payment is recognized as interest expense and not included in cost of asset.

##### *Depreciation methods, estimated useful lives and residual value.*

Depreciation on property, plant and equipment is provided on the straight line method arrived on the basis of the useful life prescribed under Schedule II of the Companies Act, 2013. The following useful life of assets has been taken by the Group. Management believes that useful life of assets are same as those prescribed in Schedule II to the Act.

Tangible Assets	Useful Life
Building	60 Years
Building-Leasehold improvements	Lease Term
Plant and machinery	15 Years
Furniture and fittings	10 Years
Vehicles	8 Years
Office equipment	5 Years
Computer equipment	3 Years
Leasehold land	Over the period of lease

The residual values are not more than 5% of the original cost of the asset. The asset's residual values, useful lives and method of depreciation

are reviewed at each financial year end and adjusted prospectively, if appropriate.

Where, during any financial year, any addition has been made to any asset, or where any asset has been sold, discarded, demolished or destroyed, or significant components replaced; depreciation on such assets is calculated on a pro rata basis as individual assets with specific useful life from the month of such addition or, as the case may be, up to the month on which such asset has been sold, discarded, demolished or destroyed or replaced.

Advance paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advance under other non-current assets and cost of assets not ready to use before such date are disclosed under 'Capital work in progress'

#### *De-recognition*

An item of property, plant and equipment and any significant part initially recognized is de-recognized 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 (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Consolidated Statement of profit and loss when the asset is derecognized.

#### **d) Intangible Assets**

##### *Recognition and initial measurement*

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

##### *Subsequent measurement (amortisation and useful lives)*

All finite-lived intangible assets are accounted for using the cost model whereby capitalized costs are amortized on a straight-line basis over their estimated useful lives. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Residual values and useful lives are reviewed at each reporting date and any change in the same is accounted for prospectively.

The following useful lives are applied:

Intangible Assets	Useful life (in years)
Software	Amortized over a period of 6 years

#### *De-recognition*

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Consolidated statement of profit or loss when the asset is de-recognised.

#### **e) Impairment of non-financial Assets**

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or the group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses of continuing operations are recognised in the consolidated statement of profit and Loss and after impairment, depreciation 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 recognised 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 recognised 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 recognised. 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 recognised for the asset in prior years. Such reversal is recognised in the consolidated statement of profit and loss.

#### f) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the consolidated statement of profit and loss as incurred.

#### g) Functional and presentation currency

The Consolidated financial statements are presented in Indian Rupees (INR), which is also the Group's functional and presentation currency of the Group.

#### Foreign Currencies

##### Transactions and balances

##### *Initial recognition*

Transactions in foreign currencies are initially recorded by the Group at its functional currency spot rates at the date the transaction first qualifies for recognition.

##### *Subsequent measurement*

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

##### *Exchange differences*

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the consolidated statement of profit and loss in the year in which they arise.

#### h) 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.

##### The Group as a Lessee

The Group assesses whether a contract is or contains a lease at the inception of the contract. The contract is, or contains, a lease if fulfillment of the contract is dependent on the use of a specific asset or assets and the contract conveys a right to use the asset or assets, even if that right is not explicitly specified in a contract.

The Group lease asset classes primarily consist of leases for land and buildings. The Group

assesses whether a contract 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 the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense in the consolidated statement of profit and loss on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

##### Initial Measurement

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives (if any).

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates.

##### Subsequent Measurement

Right-of-use assets are subsequently measured at cost less accumulated depreciation and

impairment loss, (if any). ROU is depreciated from the commencement date on a straight-line basis over the shorter of the lease term and 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.

Lease liabilities are re-measured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet.

#### **The 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 consolidated 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.

#### **i) Fair Value Measurement**

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is Unobservable

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.

For the purpose of fair value disclosures, The Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

#### **j) Revenue Recognition**

The Group derives revenues primarily from business of freight.

Revenue is recognized either at a point in time or over time, when (or as) the Group satisfies performance obligations by transferring the promised goods or services to its customers. The Group has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and are custodian of goods and is also exposed to credit risks.

The Group recognizes revenue from contracts with customers based on a five steps model (refer note 35). The Group recognizes contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as other liabilities in the consolidated statement of financial position. Similarly, if the Group satisfies a performance obligation before it receives the consideration, the Group recognizes either a contract asset or a receivable in its consolidated statement of financial position.

The Group applies the revenue recognition criteria to each separately identifiable component of the sales transaction as set out below:



Express cargo delivery services:

Revenue from services rendered is recognised, using percentage-of-completion-method, in proportion to the stage of completion of the transaction at the reporting date when the outcome of the transaction can be estimated reliably.

Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on services such as Goods and service tax.

#### **k) Other Income**

##### **Rental Income:**

Income from rent is recognized over the period of the contract on straight line basis. Initial direct cost is expensed off when incurred.

##### **Interest Income:**

Interest income on fixed deposits is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

For all Financial Assets measured at amortised cost or at fair value through other comprehensive income (refer 'I' below), interest income is recorded using the effective interest rate (EIR) i.e. the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial assets. The future cash flows include all other transaction costs paid or received, premiums or discounts if any, etc. Interest income recognised in the consolidated statement of profit and loss.

##### **Dividends:**

Dividends are recognized in the consolidated statement of profit and loss only when the right to receive payment is established.

##### **Profit on sale of Investments:**

Profit on sale of financial instruments (measured at amortised cost or FVTOCI or through profit and loss) recognized in the Consolidated statement of profit and loss.

#### **l) Financial Instruments**

##### **1) Financial assets**

##### **Initial recognition**

Financial instruments are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial assets and liabilities initially measured at Fair value.

Transaction cost that are directly attributable to the acquisition and issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) or added to or deducted from fair value measured on initial recognition of financial assets and financial liabilities.

#### **Subsequent measurement**

##### **Classification and subsequent measurement**

For the purpose of subsequent measurement, financial assets are classified into the following categories upon initial recognition:

**i) Financial assets at amortised cost** – a financial instrument is measured at amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest method.

**ii) 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 recognised in other comprehensive income. Cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'other income' in the consolidated statement of profit and loss.

**iii) Financial assets at fair value through profit or loss (FVTPL)**

Financial assets are measured at fair value through profit or loss if it does not meet the criteria for classification as measured at amortised cost or at fair value through other comprehensive income. All fair value changes, including interest and dividend if any, recognized as 'other income' in the

consolidated statement of profit and loss.

- a. **Equity Instruments-** All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are generally classified at fair value through profit and loss (FVTPL). For all other equity instruments, the group has to classify the same either at fair value through other comprehensive income (FVOCI) or fair value through profit and loss (FVTPL). The Group makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.
- b. **Debt instruments-** These are measured at FVOCI have contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on principal outstanding and that are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets. These instruments largely comprise long term investments made by Group.
- c. **Trade Receivable-** An impairment analysis performed at each reporting date. It requires expected lifetime losses to be recognized from initial recognition of the receivables. As a practical expedient, the group uses a provision matrix to determine the impairment loss allowance on its portfolio of its trade receivable. The provision matrix is based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis observed default rates over the expected life of the trade receivable. At every reporting date, observed default rates are updated.
- d. **Other Financial assets-** For recognition of impairment loss on other financial asset and risk exposure, the Group determines whether there has been a significant increase in the credit risk since initial recognition and if credit risk has been increased significantly, impairment loss is provided.

#### De-recognition of financial assets

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset expire or when it transfers the financial assets and all the risk and reward of ownership of the assets to another entity.

## 2) Financial liabilities

### Initial recognition and measurement

Financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss. In case of trade payables, they are initially recognised at fair value and subsequently, these liabilities are held at amortised cost, using the effective interest rate method.

### Subsequent measurement

After initial recognition, the financial liabilities are subsequently measured at amortised cost using the effective interest rate method ('EIR').

Amortised cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The effect of EIR amortisation is included as finance costs in the consolidated statement of profit and loss.

### De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another liability 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 the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the consolidated statement of 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 recognised amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

## m) Retirement and other employee benefits

### Defined Contribution plan

Defined Contribution plan such as provident fund, employee state insurance scheme, labour welfare fund and benevolent fund are charged to the consolidated statement of profit and loss as incurred. The Group has no obligation, other than the contribution payable to these funds/schemes. The Group recognizes contribution payable to these funds/schemes as an expense, when an

employee renders the related service for that period. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

#### Defined benefit plans

The Group provides for gratuity, a defined benefit plan covering eligible employees. The gratuity plans provide lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount base on the respective employee's base salary and the tenure of employment. Gratuity is funded through investments with an insurance service provider & the Group administered trust (TCI Express Gratuity Fund Trust). A provision for gratuity liability to the employee is made on the basis of actuarial valuation determined using the projected unit credit method. The benefits are discounted using the discount rates for Government Securities at the end of the reporting period that have terms approximating to the terms of the related obligation.

Remeasurements, comprising of actuarial gains and losses, excluding amounts included in net interest on the net defined benefit liability are recognized immediately in the consolidated balance sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income in the period in which they occur.

#### Other Employee Benefits

##### *Compensated absences*

Liability in respect of compensated absences becoming due or expected to be availed within one year from the consolidated balance sheet date is recognised on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees. Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date is classified on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method.

##### **Other short term benefits**

Expense in respect of other short-term benefits is recognized on the basis of amount paid or payable for the period during which services are rendered by the employees.

#### n) Employee stock option plan (Share based payments)

The fair value of options granted under Employee Stock Option Plan is recognised as an employee benefits expense 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 recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognizes the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

#### o) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the consolidated statement of profit and loss net of any reimbursement.

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. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

#### p) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events, if any.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the

weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

Potential ordinary shares shall be treated as dilutive when, and only when, their conversion to ordinary shares would decrease earnings per share or increase loss per share from continuing operations.

#### q) Taxes

##### Current income tax

Current income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

##### Deferred tax

Deferred tax is recognized using the liability method in respect of temporary differences between the carrying amount of assets and liabilities in the consolidated financial statements and the corresponding amounts used in the computation of taxable profit.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax liability is recognised based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, by the end of the reporting period.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits (Minimum alternate tax credit entitlement) and any unused tax losses. Deferred tax assets are recognised to the extent

that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

#### r) Segment reporting

As the Group's main business activity falls within a single primary Business segment viz. "Express Cargo", provisions of Segment Reporting as per Ind AS 108 are not applicable.

#### s) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and cash/cheques on hand and short-term deposits with an original maturity of twelve months or less, which are subject to an insignificant risk of changes in value.

#### t) Dividend distribution to equity holders

The Group recognizes a liability to make dividend distributions to equity holders when the distribution is authorized and is no longer left to the discretion of the Group. As per the corporate laws in India, a distribution of final dividend is authorized when it is approved by the shareholders; and a distribution of interim dividend is authorized by the board of directors. The amount of dividend so authorized is adjusted directly in other equity.

#### u) **Contingent liabilities and assets**

A contingent liability is a possible obligation that arises 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 or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the consolidated financial statements.

Contingent assets are not recognized but disclosed in the consolidated financial statements when an inflow of economic benefits is probable.

#### v) **Significant management judgement in applying accounting policies and estimation uncertainty**

The following are the critical judgments and the key estimates concerning the future that management has made in the process of applying the Group's accounting policies and that may have the most significant effect on the amounts recognized in the Consolidated financial Statements or that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

- i. **Revenue** - The Group recognises revenue from contracts with customers based on a five-step model as per Ind AS 115 (Ref: Note 'j') 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 recognised 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.

- ii. **Allowance for doubtful debts** - The allowance for doubtful debts reflects management's estimate of losses inherent in its credit portfolio. This allowance is based on the Group's estimate of the losses to be incurred, which derives from past experience with similar receivables, current and historical past due amounts, write-offs and collections, the careful monitoring of portfolio credit quality and current and projected future economic conditions. if the present economic and financial situation of the Group's debtors with which the Group contracted were to deteriorate, resulting in an impairment of their ability to make payment, additional expected credit loss may be required.
- iii. **Useful lives 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, IT equipment and other plant and equipment.
- iv. **Defined benefit obligation (DBO)** - Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.
- v. **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.
- vi. **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 and economic limits or uncertainties in various tax jurisdictions.
- vii. **Contingent liabilities** - The Group is the



subject of legal proceedings and tax issues which are pending in various jurisdictions. Due to the uncertainty inherent in such matters, it is difficult to predict the final outcome of such matters. In the normal course of business, management consults with legal counsel and certain other experts on matters related to litigation and taxes. The Group accrues a liability when it is determined that an adverse outcome is probable and the amount of the loss can be reasonably estimated.

- viii. Provisions** - At the end of each reporting period on the basis of the management judgement, changes in facts and legal aspects, the Group assess the requirement of the provisions. However, the actual future outcome may differ from this judgement.

#### Recent Accounting Pronouncement

Ministry of Corporate Affairs (MCA), vide notification dated 31 March 2023, has made

the following amendments to IND AS which are effective 1<sup>st</sup> April 2023.

Ind AS 1 - Presentation of Consolidated Financial Statements - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates.

Ind AS 12 - Income Taxes - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences.

**2 Property, Plant and Equipment**

(₹ in Crores)

Particulars	Freehold Land	Building (a)	Vehicle	Office Equipments	Plant & Machinery	Furniture & Fixture	Computer	Total
<b>Gross carrying value</b>								
Opening balance at 1 <sup>st</sup> April, 2022	102.94	149.98	11.85	10.66	48.47	15.94	17.86	357.69
Additions	26.06	7.02	3.01	0.93	4.95	1.00	1.48	44.45
Disposals	-	2.07	1.63	1.13	0.91	0.87	1.55	8.16
Closing balance at 31 <sup>st</sup> March, 2023	129.00	154.93	13.23	10.46	52.52	16.07	17.79	393.98
<b>Accumulated depreciation</b>								
Opening balance at 1 <sup>st</sup> April, 2022	-	9.10	4.26	7.19	6.91	6.60	8.89	42.95
Charge for the year		1.84	1.33	1.10	3.49	1.09	3.52	12.37
Deductions		-	0.95	1.13	0.79	0.87	1.48	5.22
Closing balance at 31 <sup>st</sup> March, 2023	-	10.94	4.64	7.16	9.61	6.82	10.93	50.10
<b>Net Block as at 31<sup>st</sup> March, 2023</b>	<b>129.00</b>	<b>143.99</b>	<b>8.59</b>	<b>3.30</b>	<b>42.91</b>	<b>9.25</b>	<b>6.86</b>	<b>343.88</b>

- a) Buildings includes those on leasehold land (cost ₹ 11.48 crores, accumulated depreciation ₹ 1.79 crores and written down value ₹ 9.69 crores) as on 31<sup>st</sup> March, 2023,
- b) Pursuant to Scheme of arrangement between Transport Corporation of India Limited (TCIL) and TCI Express Limited (TCIEXPRESS) and their respective shareholders, 47 immovable properties are required to be transferred in the name of TCIEXPRESS. Out of 47 immovable properties, one immovable property sold in earlier year, 30 immovable properties has been transferred in the name of TCIEXPRESS and rest 16 nos. immovable properties are in process of transfer. (refer note 47 and 48).
- c) Addition to freehold land includes ₹ 2.07 crores which was inadvertently debited to buildings during the previous year, has now been reversed.

**Capitalised Borrowing Cost**

 The Group has not capitalised any borrowing costs during the year ended 31<sup>st</sup> March, 2023.

**3 Right of Use Assets**

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2023
Leasehold land	21.22
Leasehold Building	5.96
<b>Total</b>	<b>27.18</b>

Following are the changes in the carrying value of Right of Use assets:

(₹ in Crores)

Particulars	Leasehold Land	Leasehold Building	Total
Opening balance as at 1 <sup>st</sup> April, 2022	2.01	0.01	2.02
Addition	19.48	8.42	27.90
Amortisation	(0.26)	0.00	(0.26)
Depreciation	0.00	(2.47)	(2.47)
<b>Closing balance as at 31<sup>st</sup> March, 2023</b>	<b>21.22</b>	<b>5.96</b>	<b>27.18</b>

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the statement of profit and loss

**4 Capital Work-In-Progress**

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2023
Capital work-in-progress	61.14

**Movement in Capital Work in Progress:**

(₹ in Crores)

Particulars	Amount
Opening balance as at 1 <sup>st</sup> April, 2022	6.09
Add: Additions during the year	65.79
Less: Capitalisation during the year	10.74
<b>Closing balance as at 31<sup>st</sup> March, 2023</b>	<b>61.14</b>

**Capital Work in Progress ageing schedule for the year 31<sup>st</sup> March, 2023**

(₹ in Crores)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 year	2-3 year	More than 3 years	
Project in progress	60.08	0.41	0.27	0.38	61.14
<b>Total</b>	<b>60.08</b>	<b>0.41</b>	<b>0.27</b>	<b>0.38</b>	<b>61.14</b>

**5 Other Intangible Assets**

(₹ in Crores)

Description	Amount
<b>Gross carrying value</b>	
Opening balance as at 1 <sup>st</sup> April, 2022	6.04
Additions	0.44
Disposals	-
<b>Closing balance as at 31<sup>st</sup> March, 2023</b>	<b>6.48</b>
<b>Accumulated amortisation</b>	
Opening balance as at 1 <sup>st</sup> April, 2022	3.00
Amortisation	0.47
Deductions	-
<b>Closing balance as at 31<sup>st</sup> March, 2023</b>	<b>3.47</b>
<b>Net Block as at 31<sup>st</sup> March, 2023</b>	<b>3.01</b>

The Group has capitalized software and disclosed under the head "Other Intangible Assets".

**6 Investments**

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2023	
	Number of Shares	Amount
<b>Unquoted</b>		
<b>In Equity Instruments</b>		
<b>In other Companies ( At FVTOCI)</b>		
Fully paid up Shares of ₹ 85857 each (₹ 210957 as on 31 March 2022) of Uketoru Co. Ltd	50	0.43
<b>Total</b>	<b>50</b>	<b>0.43</b>

Uketoru Co Ltd is a start up entity in which the Group has made investments. Considering the nature of start up entity, the value of investment as on 31<sup>st</sup> March, 2023 is reasonable and fair.

**Detail of amounts recorded in Other Comprehensive Income:**

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2023		
	Gross	Tax	Net
<b>Net gain/(loss) on : Equity securities</b>	(0.63)	0.16	(0.47)

**7 Investments - Current**

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2023
<b>Quoted : at fair value through profit or loss</b>	
Mutual fund units	2.47
Commercial papers	-
<b>Quoted : at amortised cost</b>	
Corporate bonds	2.17
<b>Quoted : at fair value through OCI</b>	
Corporate bonds	26.76
Shares in LIC	0.71
<b>Total</b>	<b>32.11</b>

Aggregate and Market Value of Quoted and Unquoted Investment is as follows:

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2023
Aggregate Value of quoted investments	32.11
Aggregate value of unquoted investments (non current)	0.43
Market value of quoted investments (current)	32.11

**8 Trade Receivables**

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2023
<b>Unsecured :</b>	
Considered good	211.47
Considered doubtful	0.78
	<b>212.25</b>
Less: provision for expected credit losses	
Corporate Bonds	0.78
<b>Total</b>	<b>211.47</b>

 Ageing for trade receivables as at 31<sup>st</sup> March, 2023

(₹ in Crores)

Particulars	Outstanding for following periods from due date of payment					Total
	less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed trade receivable- considered good	208.39	2.62	0.45	-	-	211.46
(ii) Undisputed trade receivables- which have significant increase in credit risk	0.14	0.16	0.02	-	-	0.32
(iii) Undisputed trade receivable- credit impaired	-	-	-	-	-	-
(iv) Disputed trade receivable- considered good	0.15	0.22	0.10	-	-	0.47
(v) Disputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed trade receivable- credit impaired	208.68	3.00	0.57	-	-	212.25
Less Provision for expected credit loss						0.78
<b>Total</b>						<b>211.47</b>

**9 Cash and Cash Equivalents**

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2023
Cash on hand	2.86
Cheques on hand	10.62
Balance with banks in current accounts	0.32
<b>Total</b>	<b>13.80</b>

## 10 Other Bank Balances

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2023
<b>Earmarked bank balances :</b>	
Unclaimed dividend accounts	2.61
Investment in term deposit	0.00
Fractional shares	0.05
Margin money deposits	0.22
<b>Total</b>	<b>2.88</b>

Refer note 34 on Financial instruments for disclosure of fair values in respect of financial assets measured at amortised cost and assessment of expected credit losses

## 11 Other Financial Assets

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2023
Security deposits	
with related parties	1.67
with customers	0.92
with others	7.30
<b>Total</b>	<b>9.89</b>

## 12 Current Tax Assets(Liabilities)

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2023
Advance tax (net of provisions)	4.93
<b>Total</b>	<b>4.93</b>

## 13 Other Current Assets

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2023
Prepaid expenses	1.56
Input tax credit receivable	6.81
Deferred expense (POCM)	1.20
Deferred expense	1.82
Deferred income (POCM)	10.33
Advances to employees	0.30
Operational advances	
considered good	2.20
considered doubtful	0.71
Less: Provision for doubtful advances & deposits	(0.71)
<b>Total</b>	<b>24.22</b>

## 14 Equity Share Capital

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2023
(a) <b>Authorised :</b>	
5,00,00,000 Equity shares of ₹ 2 each	10.00
<b>Issued, Subscribed &amp; Paid up :</b>	
38,311,650 Equity shares of ₹ 2 each	7.66
<b>Total</b>	<b>7.66</b>

## (b) Reconciliation of Number of Shars :

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2023	
	Number of Shares	Amount
Equity shares at the beginning of the year	38,495,125	7.70
Add: Alloted under Employee Stock Option Scheme	50,800	0.01
Less: Shares extinguished on buy-back	234,275	0.05
<b>Equity shares at the end of the year :</b>	<b>38,311,650</b>	<b>7.66</b>



**(c) Rights/Preferences/Restrictions Attached to Equity Shares**

The Group has only one class of Equity share having a par value of ₹ 2/- per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by Board of Directors is subject to the approval of the shareholders in the Annual General Meeting, except in case of interim dividend (s).

In the event of liquidation, the equity shareholders are eligible to receive remaining assets of the Group after distribution of all preferential amounts, in proportion of their shareholding.

**(d) Shares held by promoters at the end of the year**

Shares held by promoters at the end of the year				% Change during the year
S No.	Promotor Name	Number of Shares	% of total shares	
	<b>Promoters :</b>			
1	Vineet Agarwal	2008979	5.24	2.66
2	Dharmpal Agarwal	419314	1.09	
3	Chander Agarwal	917131	2.39	0.01
	<b>Promoters Group :</b>			
4	Dharmpal Agarwal - HUF	1019878	2.66	0.01
5	Vineet And Sons - HUF	10382	0.03	0.00
6	Priyanka Agarwal	972604	2.54	0.01
7	Urmila Agarwal	925295	2.42	0.02
8	Chandrima Agarwal	370528	0.97	0.00
9	Vihaan Agarwal	172166	0.45	0.00
10	Nav Agarwal	169083	0.44	0.00
11	TCI Exim Private Limited	156572	0.41	0.00
12	Bhoruka Express Consolidated Limited	17058233	44.52	0.21
13	Dharmpal Agarwal - TCI Trading	2487497	6.49	0.03
<b>Total</b>		<b>26687662</b>	<b>69.66</b>	<b>2.97</b>

Due to buyback of shares and transfer of shares from non promoter to one promoter, percentage of shareholding have been increased to 69.66% from previous year of 66.69%

**(e) Details of Shareholders holding more than 5% shares in the Group**

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2023	
	Number of Shares	% holding
Bhoruka Express Consolidated Limited	17,058,233	44.52%
Dharmpal Agarwal - TCI Trading	2,487,497	6.49%
Vineet Agarwal	2,008,979	5.24%
	<b>21,554,709</b>	<b>56.25%</b>

**(f) Share Reserved under Employee Stock Option Plan**

The Shareholders in their meeting held on November 1, 2016 have approved the resolution to create, grant, issue and offer 9,57,218 options representing 2.5% of the paid up share capital on that date of shareholders approval in form of options, in one or more tranches under ESOP Scheme 2016.

During the year, in respect of Option granted under the Employees Stock Option Scheme 2016 and in accordance with the guidelines issued by Securities and Exchange Board of India the accounting value of Option (based on fair value of share on the date of grant of option minus option price) is accounted as a deferred employee compensation, which is amortised on straight line basis over the vesting period. Amortisation of deferred employee compensation are detailed as below:

31<sup>st</sup> March, 2023 : ₹ 3.50 crores

**(g) Equity shares movement in the period of five years immediately preceeding March 31 2023.**

During the year, the Company's no. of equity shares have been reduced by 183475 (net off 234275 equity shares extinguished on account of buy-back and allotment of 50,800 equity shares to the eligible employees pursuant to ESOP-2016).

**Equity shares extinguished on buy-back**

The Board, at its meeting held on May 27, 2022, proposed the buyback of equity shares, from the open market route through the Indian Stock Exchanges, amounting to ₹ 75 crore (Maximum Buyback Size, excluding buyback tax) at a price not exceeding ₹ 2,050 per share (Maximum Buyback Price), subject to shareholder's approval in the ensuing Annual General Meeting (AGM).

The shareholders approved the proposal of buyback of equity shares recommended by its Board of Directors in the AGM held on 3<sup>rd</sup> August, 2022.

The buyback was offered to all eligible equity shareholders of the Group (other than the Promoters, the Promoter Group and Persons in Control of the Group) under the Open market route through the stock exchanges (NSE and BSE). The buyback of equity shares through the stock exchange. The buyback of equity shares commenced on Aug 18, 2022 and was completed on Feb 13, 2023. During this buyback period, the Group had purchased and extinguished a total of 234275 equity shares from the stock exchanges at a volume weighted average buyback price of ₹ 1813.58 per equity share comprising 0.61% of the pre-buyback paid-up equity share capital of the Group. The buyback resulted in a cash outflow of ₹ 42.49 crores (excluding transaction cost and tax on buyback).

The Group funded the buyback from its free reserves, including Securities Premium, as explained in Section 68 of the Companies Act, 2013.

In accordance with section 69 of the Companies Act 2013, as at 31 March 2023, the Group has created a Capital Redemption Reserve of ₹ 0.05 crore equal to nominal value of the above shares bought back as an appropriation from the general reserve.

## 15 Other Equity

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2023
<b>(i) Retained earnings</b>	
Opening balance	51.49
Add: Net profit for the current year	139.28
Less: Dividends paid on equity shares during the year	(30.76)
less : Tax on Buyback of Equity Share	(9.90)
Profit available for appropriation	<b>150.11</b>
Transferred to general reserve during the year	(95.00)
Closing balance	<b>55.11</b>
<b>(ii) Securities Premium</b>	
Opening balance	12.02
Addition on issuance of equity shares on exercise of employee stock options	4.79
Less : Buy-back of equity shares	(16.28)
	<b>0.53</b>
<b>(iii) General Reserve</b>	
Opening balance	465.60
Add: Transferred from retained earnings	95.00
Less : Expenses for buy-back of equity shares	(0.53)
Less : Buy-back of equity shares	(26.20)
	<b>533.87</b>
<b>(iv) Other Reserves:</b>	
<b>Share Options Outstanding Account :</b>	
Opening balance	2.81
Add : Created against stock options granted during the year	4.03
Less : Exercise of stock options during the year	(2.82)
Less : Transferred to general reserve during the year	-
	<b>4.02</b>
<b>(v) Other Comprehensive Income Reserve</b>	
<b>Remeasurements of the Net Defined Benefit Plans :</b>	
Opening balance	(3.43)
Changes during the year	(1.44)
	<b>(4.87)</b>
<b>(vi) Capital Redemption Reserve</b>	
Transfer from General Reserve	0.05
	<b>0.05</b>
<b>Total Other Equity</b>	<b>588.71</b>

### Nature and purpose of other reserves

#### Securities premium

Securities premium represents premium received on issue of shares under ESOP scheme 2016. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

#### Employee's stock options outstanding account

The account is used to recognise the grant date value of options issued to employees under Employee stock option plan 2016 and adjusted as and when such options are exercised and/or otherwise expired.

**General reserve**

The Group has transferred a portion of the net profit of the Group before declaring dividend to general reserve pursuant to the earlier provision of Companies Act 1956. Though under the Companies Act, 2013 transfer of profit to general reserve is not required.

**16 Borrowings**

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2023
<b>Secured</b>	
Term loans :	
From banks	0.20
Amount disclosed under short term borrowings ( refer note 19)	(0.20)
<b>Total</b>	-

There is no default as on balance sheet date in repayment of borrowing and interest thereon.

No loans have been guaranteed by the directors and others

**Other Information Pertaining to Nature of Security and terms of repayment**

(₹ in Crores)

Particulars of Nature of Security	Type of loan	Terms of Repayment	As at 31 <sup>st</sup> March, 2023
<b>Term loans from bank :</b>			0.20
Vehicle Loans secured by respective vehicles	Vehicle loan	Repayable in 36 monthly instalments at an average rate of 8.70%	-
		Repayable in 48 monthly instalments at an average rate of 9.16%	-
		Repayable in 60 monthly instalments at an average rate of 8.47%	-

**17 Lease Liabilities**

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2023
<b>Non Current</b>	
Lease obligations	3.84
	<b>3.84</b>
<b>Current</b>	
Lease obligations	2.50
<b>Total</b>	<b>2.50</b>

The Group has made disclosures relating to recognition of leases. Please refer note 39 for necessary disclosures.

**18 Deferred Tax Liabilities/(Assets) (Net)**

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2023
<b>Deferred Tax Liabilities/(Assets) arising on account of :</b>	
Property, plant and equipment- depreciation	12.45
Receivables, financial assets and liabilities at amortised cost	(0.06)
Provision for employee and other liabilities deductible on actual payments	(1.90)
<b>Deferred Tax Liabilities/(Assets) (Net)</b>	<b>10.49</b>

**Movement in Deferred Tax Liabilities/(Assets) (Net) in F Y 2022-23**

(₹ in Crores)

Particulars	As at April 1, 2022	Recognised in Statement of Profit And Loss	Recognised in Other Comprehensive Income	As at 31 <sup>st</sup> March, 2023
<b>Deferred Tax Liabilities/(Assets) in relation to :</b>				
Property, plant and equipment - depreciation	9.28	3.17	-	12.45
Receivables, financial assets and liabilities at amortised cost	(0.14)	0.08	-	(0.06)
Provision for employee and other liabilities deductible on actual payments	(1.28)	(0.14)	(0.48)	(1.90)
<b>Deferred Tax Liabilities/(Assets) (Net)</b>	<b>7.86</b>	<b>3.11</b>	<b>(0.48)</b>	<b>10.49</b>

Deferred tax assets and deferred tax liabilities have been offset wherever the Group has a legally enforceable right to set off current tax assets against current tax liabilities and where the deferred tax assets and deferred tax liabilities relates to Income taxes levied by the same taxation authority

**19 Borrowings**

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2023
<b>Secured</b>	
Working Capital Loans from banks (a)	0.53
Current Maturities of long term borrowings from bank (refer note 16)	0.20
<b>Total</b>	<b>0.73</b>

**(a) Security Details**
**Particulars of Nature of Security :**

Working Capital Loans are secured by hypothecation of entire current assets, book debts as primary security alongwith equitable mortgage of certain land and building as collateral security situated at Sanjay Gandhi Transport Nagar New Delhi, Transport Nagar Lucknow, Transport Nagar Allahabad.

**20 Trade Payables**

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2023
Total outstanding dues of Micro, Small and Medium Enterprises	1.50
Total outstanding dues of creditors other than Micro, Small and Medium Enterprises	86.91
	<b>88.41</b>

Refer note 36 for information about liquidity risk and market risk of trade payables.

**Trade payable ageing schedule for the year ended 31<sup>st</sup> March, 2023**

(₹ in Crores)

Particulars	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
(i) MSME	1.50	-	-	-	1.50
(ii) Others	86.91	-	-	-	86.91
(iii) Disputed Dues- MSME					
(iii) Disputed Dues- Others					

Group has certain dues to suppliers registered under Micro, Medium and small Enterprises Development Act, 2006 (MSMED ACT). The disclosures pursuant to the said MSMED Act are as follows :

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2023
The principal amount remaining unpaid to any supplier at the end of the year	1.50
Interest due remaining unpaid to any supplier at the end of the year	-
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with amount of the payment made to the supplier beyond the appointed day during the year.	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	-
The amount of further interest remaining due and payable even in the succeeding years, untill such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006.	-

Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprises development Act, 2006" is based on the information available with Group regarding the status of registration of such vendors under the said act, as per the intimation received from them on requests made by the Group. There are no overdue principal amounts/interest payable amounts for delayed payments to such vendors at the Balance Sheet date.

**21 Other Financial Liabilities**

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2023
Interest accrued but not due on borrowings	0.00
Unclaimed dividends	2.61
Unearned income	-
Fractional shares entitlements payable	0.05
Trade / security deposits	0.77
Retention monies	2.39
Creditors against fixed assets	3.22
<b>Total</b>	<b>9.04</b>

**22 Other Current Liabilities**

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2023
Statutory remittances	12.10
Employee related payables	6.34
<b>Total</b>	<b>18.44</b>

**23 Provisions**

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2023
<b>Provision for Employee Benefits :</b>	
Provision for gratuity (refer note 38)	2.47
Provision for leave encashment (refer note 38)	2.65
<b>Total</b>	<b>5.12</b>

**24 Revenue From Operations**

(₹ in Crores)

Particulars	Year ended 31 <sup>st</sup> March, 2023
<b>Operating Revenue :</b>	
Express cargo delivery, demurrage and miscellaneous charges	1,241.01
<b>Total</b>	<b>1,241.01</b>

**25 Other Income**

(₹ in Crores)

Particulars	Year ended 31 <sup>st</sup> March, 2023
Interest earned on bank deposits, CPs and other investments	4.83
Unspent liabilities/excess provisions written back	-
Profit on sale of Investments (Net)	0.24
Rental income	2.00
Written back of w/o balances	0.06
Miscellaneous income	0.04
<b>Total</b>	<b>7.17</b>

**26 Operating Expenses**

(₹ in Crores)

Particulars	Year ended 31 <sup>st</sup> March, 2023
Network freight charges	776.58
GPS communication charges	1.37
Crane operating expenses	2.65
Payments to labour boards	15.33
Air freight charges	37.32
Ship freight charges	2.21
Rail freight charges	8.74
Other transportation expenses	5.30
Claims for loss & damages (net)	0.20
<b>Total</b>	<b>849.70</b>

**27 Employee Benefits Expense**

(₹ in Crores)

Particulars	Year ended 31 <sup>st</sup> March, 2023
Salaries, bonus & compensated absences	100.63
Contribution to provident & other funds	8.36
Contribution to employees state insurance	1.04
Amortiation of employees stock option plan	3.50
Staff welfare & development expenses	10.76
<b>Total</b>	<b>124.29</b>



**28 Finance Costs**

(₹ in Crores)

Particulars	Year ended 31 <sup>st</sup> March, 2023
Interest expenses :	
On term loans	0.05
On working capital loans	0.80
On leases	0.68
Bank charges	0.28
<b>Total</b>	<b>1.81</b>

**29 Depreciation & Amortization Expenses**

(₹ in Crores)

Particulars	Year ended 31 <sup>st</sup> March, 2023
Depreciation on property, plant and equipment	12.37
Depreciation on right-of-use assets	2.47
Amortization of intangible assets	0.47
<b>Total</b>	<b>15.31</b>

**30 Other Expenses**

(₹ in Crores)

Particulars	Year ended 31 <sup>st</sup> March, 2023
Rent expense	30.67
Rates and taxes	0.58
Insurance expense	0.69
Telephone/communication expenses	2.23
Printing and stationery	3.62
Travelling expenses	6.27
Legal expenses	0.05
Electricity expenses	3.74
Advertisement expenses	1.03
Office maintenance & security expenses	7.70
Consultancy expenses	1.20
Conference & seminar expenses	0.92
Commission & fees to directors	0.62
<b>Remuneration to auditors :</b>	
Audit fees	0.06
Tax audit fees	0.04
Bad debts and irrecoverable balances written off	0.18
Corporate social responsibility expenditure	2.80
Loss on disposals of property, plant and equipment	0.42
Miscellaneous expenses	2.66
<b>Repair &amp; maintenance :</b>	
Motor cars	2.45
Plant & equipment	0.65
Computers	0.87
Buildings	3.09
<b>Total</b>	<b>72.54</b>

**Corporate Social Responsibility**

As per Section 135 of the Companies Act 2013, a Corporate Social Responsibility Committee has been formed by the Group. The funds were primarily allocated to a corpus and utilized through the year on the activities which are specified in Schedule VII of the Companies Act, 2013.

(₹ in Crores)

Particulars	Year ended 31 <sup>st</sup> March, 2023
Amount required to be spent as per section 135 of the Companies Act, 2013	2.80
Contribution made during the year	2.80

Particulars	Year ended 31 <sup>st</sup> March, 2023
(a) Amount required to be spent by the Group	2.80
(b) Amount spent during the year (in cash)	2.80
(i) Construction or acquisition of any asset	
(ii) On purposes other than (i) above	
(c) Shortfall at the end of the year	Nil
(d) Total of the previous year shortfall	Nil
(e) Reason for the shortfall	NA
(f) Nature of CSR activities	Education, Healthcare, Women Empowerment, Skilling, Employment, Poverty Eradication, Rural development
(g) Details of related party transactions in relation to CSR expenditure as per relevant accounting standard Contribution to TCI Foundation in relation to CSR Expenditure	1.80

### 31 Earnings Per Share

(₹ in Crores)

Particulars	Year ended 31 <sup>st</sup> March, 2023
Net profit attributable to equity shareholders for calculation of earnings per share	139.28
Weighted average number of equity shares used for computing earnings per share for basic EPS	38,429,163
Weighted average number of equity shares used for computing earnings per share for diluted EPS	38,477,304
Nominal value per share	2.00
<b>Earnings per equity share</b>	
Basic	36.24
Diluted	36.20

### 32 Income Tax

(₹ in Crores)

Particulars	Year ended 31 <sup>st</sup> March, 2023
<b>The income tax expense consists of the following :</b>	
Current tax expense for the current year	42.14
Deferred tax expense/(benefit)	3.11
	<b>45.25</b>

The reconciliation of the estimated tax expense at statutory income tax rate to income tax expense reported in the statement of profit and loss is as follows:

(₹ in Crores)

Particulars	Year ended 31 <sup>st</sup> March, 2023
Profit before income taxes	184.53
At domestic statutory income tax rate 25.17%	46.45
<b>Adjustments in respect of current income tax</b>	
Permanent disallowances	0.70
Tax on income at different Rate	0.04
Others	(1.95)
<b>Tax expense in the statement of profit and loss</b>	<b>45.25</b>

### 33 Contingencies and Commitments

(₹ in Crores)

Particulars	Year ended 31 <sup>st</sup> March, 2023
<b>(A) Contingent liabilities</b>	
I Stamp duty/ octroi/ duty and other demands under dispute	19.72
II Guarantees excluding financial guarantees	1.44
<b>(B) Commitments</b>	
Estimated amount of contracts remaining to be executed on capital account and not provided for ( net of advance) on tangible assets.	<b>10.00</b>

### 34 Financial Instruments

#### A. Fair values hierarchy

##### The different levels of fair value have been defined below:

The fair value of financial instruments has been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities [Level 1 measurements] and lowest priority to unobservable inputs [Level 3 measurements].

The categories used are as follows:

Level 1: Quoted prices for identical instruments in an active market;

Level 2: Directly (i.e. as prices) or indirectly (i.e. derived from prices) observable market inputs, other than Level 1 inputs; and

Level 3: Inputs which are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a net asset value or valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor they are based on available market data.

The carrying amounts and fair values of financial instruments by category are as follows:

##### The different levels of fair value have been defined below:

(₹ in Crores)

Particulars	Note	As at 31 <sup>st</sup> March, 2023
<b>Financial assets</b>		
(i) Trade receivables	8	211.47
(ii) Cash and cash equivalents	9	13.80
(iii) Other bank balances	10	2.88
(iv) Other financials assets	11	9.89
<b>Total Financial Assets</b>		<b>238.04</b>
<b>Financial liabilities</b>		
(i) Borrowings (including current maturities)	19	0.73
(ii) Lease Liabilities	17	6.34
(iii) Trade payables	20	88.41
(iv) Other financial liabilities	21	9.04
<b>Total Financial Liabilities</b>		<b>104.52</b>

(i) The management assessed that fair values of cash and cash equivalents, trade receivables, other receivables, short term borrowings, trade payables and other current financial liabilities are approximate of their respective carrying amounts, largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is included in the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

(ii) The fair values of loans, security deposits, borrowings and other financial assets and liabilities are considered to be the same as their carrying values, as there is no material change in the lending rates.

#### B. Financial assets and liabilities measured at fair value - recurring fair value measurements

(₹ in Crores)

As at 31 <sup>st</sup> March, 2023	Level 1	Level 2	Level 3	Total
Assets at fair value				
Investments measured at				
Fair value through other comprehensive income	27.47	-	0.43	27.90
Fair value at Amortised Cost	2.17	-	-	2.17
Fair value through profit and loss	2.47	-	-	2.47
<b>As at 31<sup>st</sup> March, 2022 (refer note 46)</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Assets at fair value				
Investments measured at				
Fair value through other comprehensive income	-	-	-	-
Fair value at Amortised Cost	-	-	-	-
Fair value through profit and loss	-	-	-	-

#### a. Valuation process and technique used to determine fair value

(i) In order to arrive at the fair value of unquoted investments, the Group obtains independent valuations. The techniques used by the valuer are as follows:

- Asset approach - Net assets value method
- Income approach - Discounted cash flow ("DCF") method

c) Market approach - Enterprise value/sales multiple method

- b. Significant unobservable inputs used in Level 3 fair values and sensitivity of the closing values as at end of reporting period to such inputs is as below :

**Unquoted equity shares**

Description	As at 31 <sup>st</sup> March, 2023
<b>Impact on fair value if change in earnings growth rate</b>	
- Impact due to increase of 0.50 %	0.00
- Impact due to decrease of 0.50 %	(0.00)
<b>Impact on fair value if change in risk adjusted discount rate</b>	
- Impact due to increase of 0.50 %	0.00
- Impact due to decrease of 0.50 %	(0.00)

- c. The following table presents the changes in level 3 items for the periods ended 31st March, 2023. (₹ in Crores)

Description	Unquoted equity shares
<b>As at 1<sup>st</sup> April, 2022</b>	1.05
Acquisitions	-
(Loss)/gain recognised in other comprehensive income	(0.63)
<b>As at 31<sup>st</sup> March, 2023</b>	0.43

### 35 Revenue From Contracts With Customers

Indian Accounting Standard 115 Revenue from Contracts with Customers ("Ind AS 115"), establishes a framework for determining whether, how much and when revenue is recognised and requires disclosures about the nature, amount, timing and uncertainty of revenues and cash flows arising from customer contracts. Under Ind AS 115, revenue is recognised through a 5-step approach:

- Identify the contract(s) with customer;
- Identify separate performance obligations in the contract;
- Determine the transaction price;
- Allocate the transaction price to the performance obligations; and
- Recognise revenue when a performance obligation is satisfied.

The standard is applied only to contracts that are not completed as at March 31 2023.

#### Significant changes in contract assets and liabilities

Changes in balance of contract liabilities during the year: (₹ in Crores)

Description	As at 31 <sup>st</sup> March, 2023
<b>Opening balance of contract liabilities</b>	10.47
Less: Amount of revenue recognised against opening contract liabilities	(10.47)
Add: Addition in balance of contract liabilities for current year	10.33
<b>Closing balance of contract liabilities</b>	<b>10.33</b>

There has been no significant changes in contract assets/liabilities during the year.

#### Disaggregation of revenue

The Group has performed a disaggregated analysis of revenues considering the nature, amount, timing and uncertainty of revenues. This includes disclosure of below: (₹ in Crores)

Revenue	Amount
<b>Revenue from contract with customer</b>	
Domestic	1240.62
Overseas	0.39
<b>Other revenue</b>	
Domestic	-
<b>Total</b>	<b>1241.01</b>

Revenue by time	Amount
Revenue recognised over time	1,241.01
Revenue recognised at point in time	-
<b>Total</b>	<b>1,241.01</b>

**Assets and liabilities related to contracts with customers**

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2023
<b>Current</b>	
Contract assets related to sale of service	-
Contract liabilities related to sale of service	
Deferred income Assets ( liability)	10.33
Trade receivable	211.47

**Performance obligation of the Group**

In case of freight service there is only one performance obligation of the Group i.e. to carry express cargo distribution. The Group recognizes revenue over time during which the services are being delivered.

Revenue from services rendered is recognised in proportion to the stage of completion of the transaction at the reporting date when the outcome of the transaction can be estimated reliably.

**36 Risk Management**

The Group financial risk management is an integral part of how to plan and execute its business strategies.

The Group risk management is carried out by a central team at the Corporate Office comprising of chief financial officer, credit controller and other members of the finance/credit control function under policies approved by the Board of Directors. All receipts and payments are maintained at centralised bank account, thus resulting in mitigating the credit risk and liquidity risk.

**A. CREDIT RISK**

Credit risk is the risk that a counterparty fails to discharge its obligation to the Group. The Group exposure to credit risk is influenced mainly by short term investments, trade receivables, cash and cash equivalents and other financial assets measured at amortised cost. The Group continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

**Credit risk rating**

The Group assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets.

A : No Risk

B: Low credit risk

C: Moderate credit risk

D: High credit risk

Based on business environment in which the Group operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on past credit loss experience with customers and considering differences between current and historical economic conditions.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group or debtor declaring bankruptcy or customer closing down the business. The Group continues to engage with parties whose balances are written off and attempts to enforce repayment to attempt to recover the receivable due. Where recoveries are made, these are recognised as income in statement of profit and loss.

Financial Assets that exposes the entity to credit risk:

(₹ in Crores)

Credit rating	Particulars	As at 31 <sup>st</sup> March, 2023
A: No Risk	Cash and cash equivalents	13.80
	Other bank balances	2.88
	Investments	32.11
B: Low credit risk on financial reporting date	Trade receivables	210.90
C: Moderate credit risk	Trade receivables	0.57

**Cash and cash equivalents and bank term deposits**

Credit risk related to cash and cash equivalents and bank term deposits is managed by only accepting highly rated banks being assigned by credit rating agencies.



### Investments

Majority of the Group investments are fair valued based on Level 1 inputs. These investment primarily include investment in equity shares, liquid mutual fund units, Commercial papers, quoted bonds issued by quasi-government organisations. The Group invest after considering counterparty risks based on multiple criteria including Credit rating, profitability and deposit base of banks and financial institutions.

### Trade receivables

The Group closely monitors the credit-worthiness of the debtors through IT driven internal systems that are configured to define credit limits of customers, thereby, limiting the credit risk to pre-calculated amounts and stipulated days. Moreover, given the diverse nature of the Group businesses trade receivables are spread over a number of customers with no significant concentration of credit risk. No single customer accounted for 3% or more of the trade receivables in any of the years presented. The Group assesses increase in credit risk on an ongoing basis for amounts receivable that become past due and default is considered to have occurred when amounts receivable become one year past due

### Other financial assets measured at amortised cost

Other financial assets measured at amortised cost includes security deposits and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously

Financial assets are considered to be of good quality and there is no significant increase in credit risk

### Credit risk exposure

#### Provision for expected credit losses

The Group provides for 12 month expected credit losses for following financial assets –

As at 31<sup>st</sup> March, 2023

(₹ in Crores)

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of provision for expected credit losses
Trade Receivables	212.25	(0.78)	211.47

### Movement in provisions of doubtful debts

(₹ in Crores)

Particulars	Amount
Loss allowance on 1 <sup>st</sup> April, 2022	1.07
Less : Provision written back	0.29
Loss allowance on 31 <sup>st</sup> March, 2023	0.78

### Expected credit loss for trade receivables under simplified approach :

As at 31<sup>st</sup> March, 2023

(₹ in Crores)

Ageing	Not Due (0-30)	31-60 days	61-90 days	91-180 days	More than 180 days	Total
Gross carrying amount	104.27	58.64	28.75	17.59	3.00	212.25
Expected loss rate		0.31%	0.31%	1.08%	10.57%	
Expected credit loss (Loss allowance provision)	-	(0.18)	(0.09)	(0.19)	(0.32)	(0.78)
Net carrying amount of trade receivables (net of provision)	104.27	58.46	28.66	17.40	2.68	211.47

## B. LIQUIDITY RISK

Liquidity risk is the risk that the Group carrying will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

Management monitors rolling forecasts of the Group liquidity position and cash and cash equivalents on the basis of expected cash flows.

### (i) Financing arrangements

The Group principal source of liquidity are cash and cash equivalent, short term investments and the cash flow that is generating from operations. The Group believes that the following short term financial assets and unused working capital limits of ₹ 45.00 crores with consortium bankers are sufficient to meet its financial liabilities within the maturity period.

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2023
Cash and cash equivalents	13.80
Short Term Investment	32.11
<b>Total</b>	<b>45.91</b>

## (ii) Contractual Maturities of financial liabilities

The tables below analyse the financial liabilities into relevant maturity groupings based on their contractual maturities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

As at 31<sup>st</sup> March, 2023

(₹ in Crores)

Particulars	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Borrowings (Including Interest accrued but not due)	0.53				0.53
Term Loan	0.19	-	-	-	0.19
Trade payables	88.41				88.41
Other financial liabilities	9.04				9.04
<b>Total</b>	<b>98.18</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>98.18</b>

## C. MARKET RISK

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loans and borrowings.

## a) Interest rate risk

## i) Liabilities

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. In order to optimize the Group position with regards to interest income and interest expenses and to manage the interest rate risk, management performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

The Group policy is to minimise interest rate cash flow risk exposures on long-term and short term financing. At 31<sup>st</sup> March, 2023, the Group is exposed to changes in market interest rates through bank borrowings at variable interest rates.

## Interest rate risk exposure

Below is the overall exposure of the Group to interest rate risk:

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2023
Variable rate borrowing	0.53
Fixed rate borrowings	0.20
<b>Total borrowings</b>	<b>0.73</b>
Amount disclosed under short term borrowing	(0.73)
<b>Amount disclosed under borrowings</b>	<b>-</b>

## Sensitivity

The following table illustrates the sensitivity of profit and equity to a possible change in interest rates of +/- 1% (31<sup>st</sup> March, 2023). These changes are considered to be reasonably possible based on observation of current market conditions. The calculations are based on a change in the average market interest rate for each period, and the financial instruments held at each reporting date that are sensitive to changes in interest rates. All other variables are held constant.

Particulars	As at 31 <sup>st</sup> March, 2023
<b>Interest sensitivity</b>	
Interest rates – increase by 100 basis points (100 bps)	(0.004)
Interest rates – decrease by 100 basis points (100 bps)	<b>0.004</b>

### 37 Capital Management

The Group aims to manage its capital efficiently

- to ensure the Group ability to continue as a going concern
- to optimise returns to its shareholders

The Group manages the capital structure through efficient allocation of capital towards expansion of business, optimization of working capital requirements and deployment of surplus funds into various investment options. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue new shares or return capital to shareholders.

The Group policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Group will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

#### a) Debt-Equity Ratio

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2023
Borrowings	0.73
<b>Net Debt</b>	<b>0.73</b>
Total equity	596.37
<b>Net Debt to Equity Ratio (in times )</b>	<b>0.00</b>

#### b) Dividends

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2023
<b>i) Interim Dividend</b>	
For the year ended 31 <sup>st</sup> March, 2023 ₹ 6 per equity share	23.05
<b>(ii) Final Dividend</b>	
For the year ended 31 <sup>st</sup> March, 2022 of ₹ 2.00 per equity share	7.7

### 38 A. Employee Benefit Obligations ( on the basis of Actuarial Valuation)

#### 1) Gratuity

The Group provides for gratuity for employees in India as per the 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. For the funded plan the Group makes contributions to recognised funds in India. The Group does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

The weighted average duration of the defined benefit obligation as at 31<sup>st</sup> March, 2023 is 13 years.

The amounts recognised in the statement of financial position and the movements in the net defined benefit obligation over the year are as follows:

#### a. Reconciliation of present value of Defined Benefit Obligation and the fair value of plan assets

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2023
Present value obligation as at the end of the year	19.22
Fair value of plan assets as at the end of the year	16.75
<b>Net (liability)/ asset recognised in Balance Sheet (refer note 24)</b>	<b>(2.47)</b>

#### b. Changes in Defined Benefit Obligations

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2023
Present value of obligations as at the start of the year	17.11
Interest cost	1.24
Service cost	1.80
Benefits paid	(1.32)
Actuarial (gain)/loss on total liabilities	0.39
<b>Present value of obligations as at the end of the year</b>	<b>19.22</b>

**c. Amount Recognized in the Statement of Profit and Loss**

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2023
Service cost	1.80
Net interest cost	0.22
<b>Amount recognised in the statement of profit and loss</b>	<b>2.02</b>

**d. Change in the Fair Value of Plan Asset :**

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2023
Fair value of plan assets as at the start of the year	14.07
Return on plan assets	0.95
Contribution	3.04
Benefits paid	(1.32)
<b>Fair value of plan assets as at the end of the year</b>	<b>16.74</b>

**e. Actuarial Gain/(Loss) on Plan Asset**

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2023
Expected interest income	1.02
Actual income on plan asset	0.95
<b>Actuarial gain/(loss) on Assets</b>	<b>(0.07)</b>

**f. Other Comprehensive Income**

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2023
Actuarial gain/(loss) on liabilities	(0.39)
Actuarial gain/(loss) on assets	(0.07)
Unrecognised actuarial gain/(loss) at the end of the year	(0.46)

**g. Actuarial Assumption**

Particulars	As at 31 <sup>st</sup> March, 2023
Discount rate	7.52%
Future salary increase	6.50% p.a
Average future service ( in years)	28.26 years

The discount rate indicated above reflects the estimated and currency of benefit payments. It is based on the yields/ rates available on applicable bonds as on the current valuation date

**h. Demographic Assumption**

Particulars	As at 31 <sup>st</sup> March, 2023
Retirement age (years)	58
Mortality rates inclusive of provision for disability	100% of IALM (2012-14) ultimate Withdrawal Rate(%)
Ages	
Up to 30 years	4.00%
From 31 to 40 years	3.00%
From 41 to 50 years	3.00%
Above 50 years	3.00%

**i. Sensitivity Analysis for Gratuity Liability**

(₹ in Crores)

Particulars	Year Ended 31 <sup>st</sup> March, 2023
<b>Impact of the change in discount rate</b>	
Present value of obligation at the end of the year	19.22
a) Impact due to increase of 0.50%	(1.07)
b) Impact due to decrease of 0.50%	1.17

**j. Sensitivity Analysis for Gratuity Liability**

(₹ in Crores)

Particulars	Year Ended 31 <sup>st</sup> March, 2023
<b>Impact of the change in salary increase</b>	
Present value of obligation at the end of the year	19.22
a) Impact due to increase of 1.00%	2.39
b) Impact due to decrease of 1.00%	(2.05)

**k. Sensitivity Analysis for Gratuity Liability**

Particulars	Year Ended 31 <sup>st</sup> March, 2023
<b>Impact of the change in Attrition rate</b>	
Present value of obligation at the end of the year	19.22
a) Impact due to increase of 1.00%	0.22
b) Impact due to decrease of 1.00%	(0.25)

**l. Maturity Profile of Defined benefit Obligation**

(₹ in Crores)

Particulars	Year Ended 31 <sup>st</sup> March, 2023
Year 1	1.04
Year 2	0.73
Year 3	1.04
Year 4	1.05
Year 5	1.28
After 5 <sup>th</sup> Year	52.84

**Defined Contribution Plans**

The Group make contribution to state governed provident fund scheme, employee state insurance scheme and labour welfare fund scheme, and are considered as defined contribution plans. The contribution under the schemes are recognised as an expense in the statement of profit and loss, when an employee renders the related service. There are no other obligations other than the contribution payable to the respective funds.

**2) Leave Obligations**

The leave obligations cover the Group liability for earned leaves, since the Group does not have an unconditional right to defer settlement for any of these obligations. However based on past experience, the Group does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months. Therefore based on the independent actuarial report, only a certain amount of provision has been presented as current and remaining as non-current leave obligation. The following amounts reflect leave that is not expected to be taken or paid within the next 12 months.

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2023
Current leave obligations expected to be settled within the next 12 months	0.12
Non-current leave obligations expected to be settled in future	2.53

**Movement in the liability recognised in the Balance Sheet**

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2023
Present value of defined benefit obligation as at the start of the year	2.51
Current service cost	0.47
Interest cost	0.18
Actuarial (gain)/loss on total liabilities	(0.24)
Benefits paid	(0.27)
Present value of defined benefit obligation as at the end of the year (refer note 27)	2.65



**Amount recognised in the Statement of Profit and Loss**

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2023
Current service cost	0.47
Interest cost	0.18
Net actuarial (gain)/loss	(0.24)
Amount recognized in the statement of profit and loss (refer note 27)	0.41

**Amount recognised in the Statement of Profit and Loss**

Particulars	As at 31 <sup>st</sup> March, 2023
Discount rate (per annum)	7.52%
Salary growth rate (per annum)	6.50%

**B. Employees Stock Option Plan**

The Group during the year has granted 42,250 Stock Options to its eligible employees. The Group in accordance with the Employee Stock Option Plan-2016, vesting period being 1, 2 & 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 Group of the face value of ₹ 2 each on payment of ₹ 800 per share, the exercise price. The fair value of option determined on the date of grant is ₹ 967.53 based on Black Scholes methodology. The impact of above for the years are ₹ 4.09 crores. Accordingly, the provision and disclosure have been considered in the financial statements

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2023
Outstanding options at the beginning of year	92,200
Face value of share (₹)	2.00
No. of options granted during the year	42,250
Vesting period of options granted during the year (graded)	1, 2 & 3 years
Exercise price of options granted during the year (₹)	800.00
Fair value of the options (₹)	967.53
No. of options exercised during the year	50,800
No. of options cancelled during the year	6,100
Outstanding options at the end of year	77,550

**39 Leases**

Lease liability is initially measured at the present value of future lease payments. Lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. Lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability and reducing the carrying amount to reflect the lease payments made. Right of use assets for leases previously classified as operating leases were recognised and measured at an amount equal to lease liability (adjusted for any related prepayments/accruals).

The following is the break-up of current and non-current lease liabilities

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2023
Current lease liabilities (refer note 17)	2.50
Non current lease liabilities (refer note 17)	3.84
<b>Total</b>	<b>6.34</b>

The following is the movement in lease liabilities

(₹ in Crores)

Particulars	Amount
Opening balance as at 1 <sup>st</sup> April, 2022	0.13
Addition during the year	8.42
Finance cost accrued during the year	0.68
Deletion during the year	(2.20)
Payment of lease liabilities	(0.69)
<b>Closing balance as at 31<sup>st</sup> March, 2023</b>	<b>6.34</b>

**40 Disclosures pursuant to Ind AS 24 "Related Party Disclosures"**
**I. List of Related Parties**
**ii) Key managerial personnel:**

Particulars	Designation
Mr. Chander Agarwal	Managing Director
Mr Phool Chand Sharma	Non Executive Director
Mr. D.P. Agarwal	Non Executive Non Independent
Mr. Vineet Agarwal	Non Executive Non Independent
Mr. Murali Krishna Chevuturi	Independent Director
Mr. Prashant Jain	Independent Director
Mr. Ashok Kumar Ladha	Independent Director
Mrs Taruna Singhi	Independent Director
Mr. Mukti Lal	Chief Financial Officer
Mr. Pabitra Mohan Panda	Chief Operational Officer
Ms. Priyanka	Company Secretary

**ii) Enterprises over which KMPs/ relatives of KMPs exercise significant influence**

Particulars	Designation
TCI Properties (Guj) – Partnership firm	TCI India Ltd
TCI Properties (Delhi) – Partnership firm	TCI Warehousing (MH) – Partnership firm
TCI Developers Ltd	Transport Corporation of India Ltd
TCI Properties (West) Ltd.	Transystem Logistics International Pvt. Ltd
XPS Cargo Services Ltd	Bhoruka Charitable Trust
Chander Asset Management Welfare Trust	TCI Foundation (Trust)
Dhampal & Sons (HUF)	TCI Distribution Centres Ltd
Bhoruka Express Consolidated Ltd	Bhoruka Finance Corporation of India Ltd
Bhoruka International (P) Ltd	TCI Exim Pvt Ltd
TCI Charities ( Trust)	TCI Express Foundation (Trust)

**II. Transactions during the year with related parties:**
**A Enterprises over which KMPs/ relatives of KMPs exercise significant influence**

(₹ in Crores)

Nature of transaction	Year ended 31 <sup>st</sup> March, 2023
<b>Income :</b>	
Freight income	1.81
Rental income	1.69
<b>Expenditure :</b>	
Rent payment	10.78
Shipping expenses	2.06
Business support service	4.42
Dividend paid	20.54
Charity and donation (including CSR expenditure)	1.80
Project management fees	0.21

**B Key Managerial Personnel Compensation**

(₹ in Crores)

Particulars	Year ended 31 <sup>st</sup> March, 2023
Short employee benefits	11.06
Post employment benefits	0.32
Employee stock option	4.02
Sitting fees and commission to independent directors	0.62

**III. Balance as at the year end :**

(₹ in Crores)

Nature of transaction	Nature of relation	As at 31 <sup>st</sup> March, 2023
<b>Assets:</b>		
Advances/ deposits given		2.36
Rent receivable		0.01
<b>Liabilities:</b>		
Remuneration payable :	Managing Director	4.00
	Non Executive Directors	0.42
	Rent	0.95
Other payable	Business Support Service	4.81

**41 SEGMENT REPORTING**

As the Group main business activity falls within a single primary business segment viz. "Express Cargo" the disclosure requirements of Segment Reporting as per Indian Accounting Standard - 108 are not applicable.

42 Various parties accounts are subject to confirmation and reconciliation, wherever required.

43 Previous year figures have been regrouped/rearranged wherever considered necessary.

**44 ADDITIONAL INFORMATION**

(₹ in Crores)

Nature of transaction	As at 31 <sup>st</sup> March, 2023
<b>Remittance in foreign currency :</b>	
Plant and machinery	8.10
Investments	0.65
Subscription	0.04
Business promotion	-
Air freight payments	1.78
Dividend payment	0.83
<b>Total</b>	<b>11.40</b>
Earning in foreign currency :	
Freight income	0.39
<b>Total</b>	<b>0.39</b>

**45 (Net Debt)/Surplus Cash Reconciliation**

(₹ in Crores)

Nature of transaction	As at 31 <sup>st</sup> March, 2023
Cash and cash equivalents	16.68
Less: non current borrowings	-
Less: current borrowings	(0.73)
<b>(Net debt)/surplus cash</b>	<b>15.95</b>

**Reconciliation of liabilities arising from financing activities**

The changes in the Group's liabilities arising from financing activities can be classified as follows:

(₹ in Crores)

Particulars	Long Term Borrowings	Short Term Borrowings	Cash and Cash Equivalents	Total
(Net Debt)/Surplus Cash as at 1 <sup>st</sup> April, 2022	(0.21)	(0.78)	18.00	17.02
Cash Flows:			Z	
Repayment during the year	0.21	(0.72)	-	(0.51)
Finance cost recognised	(0.05)	(1.77)	-	(1.81)
Finance cost paid	0.05	1.77	-	1.80
Net cash flow	-	-	(1.32)	(1.32)
<b>(Net debt)/surplus cash as at 31<sup>st</sup> March, 2023</b>	<b>0.00</b>	<b>(1.50)</b>	<b>16.68</b>	<b>15.18</b>

**45 The wholly owned subsidiary company was incorporated on February 14, 2023. Therefore, the figures for the year ended March 31, 2022 do not arise in the consolidated financial statement.**

**47 Immovable Properties Involved in Scheme of Arrangement:**

Pursuant to Scheme of Arrangement between Transport Corporation of India Limited (TCIL) and TCI Express Limited (TCIEXPRESS) and their respective shareholders, 47 immovable properties are required to be transferred in the name of TCIEXPRESS from TCIL. Out of 47 immovable properties, 31 properties (including including one sold in earlier year) has been transferred in the name of TCIEXPRESS and rest of the immovable properties are in process of transfer.

**48 OTHER STATUTORY INFORMATION**

**(a) Immovable properties in respect of which title deed are pending to change in the name of Group's (refer note 2)**

(₹ in Crores)

S.No	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promotor, director or relative of promotor/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the Group
1	Land & Building at Ahemdabad	0.29	Transport Corporation of India Ltd	No	1 <sup>st</sup> April 2016	Applications for transfer of titles pending with the Govt. Deptt.
2	Land & Building at Ranchi	0.20	Transport Corporation of India Ltd	No	1 <sup>st</sup> April 2016	Applications for transfer of titles pending with the Govt. Deptt.
3	Building at Madras	0.09	Transport Corporation of India Ltd	No	1 <sup>st</sup> April 2016	Applications for transfer of titles pending with the Govt. Deptt.
4	Land & Building at Kheda	15.70	Transport Corporation of India Ltd	No	1 <sup>st</sup> April 2016	Applications for transfer of titles pending with the Govt. Deptt.
5	Land & Building at Rajkot	0.70	Transport Corporation of India Ltd	No	1 <sup>st</sup> April 2016	Applications for transfer of titles pending with the Govt. Deptt.
6	Land & Building at Ankleshwar	0.15	Transport Corporation of India Ltd	No	1 <sup>st</sup> April 2016	Applications for transfer of titles pending with the Govt. Deptt.
7	Land & Building at Surat	0.15	Transport Corporation of India Ltd	No	1 <sup>st</sup> April 2016	Applications for transfer of titles pending with the Govt. Deptt.
8	Land & Building at Hazira	0.13	Transport Corporation of India Ltd	No	1 <sup>st</sup> April 2016	Applications for transfer of titles pending with the Govt. Deptt.
9	Land & Building at Bhopal	2.47	Transport Corporation of India Ltd	No	1 <sup>st</sup> April 2016	Applications for transfer of titles pending with the Govt. Deptt.
10	Land & Building at Jabalpur	0.38	Transport Corporation of India Ltd	No	1 <sup>st</sup> April 2016	Applications for transfer of titles pending with the Govt. Deptt.
11	Land & Building at Patna	1.24	Transport Corporation of India Ltd	No	1 <sup>st</sup> April 2016	Land and Building are in name of erstwhile company
12	Land & Building at Akola	0.17	Transport Corporation of India Ltd	No	1 <sup>st</sup> April 2016	Land and Building are in name of erstwhile company
13	Building at Saki Naka	0.35	Transport Corporation of India Ltd	No	1 <sup>st</sup> April 2016	Building are in name of erstwhile company
14	Building at Kandiveli	0.15	Transport Corporation of India Ltd	No	1 <sup>st</sup> April 2016	Building are in name of erstwhile company
15	Land at Bhiwandi	2.28	Transport Corporation of India Ltd	No	1 <sup>st</sup> April 2016	Land are in name of erstwhile company
16	Land at Bangalore	0.04	Transport Corporation of India Ltd	No	1 <sup>st</sup> April 2016	Land are in name of erstwhile company

## (b) Ratios)

 The following are the analytical ratios for the year ended 31<sup>st</sup> March, 2023 and 31<sup>st</sup> March, 2022

S.No	Particulars	Numerator	Denominator	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022	% Variance
1	Current ratio ( in times)	Current assets	Current liabilities	2.41	2.93	-17.75%
2	Debt- equity ratio (in times)	Total debts	Shareholder's equity	0.001	0.002	-33.08%#
3	Debt service coverage ratio (in times)	Earning available for debt service	Debt service	158.72	169.67	-6.46%
4	Return on equity (in %)	Net profit after taxes	Average shareholder's equity	24.59%	26.56%	-7.40%
5	Trade receivable turnover ratio (in times)	Revenue with taxes	Average trade receivable	7.30	7.11	2.72%
6	Trade payable turnover ratio (in times)	Purchases of services and other expense	Average trade payable	10.49	12.18	-13.89%
7	Net capital turnover ratio (in times)	Revenue with taxes	Working capital	8.39	5.91	41.96*
8	Net profit ratio (in times)	Net profit	Revenue	11.16	11.82	-5.60%
9	Return on capital employed (ROCE) (in %)	Earning before interest and taxes	Average capital employed	32.26%	35.11%	-8.11%
10	Return on nvestment (ROI) (in %)	Income generated from investment	Time weighted average investments	8.09%	7.22%	12.00%

\* The increase is mainly on account of sale of investment

# Due to decrease of debt and buyback of shares

## (c) Transactions with struck off companies

(₹ in Crores)

Name of Struck off	Nature of transactions with struck off company	As at 1 <sup>st</sup> April 2022	Transaction	As at 31 <sup>st</sup> March 2023	Relationship with the struck off company
Pyrotech Electronics Private Limited	Freight Income	0.05	0.25	0.30	Customer
Bhaskar Industries Private Limited	Freight Income	-	0.03	0.03	Customer
M D Pharmaceuticals Private Limited	Freight Income	-	0.02	0.02	Customer
Vital Care Private Limited	Freight Income	0.09	0.35	0.44	Customer
Advance Valves Private Limited	Freight Income	0.19	1.32	1.51	Customer
The West Bengal Power Development Corporation Limited	Freight Income	-	0.01	0.01	Customer
Vinni Chemicals Pvt. Ltd.	Freight Income	0.17	0.46	0.63	Customer
Anand Water Meter Mfg. Co . (P) Ltd.	Freight Income	-	0.07	0.07	Customer
Welspun India Limited	Freight Income	-	0.02	0.02	Customer
Jindal India Limited	Freight Income	-	0.01	0.01	Customer
Technico (India) Pvt Ltd	Freight Income	-	0.07	0.07	Customer
D. G. T. Engineers Private Limited	Freight Income	-	0.01	0.01	Customer
Cas Weighing India Private Limited	Freight Income	0.02	0.09	0.11	Customer
Apm Industries Ltd	Freight Income	0.00	0.01	0.01	Customer
G G Tronics India Private Limited	Freight Income	-	0.02	0.02	Customer
Repco Mines And Minerals Private Limited	Freight Income	-	0.01	0.01	Customer
Medirize Pharmaceuticals Private Limited	Freight Income	-	0.01	0.01	Customer
Vani Private Limited	Freight Income	-	0.01	0.01	Customer
Rungamatttee Tea & Industries Limited	Freight Income	-	0.04	0.04	Customer

Name of Struck off	Nature of transactions with struck off company	As at 1 <sup>st</sup> April 2022	Transaction	As at 31 <sup>st</sup> March 2023	Relationship with the struck off company
Pyrotek India Private Limited	Freight Income	0.00	0.06	0.06	Customer
Prime Graphite Private Limited	Freight Income	0.00	0.03	0.03	Customer
Quality Pharma Products Private Limited	Freight Income	-	0.03	0.03	Customer
Mayfair Hotels And Resorts Limited	Freight Income	-	0.04	0.04	Customer
Protectron Electromech Private Limited	Freight Income	0.01	0.21	0.22	Customer
Win Medicare Private Limited	Freight Income	0.14	1.23	1.37	Customer
Houston Pharmaceuticals Private Limited	Freight Income	-	0.01	0.01	Customer
Sew Eurodrive India Private Limited	Freight Income	0.13	1.05	1.18	Customer
Fuji Electric Consul Neowatt Private Limited	Freight Income	0.34	0.01	0.35	Customer

**(d) Benami property**

The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

**(e) Registration of charges or satisfaction with Registrar of Companies**

The Group do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

**(f) Details of crypto currency or virtual currency**

The Group have not traded or invested in Crypto currency or Virtual Currency during the financial year.

**(g) Utilisation of borrowed funds and share premium**

The Group have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

**(h) Compliance with number of layers of companies**

The Group is in compliance with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017 (as amended).

**(i) Revaluation of PPE**

The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible asset.

**(j) Undisclosed income**

There were no previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

The accompanying notes 1 to 48 are an integral part of the consolidated financial statements.

In terms of our Report of even date attached

For **R S Agarwala & Co.**

Chartered Accountants  
Firm Reg No. 304045E

**D P Agarwal**  
Chairman  
(Gurugram)

**Bimal Kumar Kedia**  
Partner  
(Membership No. 055237)

Camp : Gurugram  
Date : 26<sup>th</sup> May 2023

For and on behalf of the Board of Directors of  
**TCI Express Limited**

**Chander Agarwal**  
Managing Director  
(Gurugram)

**Mukti Lal**  
VP & CFO  
(Gurugram)

**Murali Krishna Chevuturi**  
Director  
(Hyderabad)

**Priyanka**  
Company Secretary  
(Gurugram)



# Notice Of 15<sup>th</sup> Annual General Meeting

Dear Members,

Notice is hereby given that fifteenth (15<sup>th</sup>) Annual General Meeting ('AGM' or 'Meeting') of the Members of TCI Express Limited ('the Company') will be held on Friday, August 04, 2023 at 10:30 A.M through video conferencing to transact the following business:

## Ordinary Business:

1. Adoption of the Audited standalone financial statement of the Company for the financial year ended March 31, 2023 and the reports of the Board of Directors and Auditors thereon

To consider and if thought fit, to pass, the following resolution, as an **Ordinary Resolution**:

**"RESOLVED THAT** the audited standalone financial statement of the Company for the Financial Year ended March 31, 2023 and the reports of the Board of Directors and Auditors thereon, as circulated to the Members, be and are hereby considered and adopted."

2. Adoption of the Audited consolidated financial statement of the Company for the financial year ended March 31, 2023 and the report of Auditors thereon

To consider and if thought fit, to pass, the following resolution, as an **Ordinary Resolution**:

**"RESOLVED THAT** the audited consolidated financial statement of the Company for the Financial Year ended March 31, 2023 and the report of Auditors thereon, as circulated to the Members, be and are hereby considered and adopted."

3. Declaration of dividend for the financial year ended March 31, 2023

To consider and if thought fit, to pass, the following resolution, as an **Ordinary Resolution**:

**"RESOLVED THAT** dividend at the rate of ₹ 2.00 (100%) per equity share of face value of ₹ 2.00 each fully paid-up, be and is hereby declared for the financial year ended March 31, 2023 and the same be paid as recommended by the Board of Directors of the Company, subject to deduction of tax at source and, in accordance with the provisions of Section 123 and rules made thereunder and the other applicable provisions, if any of the Companies Act, 2013."

4. Appointment of Mr. Vineet Agarwal (DIN: 00380300) as a Director liable to retire by rotation

To consider and if thought fit, to pass, the following resolution, as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, and Rules made thereunder (including any statutory modification(s), amendment(s), clarification(s), substitution(s) or re-enactment(s) thereof for the time being in force), Mr. Vineet Agarwal (DIN: 00380300), who retires by rotation at this meeting, be and is hereby appointed as a Director of the Company."

By Order of the Board of Director  
**TCI Express Limited**

Place: Gurugram  
 Date: 26<sup>th</sup> May 2023

**Priyanka**  
 Company Secretary  
 Membership No. 36870

## Registered Office:

Flat No. 306 & 307, 1-8-271 to 273,  
 3<sup>rd</sup> Floor, Ashoka Bhoopal Chambers  
 S.P Road, Secunderabad-500003,  
 Telangana  
**CIN:** L62200TG2008PLC061781  
**Email:** [secretarial@tcipress.in](mailto:secretarial@tcipress.in)  
**Website:** [www.tciexpress.in](http://www.tciexpress.in)  
**Tel:** 91-40-27840104

## NOTES AND DISCLOSURE:

1. The Ministry of Corporate Affairs ('MCA') and the Securities and Exchange Board of India ('SEBI'), in compliance with the provisions of the Companies Act, 2013 ('the Act') and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulation, 2015 ('the Listing Regulations'), permitted the holding of the AGM through Video Conferencing ('VC') or Other Audio-Visual Means ('OAVM'), without the physical presence of the Members at a common venue. Accordingly, in compliance with the provisions of the Act read with the circulars issued, AGM of the Company is being held through VC/OAVM mode. Further, in accordance with the Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India ('ICSI') read with guidance and clarification issued by ICSI, the proceedings of the AGM shall be deemed to be conducted at the Corporate Office of the Company, which shall be the deemed venue of the AGM.

The Members can attend and participate in the AGM through VC/OAVM and physical attendance of the Members to the AGM venue is not required. The Company has appointed Central Depository Services (India) Limited ('CDSL') for facilitating AGM through VC/OAVM means and e-voting for the proposed resolutions contained in the AGM Notice. The Members are requested to refer instructions given for participating in AGM and e-voting, given under the subsequent paragraphs.

The Company has provided facility to the Members to exercise their right to vote by electronic means, both through remote e-voting and e-voting during the AGM. The process of remote e-voting with necessary user id and password is given in the subsequent paragraphs. Such remote e-voting facility is in addition to e-voting that will take place during the AGM being held.

Since this AGM is being held pursuant to the circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the proxy form, attendance slip and route map are not annexed to this Notice. However, Corporate/Governor/President Member's are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and to cast their votes through e-voting.

2. All the Shareholders including Corporate/Institutional Members are encouraged to attend and vote in the AGM to be held through VC/OAVM. The Corporate/Institutional Members intending to participate in the AGM, pursuant to Section 113 of Act, are requested to upload a certified copy of the relevant board resolution/authority letter etc. on the website of CDSL at <https://www.evotingindia.com> or alternatively may send a scanned copy (PDF/

JPG format) of the relevant board resolution/authority letter, etc. with attested specimen signature of the duly authorised signatory(ies), who are authorised to vote, to the Scrutinizer by e-mail at [vasanth@vkbajajassociates.com](mailto:vasanth@vkbajajassociates.com) with a copy marked to [helpdesk.evoting@cdsl.co.in](mailto:helpdesk.evoting@cdsl.co.in) and [secretarial@tciexpress.in](mailto:secretarial@tciexpress.in).

3. With due compliance of the circulars, the Annual Report for the Financial Year 2022-23 including Notice of 15<sup>th</sup> AGM of the Company, inter alia, indicating the process and manner of e-voting is being sent by e-mail, to all the Members and persons so entitled, whose e-mail addresses are registered with the Company/Registrar and Share Transfer Agent or with the respective Depository Participants ('DP's') i.e. i) National Securities Depository Limited ('NSDL') and ii) Central Depository Services (India) Limited ('CDSL') for communication purposes and same will also be available on the website of the Company at <https://www.tciexpress.in/annual-reports.asp> and can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) (Scrip Code: 540212) and National Stock Exchange of India Limited at [www.nseindia.com](http://www.nseindia.com) (Scrip Symbol: TCIEXP) and on the website of CDSL at <https://www.cdslindia.com>. In case any Member is desirous of obtaining hard copy of the Annual Report for the FY 2022-23, he/she may send request to the Company's e-mail address at [secretarial@tciexpress.in](mailto:secretarial@tciexpress.in) mentioning folio No./DP ID and Client ID.
4. The Company is concerned about the environment and utilizes natural resources in a sustainable way. In consonance with the company's sustainability initiatives and applicable provisions of the Act and the Listing Regulations, the Company is sharing all documents with Shareholders in the electronic mode, wherever the same has been agreed to by the Shareholders. The Shareholders are requested to support this green initiative by registering/ updating their e-mail addresses for receiving electronic communications. To support green initiative, the Members are requested to register their e-mail address with their concerned DPs, in respect of electronic holding and with the RTA, in respect of physical holding, by submitting form ISR-1 duly filled and signed by the holders.
5. The Members are encouraged to submit their queries/ questions in advance by sending an e-mail to [secretarial@tciexpress.in](mailto:secretarial@tciexpress.in) with regard to the financial statements or any other matter to be placed at this AGM, from their registered e-mail address, mentioning their name, DP ID and Client ID/ folio No. and contact details, on or before 5.00 p.m. (IST) on Tuesday, July 25, 2023. Such queries will be appropriately responded by the Company.
6. The Members who would like to express their views/ ask questions as a speaker at the AGM may pre-register themselves by sending a request from their registered e-mail address mentioning their names, DP ID and Client ID/ folio No., PAN and contact details at [secretarial@tciexpress.in](mailto:secretarial@tciexpress.in),

on or before 5.00 p.m. (IST) on Wednesday, July 26, 2023. The Company reserves the right to restrict the number of questions and number of speakers, depending on the availability of time for the AGM.

7. The Members who need assistance before or during the AGM, can write to CDSL by e-mail at [helpdesk.evoting@cdsl.co.in](mailto:helpdesk.evoting@cdsl.co.in) or can contact on toll free No. 1800 22 55 33.
8. Pursuant to Section 152 of the Act, the Company has determined Mr. Vineet Agarwal (DIN: 00380300), Non-Executive Director, as retiring by rotation, and being eligible, he offered himself for re-appointment. The relevant details, pursuant to Regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings, in respect of the Director seeking re-appointment at this AGM are annexed to this Notice.
9. In Compliance of [Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ('SEBI (SBEB & SE) Regulations')], a certificate from the Secretarial Auditor of the Company, certifying the implementation of the Company's 'Employee Stock Option Plan-2016' in accordance with the SEBI (SBEB & SE) Regulations, will be made available for inspection by the Members.
10. The register of Directors and Key Managerial Personnel along with their shareholding, maintained under Section 170 of the Act and the register of contracts or arrangements, in which the Directors are interested, maintained under Section 189 of the Act and relevant documents referred to in the Notice of this AGM/Annual Report will 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. The said documents will also be made available for inspection at the Registered and Corporate Office of the Company, during business hours. Further, the Shareholders may also write to the Company at its e-mail at [secretarial@tcexpress.in](mailto:secretarial@tcexpress.in) for inspection of any statutory register/documents required to be placed at the time of AGM of the Company. Accordingly, the Company will arrange to make the copy available to the Shareholders.
11. The Company's Registrar and Share Transfer Agent (RTA) for holders of physical as well as electronic/dematerialized equity shares, is KFin Technologies Limited (formerly known as KFin Technologies Private Limited). having its office at Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad 500 032.
12. The Company has designated an exclusive e-mail id [secretarial@tcexpress.in](mailto:secretarial@tcexpress.in) to redress Shareholders' complaints/grievances. In case you have any queries/complaints/grievances, then please write, alternatively request can be submitted to the RTA of the Company at [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com).

### 13. Book closure, dividend payment, and taxability

- (i) The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, July 29, 2023 to Friday August 04, 2023 (both days inclusive) for the purpose of AGM and determining the eligibility to receive the final dividend for the FY 2022-23.

The dividend of ₹ 2.00 (100%) per equity share of face value of ₹ 2.00 each, if approved at the AGM, will be paid subject to deduction of income tax at source ('TDS'), as applicable, in the manner stipulated below:

**For Shares held in electronic form:** To all the Beneficial Owners as of the close of business hours on **Friday, July 28, 2023**, as per the list of Beneficial Owners to be furnished by NSDL and CDSL; and

**For Shares held in physical form:** To all the Members, whose names appears in the Company's Register of Members after giving effect to valid transmission and transposition requests lodged with the Company, as of the close of business hours on **Friday, July 28, 2023**.

- (ii) Dividend income is taxable in the hands of the Shareholders and the Company is required to deduct TDS from dividend at rates prescribed in the Income Tax Act, 1961 ('the IT Act'). For the prescribed rates of various categories, please refer to the Finance Act, 2020 and the amendments thereof. To enable compliance with TDS requirements, a communication providing information and detailed instructions with respect to tax on the dividend is being sent separately to the Members, whose e-mail addresses are registered with the Company/DPs. Hence, the Shareholders are advised to take note of the said communication regarding applicability of TDS rates and submission of requisite documents. The Members are also requested to complete and/or update their documents/declarations along with the formats in respect of TDS on the dividend pay-out as per the IT Act, with their DPs or with the Company/RTA by sending documents in the manner prescribed under the communication letter.

In compliance of the Listing Regulations, the Company has extended the facility of electronic credit of dividend payment, directly to the account of respective Shareholders. The final dividend, once approved will be paid electronically through available online transfer modes to those Members, who have updated their bank account details. For the Members, who have not updated their bank account details, the Company shall dispatch the dividend warrant/demand draft/cheques to such Member by permitted mode. To avoid delay in receiving the dividend, the Members are requested to update their KYC with their DP's/RTA to receive the dividend directly into their bank account on the pay-out date. The Members may refer paragraph no. fifteen (15)

to submit/update KYC including bank details/PAN/ nomination details.

14. Pursuant to the provisions of Section 124 of the Act, dividend which remains unpaid or unclaimed for a period of seven (7) consecutive years from the date of its transfer to unpaid dividend account, is required to be transferred by the Company to Investor Education and Protection Fund ('IEPF'), established by the Central Government under the provisions of Section 125 of the Act. The details of unclaimed dividend alongwith their due date for transfer to IEPF is provided in the Corporate Governance Report, which is part of this Annual Report. The Company has also uploaded the details of unpaid and unclaimed dividend amounts on its website at [www.tciexpress.in](http://www.tciexpress.in).

In view of above, the Members who have not en-cashed the dividend so far are requested to write to the Company/ RTA, accordingly arrangement shall be made to release the unclaimed dividend amount.

#### 15. PAN/KYC/nomination updation

- (i) The SEBI vide its latest circular dated March 16, 2023, in supersession of earlier circulars in this regard, has reiterated that it is mandatory for all holders of physical securities to furnish/update their PAN as well as other KYC details (postal address mobile number, bank account details) and nomination by submitting form ISR-1, form ISR-2, form ISR-3, form SH-13 and form SH-14 (as applicable).

As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting form No. SH-13. If a Member desires to opt out or cancel the earlier nomination and record fresh nomination, he/she may submit the same in form ISR-3 or form SH-14, as applicable.

- (ii) In terms of above circular, folios of physical Shareholders, wherein any one of the said documents are not available, shall be frozen with effect from October 1, 2023 and such physical Shareholders will not be eligible to lodge grievances or avail service requests from the RTA of the Company and will not be eligible for receipt of dividend in physical mode until the said details are furnished. Further, frozen folios shall be referred by RTA/Company to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and Prevention of Money Laundering Act, 2002, after December 31, 2025. The Shareholders holding shares in physical mode are requested to ensure that their PAN is linked to Aadhaar by June 30, 2023 or any other date as specified by the Central Board of Direct Taxes, to avoid freezing of folio.

In support of above initiative, the Company has sent

individual letters at multiple point of time, to all the Members holding shares in physical form, requesting them to furnish their PAN, KYC and nomination details.

The manner and process of making application as per the aforesaid framework and operational guidelines thereto is available on the website of the RTA at <https://ris.kfintech.com/clientservices/isc/> and the Company at <https://www.tciexpress.in/investor-faq.aspx>. The Shareholders holding physical securities and in respect of whose details as mentioned above are pending, are requested once again to go through the requirements and furnish the requisite details.

#### 16. Issue of securities in dematerialized form

- (i) The Members may please note that the SEBI vide its circular dated January 25, 2022 has mandated the listed Companies to issue securities in dematerialized form only, while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/ folios; transmission and transposition.

Accordingly, the Shareholders are requested to make service requests by submitting a duly filled and signed form ISR-4, the format of which is available on website of the Company/RTA. It may be noted that any service request can be processed only after the folio is KYC Compliant.

- (ii) The Members are requested to note that the SEBI has recently by making amendment in relevant provisions of the Listing Regulations, prohibited listed Companies from accepting request for transfer, transmission or transposition of securities held in physical form. The Shareholders, who continue to hold shares in physical form, will not be able to lodge the shares with Company/RTA and they will need to convert their holding in demat form compulsorily, if they wish to affect such request.

#### 17. Disputes Resolution

The Members are hereby informed that for addressing the unresolved disputes pertaining to or emanating from investor services between the Company/RTA offering services on behalf of the Company and its Shareholders, SEBI vide circular dated May 30, 2022 read with circular dated April 08, 2022, introduced standard operating procedure to be followed under the Stock Exchange arbitration process. The mechanism can be initiated only post exhausting all actions for resolution of complaints including those received through the SCORES portal.

18. The Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company/RTA, details of such folios together



with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.

19. In case of joint holders, the Member whose name appears as the first holder in the order of the names as per the register of Members of the Company and attending the AGM will be entitled to vote on the resolutions.
20. To prevent fraudulent transactions, the Members are advised to exercise due diligence and notify the DP's or Company/RTA of any change in address or demise of any Member as soon as possible. The Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DP's and holdings should be verified from time to time.
21. The Company has appointed Mr. Vasanth Bajaj (Membership No. FCS 6868) and in the event of his inability, Ms. Sejal, Partners at V K Bajaj & Associates, Practicing Company Secretary, as the Scrutinizer to scrutinize the remote e-voting process before and during the AGM in a fair and transparent manner. The Scrutinizer shall, immediately after the conclusion of AGM and e-voting thereat, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.
22. The results declared along with the Scrutinizer's Report shall be placed on the Company's notice board and its website at [www.tciexpress.in](http://www.tciexpress.in) and on the website of CDSL within two (2) days of passing of the resolutions at the AGM of the Company. The Company shall simultaneously forward the results to the National Stock Exchange of India Limited and BSE Limited, where the shares of the Company are listed.
23. The recorded transcript of the forthcoming AGM on Friday, August 04, 2023 shall also be made available on the website of the Company [www.tciexpress.in](http://www.tciexpress.in) under the 'Investor Relations' section, as soon as possible after the AGM is over.
24. The resolutions will be deemed to be passed on the AGM date i.e. Friday, August 04, 2023.

#### **INSTRUCTIONS FOR E-VOTING AND JOINING THE AGM ARE AS FOLLOWS:**

#### **VOTING THROUGH ELECTRONIC MEAN**

Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of the Listing Regulations, MCA/SEBI circulars and the Secretarial Standard on General

Meetings, the Company is providing facility of remote e-voting to its Members in respect of all the business to be transacted at the AGM. For this purpose, the Company has engaged services of CDSL for facilitating voting through electronic means, as the authorized e-voting's 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.

#### **A INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING, E-VOTING DURING AGM AND JOINING AGM THROUGH VC/OAVM ARE AS UNDER:**

- I The remote e-voting period will begin on **Tuesday, August 01, 2023 at 09:00 A.M (IST)** and ends on **Thursday, August 03, 2023 05:00 P.M. (IST)**. During this period, Shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Friday, July 28, 2023, may cast their vote electronically. The remote e-voting shall not be allowed beyond the said date(s) and module of e-voting shall be disabled by CDSL for voting thereafter.
- II The Shareholder(s) who have already voted prior to the AGM, may attend AGM, however he/she would not be entitled to cast vote again at the AGM.
- III The Members can join the AGM through VC/OAVM mode fifteen (15) minutes before the scheduled time of the commencement of the AGM and facility for joining shall be kept open till the expiry of fifteen (15) minutes after the scheduled time to start the AGM. The facility of participation at the AGM through VC/OAVM will be made available to at least one thousand (1000) Members on first come first served basis. This will not include large Shareholders (Shareholders holding two percent (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 AGM without restriction on account of first come first served basis.
- IV The attendance of Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Act.
- V Pursuant to the SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 09, 2020 and Regulation 44 of the Listing Regulations, listed Companies are required to provide remote e-voting facility to its Shareholders, in respect of all Shareholders resolutions. However, it has been observed that the participation by the public non-institutional Shareholders/retail Shareholders is at a negligible level. Currently, there are multiple e-voting service providers (ESPs), providing e-voting facility

to listed Companies in India. This necessitates registration on various ESPs and maintenance of multiple user id's and passwords by the Shareholders.

- VI In order to increase the efficiency of the voting process, it has been decided to enable e-voting to **all 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. In terms of above said SEBI circular, individual Shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. The Shareholders are advised to update their mobile number and email id in their demat accounts in order to access e-voting facility.

- VII **Login method for e-voting and joining virtual AGM for Individual Shareholders holding securities in demat mode** is given below:

Type of Shareholders	Login Method
<b>Individual Shareholders holding securities in demat mode with CDSL</b>	<p>(i) Users who have opted for CDSL Easi/Easiest facility, can login through their existing user id and password. An option will be made available to reach e-voting page without any further authentication. The URL for users to login to Easi/Easiest are <a href="https://web.cdslindia.com/myeasitoken/home/login">https://web.cdslindia.com/myeasitoken/home/login</a> or Members may visit to CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon and select 'My Easi New (token)' tab.</p> <p>(ii) After successful login the Easi/Easiest, user will be able to see the e-voting option for eligible Companies, where the e-voting is in progress as per the information provided by the Company. On clicking the e-voting option, the user will be able to see e-voting page of the e-voting service provider for casting vote during the remote e-voting period or joining virtual AGM and voting during the AGM. Additionally, there is also links provided to access the system of all e-voting service providers, so that the user can visit the e-voting service providers' website directly.</p> <p>(iii) If the user is not registered for Easi/Easiest, an option to registration is available at <a href="https://web.cdslindia.com/myeasitoken/home/login">https://web.cdslindia.com/myeasitoken/home/login</a>. They can also visit to CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon and select 'My Easi New (token)' tab, where registration link will be available.</p> <p>(iv) Alternatively, the user can directly access e-voting page by providing demat account number and permanent account number (PAN) 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 and e-mail as recorded in the demat account. After successful authentication, the user will be able to see the e-voting option, where the e-voting is in progress and also able to directly access the system of all e-voting service providers.</p>
<b>Individual Shareholders holding securities in demat mode with NSDL</b>	<p>(i) 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. Then click on 'access to e-voting' under e-voting services and you will be able to see e-voting page. Then 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 AGM and voting during the AGM.</p> <p>(ii) 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>. Then 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>.</p> <p>(iii) 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's depository site, wherein you can see e-voting page. Then 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 AGM and voting during the AGM.</p>
<b>Individual Shareholders (holding securities in demat mode) login through their depository participants</b>	<p>You can also login using the login credentials of your demat account through your DP's 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. Then 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 AGM and voting during the AGM.</p>



Helpdesk for individual Shareholders holding securities in demat mode for any technical issues related to login through Depositories i.e. CDSL and NSDL.

Login type	Helpdesk details
<b>Individual Shareholders holding securities in demat mode with 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 can contact at toll free no.: 1800 22 55 33
<b>Individual Shareholders holding securities in demat mode with 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 can contact at toll free no.: 022-4886 7000 and 022-2499 7000
<b>Important note</b>	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.

VIII Login method for e-voting and joining virtual meeting (AGM) for **Shareholders other than Individual Shareholders holding securities in demat mode and Shareholders holding securities in physical mode** is given below:

- The Shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- Click on 'Shareholders' module.
- Now enter your user ID as per instruction below;
  - For CDSL: 16 digits beneficiary ID,
  - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - Shareholders holding shares in physical form should enter folio number registered with the Company.
- Next enter the image verification as displayed and click on login.
- 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
- If you are a first-time user follow the steps given below:

**For Shareholders holding shares in demat form (other than individual) and/or physical form**

PAN	<ul style="list-style-type: none"> <li>Enter your 10-digit alpha-numeric *PAN issued by Income Tax Department (applicable for both demat Shareholders as well as physical Shareholders)</li> <li>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.</li> </ul>
Dividend bank details or date of birth (DOB)	<ul style="list-style-type: none"> <li>Enter the dividend bank details or DOB (in dd/mm/yyyy format) as recorded in your demat account or in the Company's records in order to login.</li> <li>If both the details are not recorded with the DP's/Company, please enter the Memberid / folio number in the dividend bank details field.</li> </ul>

\* Mandatory submission

- After entering these details appropriately, click on 'SUBMIT' tab.
- The 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. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For Shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- 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.
- Click on the 'RESOLUTIONS FILE LINK' if you wish to view the entire Resolution details.

XV 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.

XVI Once you 'CONFIRM' your vote on the Resolution, you will not be allowed to modify your vote.

XVII You can also take a print of the votes cast by clicking on 'click here to print' option on the voting page.

XVIII 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 and enter the details as prompted by the system.

#### **XIX Additional facility for Non-Individual Shareholders and custodians- For remote voting only:**

- a) Non-individual Shareholders (i.e. other than Individuals, HUF, NRI etc.) and custodians (collectively can be referred as 'entity') are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the 'Corporates' module.
- b) A scanned copy of the registration form bearing the stamp and sign of the entity should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- c) 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.
- d) The list of accounts linked in the login will be mapped automatically and can be delink in case of any wrong mapping.
- e) It is mandatory that, a scanned copy of the board resolution/power of attorney (POA) which they have issued in favour of the non-individual Shareholders/custodian, if any, should be uploaded in PDF format in the system, for the scrutinizer to verify the same.
- f) Alternatively, they can send the relevant board resolution/authority letter etc. together with attested specimen signature of the duly authorized signatory, who are authorized to vote, to the Scrutinizer at his mail address at [vasanth@vkbajajassociates.com](mailto:vasanth@vkbajajassociates.com), or to the Company at [secretarial@tcipress.in](mailto:secretarial@tcipress.in), if they have voted from individual tab and not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

#### **B INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM AND E-VOTING DURING AGM ARE AS UNDER:**

- I The procedure for attending AGM and e-voting on the day of AGM is same as the instructions mentioned

above for remote e-voting. The said e-voting facility shall be in operation till all the resolutions are considered and voted upon in the AGM and may be used for voting only by the Members attending the AGM and who have not exercised their right to vote through remote e-voting.

- II The link for VC/OAVM to attend AGM will be available where the EVSN of Company will be displayed after successful login, as per the instructions mentioned above for remote e-voting.
- III The Shareholders, who have voted through remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
- IV The Shareholders are encouraged to join the AGM through laptops or iPads for better experience.
- V Further, the Shareholders will be required to allow camera and use internet with a good speed to avoid any disturbance during the AGM.
- VI Please note that participants joining through mobile devices or tablets or laptop and 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 connections to mitigate any kind of aforesaid glitches.
- VII Only those Shareholders, who are present at the AGM through VC/OAVM facility 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 AGM.
- VIII If any votes are cast by the Shareholders through e-voting facility available during the 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 AGM is available only to the Shareholders attending the AGM.
- IX The voting rights of the Members shall be in proportion to their share in the paid-up share capital of the Company as on the cut-off date, Friday, July 28, 2023.
- X Any person who acquires shares of the Company and becomes a Member of the Company after the Notice has been sent electronically by the Company, and holds shares as of the cut-off date, such Member may obtain the user id and password by sending a request at [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or [secretarial@tcipress.in](mailto:secretarial@tcipress.in). However, if a Member is already registered with CDSL for e-voting then existing user id and password can be used for casting vote. A person who is not a Member as on cut-off date should treat this Notice for information purpose only.

### C PROCESS FOR SHAREHOLDERS WHOSE E-MAIL/ MOBILE NUMBER ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES:

- I **For Physical Shareholders**-Please provide necessary details like folio number, name, complete address of Shareholder, scanned copy of the share certificate (front and back), self-attested scanned copy of PAN card and AADHAR or document in support of address proof by e-mail to RTA at [rajeev.kr@kfintech.com](mailto:rajeev.kr@kfintech.com) or to the Company at [secretarial@tcexpress.in](mailto:secretarial@tcexpress.in).
- II **For Demat Shareholders**-Please provide demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), name, client master or copy of consolidated account statement, along with self attested scanned copy of PAN card to your respective Depository Participants, alternatively, mail to the RTA at [rajeev.kr@kfintech.com](mailto:rajeev.kr@kfintech.com) or to the

Company at [secretarial@tcexpress.in](mailto:secretarial@tcexpress.in). Please make endeavour to update your e-mail id and mobile number with your respective Depository Participants, which is mandatory while e-voting and joining virtual AGM/meetings through Depository.

If you have any queries or issues regarding attending AGM and e-voting from the CDSL e-voting system, you can write an e-mail to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 22 55 33.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager at Central Depository Services (India) Limited (CDSL), having office at -A Wing, 25<sup>th</sup> Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an e-mail to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call toll free no. 1800 22 55 33.

### Details of Directors seeking re-appointment at the AGM

[Pursuant to Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 and Secretarial Standard 2 on General Meetings]

Sr. no.	Particulars	Details
1.	Name of the Director	Mr. Vineet Agarwal
2.	DIN	00380300
3.	Date of birth	September 16, 1973
4.	Nationality	Indian
5.	Date of appointment on the Board	October 07, 2015
6.	Qualifications	He graduated from Carnegie Mellon University and the Owner President Management Program from Harvard Business School.
7.	Expertise in specific functional area	Mr. Vineet Agarwal is acting as Non-Executive Director of the Company. Mr. Vineet Agarwal is the Managing Director of Transport Corporation of India Limited (TCI) and the Chairman of Transystem Logistics International Pvt. Ltd. (A JV of TCI & Mitsui & Co., Japan). He joined TCI in 1996 as the Executive Director and has held various finance and management roles within the Company. Under his leadership, TCI has adapted to new technologies and work systems to grow from strength to strength. He has been active in transforming the organization towards value-added services in the area of supply chain management and multimodal logistics. Mr. Agarwal has played a pivotal role in orienting TCI to move from being a mere trucking Company to evolve itself as one of India's foremost integrated supply chain solutions providers.
8.	No. of shares held in the Company including shareholding as a beneficial owner	20,08,979
9.	List of the Directorships held in other listed Companies	Please refer Corporate Governance Report
10.	Chairperson/Membership in the Committees of the Boards of listed Companies in which he is Director	<b>TCI Express Limited &amp; TCI Developers Limited</b> Audit Committee (Member) Stakeholders' Relationship Committee (Member) <b>Somany Ceramics Limited</b> Audit Committee (Member)
11.	No. of Board Meetings attended during FY 2022-23	Four (4)
12.	Relationships between Directors inter-se	Related to Mr. Dharmpal Agarwal and Mr. Chander Agarwal
13.	Remuneration details (Including Sitting Fees & Commission)	₹ 600,000
14.	Resignation details in the listed entities during the last three (3) years	None

Note: a) The Directorship in listed Companies has been provided. The Membership includes only Audit Committee and Stakeholders' Relationship Committee of Public Listed Company.

b) For other details such as the number of meetings of the Board/Committee attended during the year, expertise, tenure etc., are provided under the Corporate Governance Report, forming part of Annual Report.



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